



Agenda

Greenville City Council

April 7, 2014
6:00 PM
City Council Chambers
200 West Fifth Street

Assistive listening devices are available upon request for meetings held in the Council Chambers. If an interpreter is needed for deaf or hearing impaired citizens, please call 252-329-4422 (voice) or 252-329-4060 (TDD) no later than two business days prior to the meeting.

I. Call Meeting To Order

II. Invocation - Mayor Pro-Tem Mercer

III. Pledge of Allegiance

IV. Roll Call

V. Approval of Agenda

- **Public Comment Period**

The Public Comment Period is a period reserved for comments by the public. Items that were or are scheduled to be the subject of public hearings conducted at the same meeting or another meeting during the same week shall not be discussed. A total of 30 minutes is allocated with each individual being allowed no more than 3 minutes. Individuals who registered with the City Clerk to speak will speak in the order registered until the allocated 30 minutes expires. If time remains after all persons who registered have spoken, individuals who did not register will have an opportunity to speak until the allocated 30 minutes expires.

VI. Consent Agenda

1. Minutes from the September 12 and October 10, 2013, City Council meetings
2. Right-of-way encroachment agreement with University Health Systems of Eastern North Carolina, Inc., d/b/a Vidant Health, to encroach upon the public street right-of-way of Hemby Lane to install a below-ground fiber-optic cable in a conduit
3. Resolution declaring Urban Search and Rescue canine Storm as surplus property and authorizing her disposition to Retired Battalion Chief Susan Barrett

4. Reimbursement Agreement with Greenville Utilities Commission for Design, Easement Acquisition, and Construction of Waterline Relocation for Bridge #421 on King George Road
5. Acceptance of Economic Development Grants from ElectriCities and the Pitt County Development Commission
6. Request by Pitt County Board of Health
7. Various tax refunds greater than \$100

VII. Old Business

8. 2014-2015 City of Greenville Strategic Plan

VIII. New Business

Public Hearings

9. Resolution to execute and deliver the Installment Financing Agreement and Deed of Trust for the City's uptown parking deck

Other Items of Business

10. Presentations by Boards and Commissions
 - a. Affordable Housing Loan Committee
 - b. Community Appearance Commission
11. Resolution to execute and deliver the Installment Financing Agreement for the initial borrowing on a three-year plan for the acquisition of Sanitation equipment
12. Preview of the City's proposed operating budget for fiscal year 2014-2015 and financial plan for fiscal year 2015-2016
13. Ordinances Amending the City's Privilege License Fees
14. 2014 State Legislative Initiatives

IX. Review of April 10, 2014, City Council Agenda

X. Comments from Mayor and City Council

XI. City Manager's Report

XII. Adjournment



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Minutes from the September 12 and October 10, 2013, City Council meetings

Explanation: Proposed minutes from City Council meetings held on September 12 and October 10, 2013, are presented for review and approval.

Fiscal Note: There is no direct cost to the City.

Recommendation: Review and approve minutes from City Council meetings held on September 12 and October 10, 2013.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

[Proposed Minutes September 12 2013 City Council Meeting 972767](#)

[Proposed Minutes of the October 10 2013 City Council Meeting 974515](#)

PROPOSED MINUTES
MEETING OF THE CITY COUNCIL
CITY OF GREENVILLE, NORTH CAROLINA
THURSDAY, SEPTEMBER 12, 2013



A regular meeting of the Greenville City Council was held on Thursday, September 12, 2013 in the Council Chambers, located on the third floor at City Hall, with Mayor Allen M. Thomas presiding. Mayor Thomas called the meeting to order at 7:00 p.m. Council Member Dennis Mitchell gave the invocation, followed by the Pledge of Allegiance.

Those Present:

Mayor Allen M. Thomas, Mayor Pro-Tem Rose H. Glover, Council Member Kandie Smith, Council Member Marion Blackburn, Council Member Calvin R. Mercer, Council Member Max R. Joyner, Jr. and Council Member Dennis J. Mitchell

Those Absent:

None

Also Present:

City Manager Barbara Lipscomb, City Attorney David A. Holec, City Clerk Carol L. Barwick and Deputy City Clerk Polly W. Jones

APPROVAL OF THE AGENDA

City Manager Lipscomb requested the addition of the Neighborhood Advisory Board Ordinance amendment to the agenda.

Council Member Smith moved to approve the agenda with the requested addition, seconded by Council Member Joyner. The motion passed by unanimous vote.

SPECIAL RECOGNITION

Mayor Thomas, City Manager Lipscomb and Recreation and Parks Director Gary Fenton recognized Mr. Alonza Price with the Recreation and Parks Department for his 35 years and five months of service to the City of Greenville and its citizens, and congratulated him on his retirement. City Manager Lipscomb stated that the City has renamed the newly-renovated Eppes Gymnasium after him.

Mayor Thomas, City Manager Lipscomb and Police Chief Hassan Aden recognized Ms. Cynthia Suggs with the Greenville Police Department for her 29 years and seven months of service to the City of Greenville and its citizens, and congratulated her on her retirement. Chief Aden stated that although Ms. Suggs was officially retiring, she would be continuing to work on a part-time basis with the Greenville Police Department.



Mayor Thomas, City Manager Lipscomb and Battalion Chief Brock Davenport recognized Mr. Michael Hobgood with the Greenville Fire-Rescue Department for his 30 years of service to the City of Greenville and its citizens, and congratulated him on his retirement.

Mayor Thomas, City Manager Lipscomb, Chief Aden and Battalion Chief Brock Davenport recognized the officers, first responders, citizens and their families involved in the shooting incident that took place on June 21, 2013.

APPOINTMENTS

APPOINTMENTS TO BOARDS AND COMMISSIONS

Greenville Bicycle & Pedestrian Commission

Council Member Mercer continued the appointment of Anthony R. Little's seat, who had resigned.

Historic Preservation Commission

Council Member Blackburn made a motion to appoint Charles William Gee to fill an unexpired term that will expire January 2015, in replacement of Richard Weir, who had resigned. Council Member Joyner seconded the motion and it carried unanimously.

Human Relations Council

Mayor Pro-Tem Glover made a motion to reappoint Loyd Horton to a second three-year term that will expire September 2016, Hassam Kandil to a first three-year term that will expire September 2016, and Byung Lee to a second three-year term that will expire September 2016. Council Member Joyner seconded the motion and it carried unanimously.

Mayor Pro-Tem Glover chose to continue the appointment of the East Carolina University seat.

Pitt-Greenville Convention & Visitors Authority

Mayor Pro-Tem Glover chose to continue the appointment of Terry Shank's seat, who had resigned.

Planning & Zoning Commission

Council Member Kandie Smith chose to continue the appointment of Kevin Burton's seat, who had resigned.

Recreation & Parks Commission

Mayor Pro-Tem Glover made a motion to appoint Tyler Clark to fill an unexpired term that will expire May 31, 2015, in replacement of Freddie Outterbridge, who was no longer eligible to serve. Council Member Joyner seconded the motion and it carried unanimously.



Youth Council

Council Member Blackburn continued the appointment due to lack of applicants.

Nominations for Pitt-Greenville Convention & Visitors Authority Chair

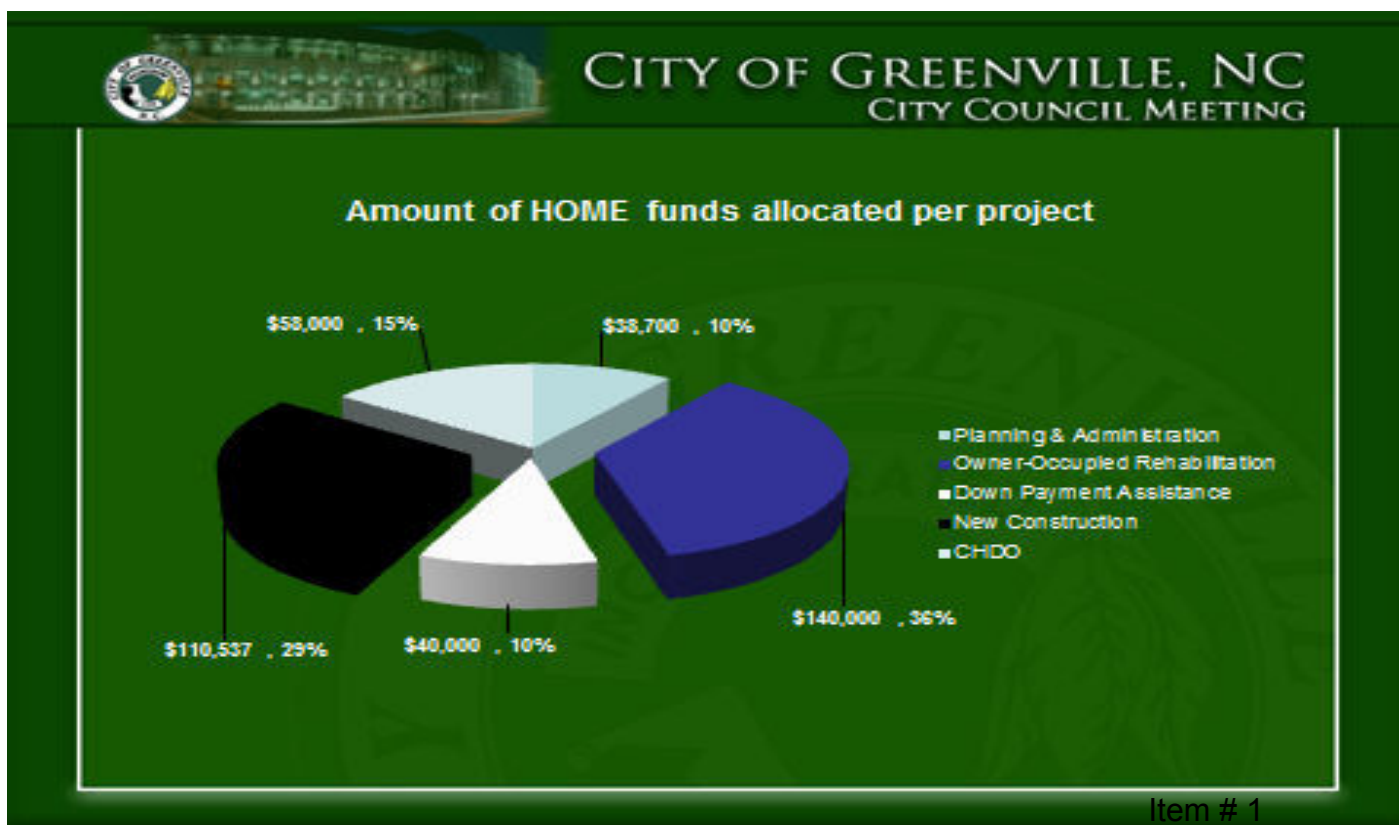
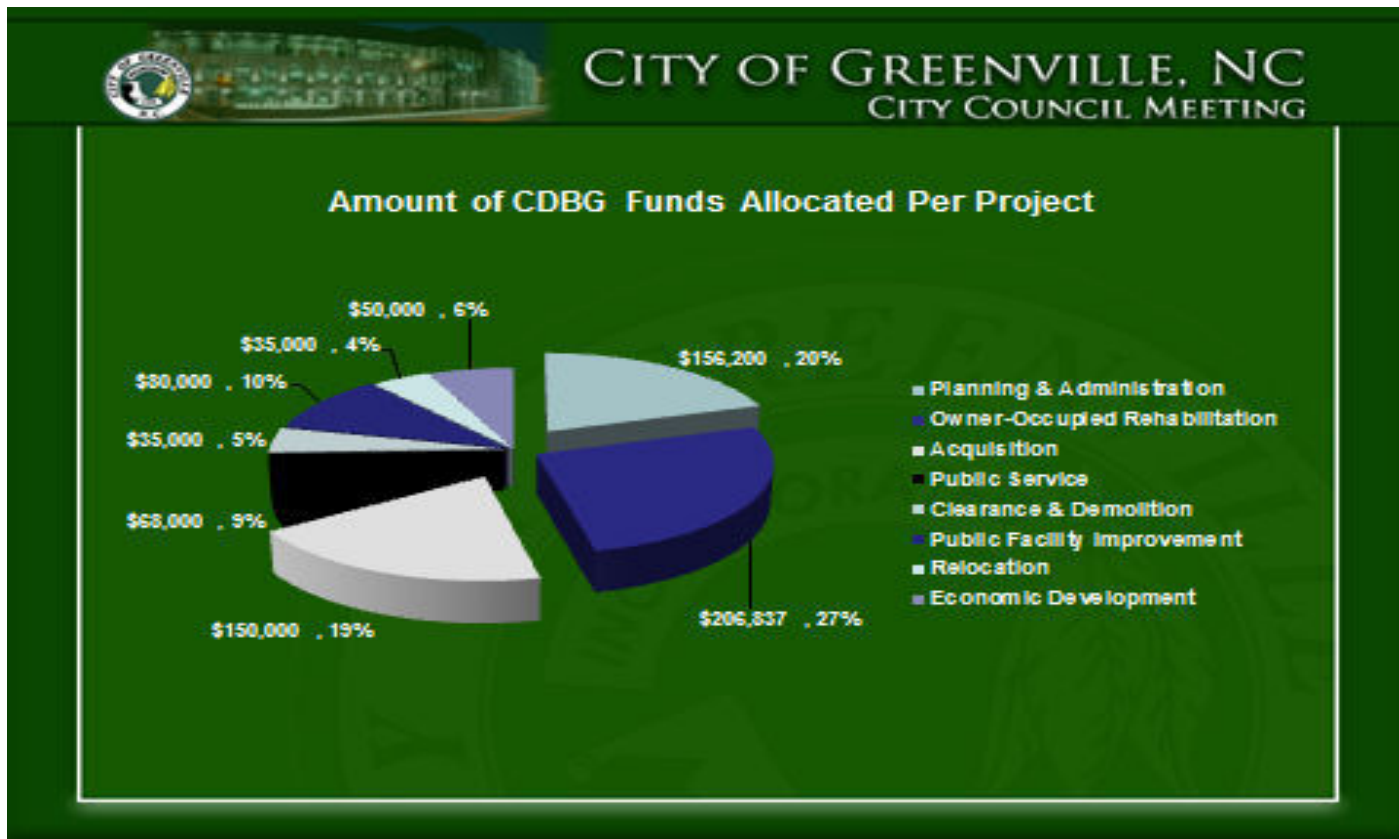
Mayor Pro-Tem Glover made a motion to nominate J.J. McLamb, Chris Jenkins, and Bob Sheck as candidates to be considered for the Pitt-Greenville Convention & Visitors Authority Chair by the Pitt County Commissioners. Council Member Joyner seconded the motion, and it carried unanimously.

NEW BUSINESS

PUBLIC HEARINGS

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

Senior Planner Niki Jones stated that staff is in the process of completing the Consolidated Annual Performance and Evaluation Report (CAPER), an end-of-year report for Community Development Block Grant and HOME Investment Partnership Program funds. The CAPER outlines the progress a city makes in establishing and maintaining suitable housing and living environments for its residents. Mr. Jones said that the report, which is mandated by the U.S. Department of Housing and Urban Development (HUD), is required because Greenville is a grantee and an entitlement city. He stated further that the allocations in the report depicted staff's intentions for the use of the federal funding. The top three Community Development Block Grant (CDBG) projects from Fiscal Year 2012-2013 were Planning and Administration, Owner-Occupied Rehabilitation, and Acquisition. Additionally, the top three expenditures for the HOME Investment Partnership included Owner-Occupied Rehabilitation, New Construction, and Community Housing Development Organizations (CHDO). Mr. Jones showed City Council the charts below depicting the allocation of CDBG funds and HOME funds per project:





Mr. Jones then presented the below slides showing the CDBG and HOME Investment Partnership accomplishments for Fiscal Year 2012-2013, showing the units completed and the corresponding funding amount per each project:



CITY OF GREENVILLE, NC
CITY COUNCIL MEETING

Community Development Block Grant (CDBG) Accomplishments 2012-2013

| 2012-13 | Units Completed | Funding |
|---------------------------|-----------------|------------|
| Housing Rehabilitation | 2 | \$89,216 |
| Clearance & Demolition | 6 | \$ 22,915 |
| Acquisition of properties | 1 | \$11,451 |
| Public Facility | 1 | \$80,000 |
| Public Service Funding | 8 | \$140,000 |
| Relocations | 1 | \$ 12,547 |
| Total | 19 | \$ 504,422 |



CITY OF GREENVILLE, NC
CITY COUNCIL MEETING

HOME Investment Partnership Accomplishments 2012-2013

| 2012-13 | Units Completed | Funding |
|-------------------------|-----------------|-------------|
| Down Payment Assistance | 3 | \$ 40,000 |
| University Area DPA | 6 | \$47,365 |
| Housing Rehabilitation | 6 | \$340,784 |
| New Construction/CHDO | 6 | \$780,000 |
| Total | 21 | \$1,208,149 |



Mr. Jones summarized the accomplishments that were achieved during the reporting period. He noted that the highlighted numbers on the slide were staff's initial expectations, but also that the accomplishments met or exceeded every goal.





CITY OF GREENVILLE, NC
CITY COUNCIL MEETING

Summary of Accomplishments:

Activities accomplished during the reporting period included the following:

- Eight (8) Owner-Occupied home rehabilitations were completed (6)
- Four (4) homes were cleared of Lead-Based Paint Hazards (0)
- Eight (8) public services grants awarded to public service agencies serving 1,201 low-moderate income clients (5 grants & 620 served)
- One (1) substandard unit was acquired (0)
- Six (6) substandard units were demolished and removed (0)
- One (1) displaced tenant was relocated (4)



CITY OF GREENVILLE, NC
CITY COUNCIL MEETING

Summary of Accomplishments:

Activities accomplished during the reporting period included the following:

- One (1) public facility improvement was completed (1)
- Nine (9) down payment assistance's (deferred loans) were administered (2)
- Six (6) new single-family homes were constructed (1)
- One (1) new single-family home was sold
- Four (4) homes were sold to GHA for their Lease-Purchase program
- Eighty-four (84) multi-family units were constructed through leveraging HOME funds



Mr. Jones said that staff recommended that the City Council hold a public hearing to encourage citizen participation, approve submission of the CAPER to the United States Department of Housing and Urban Development, and authorize the Mayor and City Manager to sign any required documents.

Council Member Joyner asked if the City could rehabilitate rather than demolish the homes, and wondered if CDBG and HOME funds could be used for that purpose. Mr. Jones replied that staff has considered rehabilitation versus demolition, and has observed the practices of other municipalities. He mentioned that larger homes are a challenge because they are more costly to rehabilitate than smaller homes. He said that the City owns two large historic properties on West 5th Street. Rather than investing unjustifiable costs in rehabilitation, Mr. Jones said that the City will collaborate with the North Carolina Preservation Trust to market and pursue bids on those homes. He said many homes in West Greenville are in substandard condition and beyond repair, but also recognized that the City must make a stronger effort to improve the neighborhood's historic character.

Council Member Blackburn asked if the University Area Down Payment Assistance Program is comprised of federal money. She also questioned the status of the program and the availability of funding. Mr. Jones said that the money in that program is City money, and stated that \$20,000 is currently budgeted for down payment assistance in the current fiscal year.

Community Development Director Merrill Flood said that the City has completed 14 loans in the area and staff is looking at other initiatives. Council Member Blackburn was concerned about the potential of pulling this funding out of the budget. She stated that in the past, down payment assistance was built into the budget and did not require special City Council action. Mr. Flood said it is included in the Capital Improvement Plan for a five-year period and is dependent upon the City Council's allocation of funds for that activity in a given year. Council Member Blackburn said this was a program that the City should wish to continue in an effort to increase homeownership in the University area.

Mayor Pro-Tem Glover asked what types of cuts have impacted the housing program within the past fiscal year. Mr. Flood said there was approximately a 15% cut in HOME Investment Partnership and similar in CDBG, which is a significant reduction from where the City began five to 10 years ago. He pointed out that the lead-based paint clearance requirement has reduced the impact of City funds.

Mayor Pro-Tem Glover mentioned a housing project that took place in Pennsylvania, where homes were sold for \$1.00 under the condition that the purchaser brought the house to city standards within one year. Under that plan, the city continues to own the land in order to ensure upkeep. Mayor Pro-Tem Glover asked if a similar plan would be feasible in Greenville. Mr. Flood said that staff has been studying several models intently, such as Durham's land trust model. He said staff is forging a new partnership with the State Employees' Credit Union (SECU) and is looking to create a potential future City Council



item similar to that plan. Mr. Flood said the goal would be to provide housing opportunities and get City-owned homes back into tax production mode.

Mr. Jones said that staff will continue to look into various models, including the one mentioned by Mayor Pro-Tem Glover. He mentioned that last year, SECU and staff began collaborating on a program for severely dilapidated historic homes, and SECU is willing to rehabilitate four historic homes for low to moderate-income individuals and families. He said staff is currently working through the details of the program and is taking steps to restore the neighborhood's historic nature.

Mayor Pro-Tem Glover said Federal law obligates banks to reinvest in their communities through the Community Reinvestment Act. She urged staff and the City Council to innovate ways to increase funding, as HUD dollars continue to decline. Mayor Pro-Tem Glover emphasized that attracting homeowners to the West Greenville area will create a tax base and sense of pride in the community.

City Manager Lipscomb said she challenged staff to look at alternative models to improve West Greenville, including lease-purchase ideas. She said that Staff originally brought forth 16 houses, but in an effort to retain the character of the community, City Manager Lipscomb asked them to only consider the properties in the poorest condition that cannot be rehabilitated. She said staff would spend more time reviewing the master planning of West Greenville and find creative ways to grant vacant lots to adjoining property owners or those who will build on the lots in an effort to remove them from public ownership.

Mayor Thomas stressed the importance of tax contributions from the properties. He said that if the City takes the properties back, they will no longer be on the City's tax rolls. He added that Greenville and Durham are the only two cities in North Carolina involved in the pilot program with SECU, and he encouraged the City Council to adopt the pilot program and bring integrity back to the West Greenville neighborhood.

Council Member Smith asked how staff advertises information about down payment assistance for market homes. Mr. Jones said this is done via GTV9, housing fairs, radio, and the City website. Council Member Smith suggested increasing public knowledge in the community of how individuals can receive down payment assistance. She said many citizens are unaware that they do not have to necessarily purchase a home owned by the Greenville Housing Authority to be eligible for assistance.

Mayor Thomas declared the public hearing open at 7:38 p.m. and invited anyone wishing to speak in favor of the report to come forward. Hearing no one, Mayor Thomas invited comment in opposition of the report. Hearing no one, Mayor Thomas closed the public hearing at 7:38 p.m.

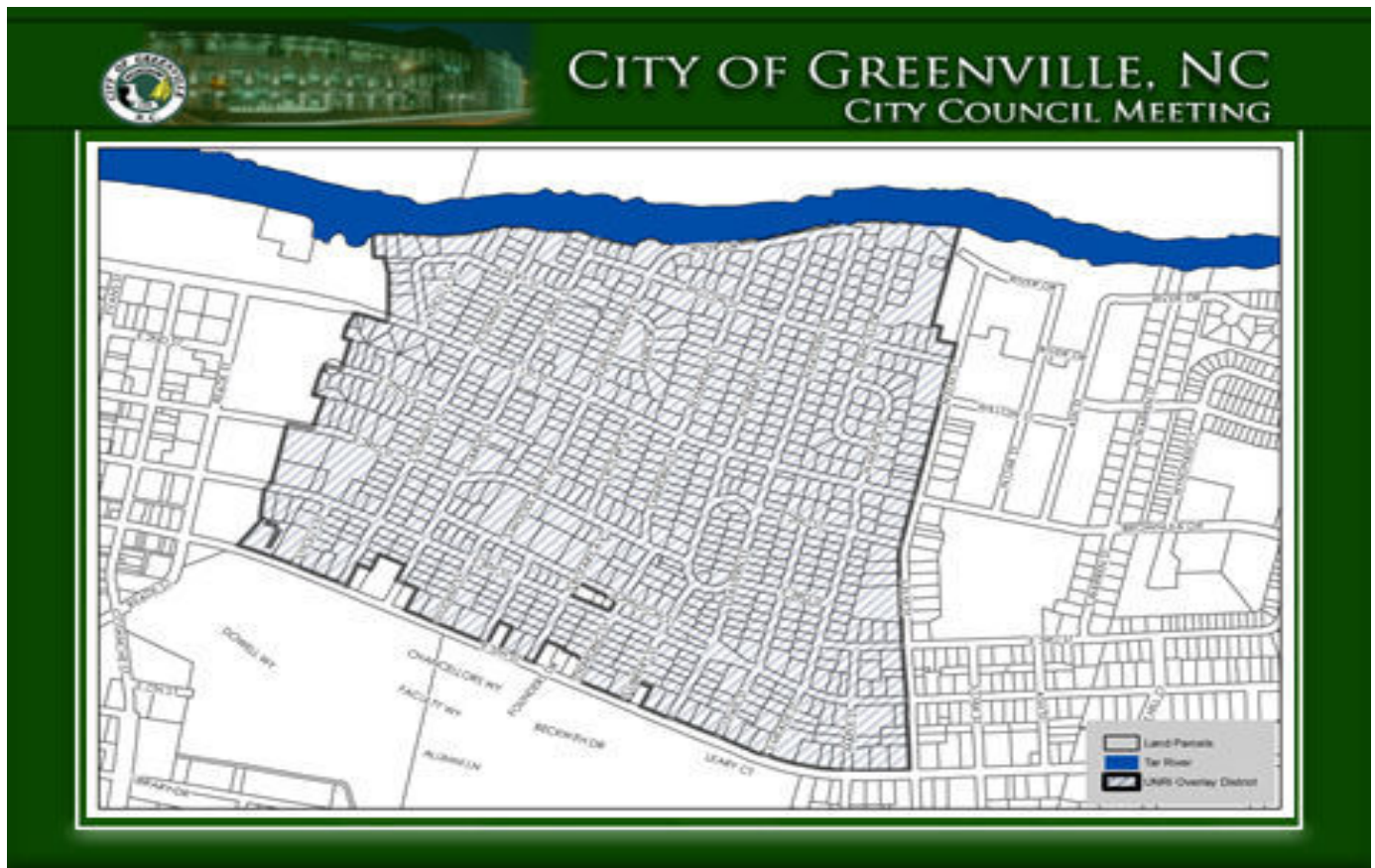
Mayor Pro-Tem Glover made a motion to approve staff's recommendation to approve submission of the CAPER and authorize the Mayor and City Manager to sign any required



documents. Council Member Blackburn seconded the motion, which passed by unanimous vote.

ORDINANCE TO AMEND THE ZONING ORDINANCE BY ADDING REAR YARD PARKING STANDARDS APPLICABLE TO THE UNIVERSITY NEIGHBORHOOD REVITALIZATION INITIATIVE (UNRI) OVERLAY DISTRICT- (Ordinance No. 13-037)

Community Development Director Merrill Flood presented a proposed amendment to the Zoning Ordinance that establishes rear yard parking standards applicable to the University Neighborhood Revitalization Initiative (UNRI) Overlay District. The amendment was initiated by the UNRI Committee and unanimously supported by the Planning and Zoning Commission. He stated that the item is a companion document to action previously taken by the City Council in June 2013 related to parking standards in the UNRI District. He said that the City Council approved an ordinance to amend parking in the overlay district for on-street parking for residents only within the UNRI District. The image below outlines the area affected by the ordinance:



Mr. Flood said that when the UNRI Committee recommended this ordinance to the City Council in April of 2013, the committee also suggested implementing rear yard parking standards in the Overlay District. He said that no standards currently exist, and the UNRI Committee believes that rear yard parking standards would improve the visual appearance



of the Overlay District. Mr. Flood said that the UNRI Committee canvassed overlay areas to identify specific needs, and developed a parking plan that would provide on-street parking within the district to residents, East Carolina University (ECU) students and others. Based upon input from Philip Rogers, former Chief of staff for ECU's chancellor, the University concluded that there is currently ample parking on campus for students, faculty and staff. Thus, the UNRI Committee determined that additional parking would not be necessary for these individuals in the Overlay District. Instead, the committee identified that the main challenge in the Overlay District is the lack of ample parking options for its residents. Mr. Flood said the effective date for the resident-only on-street parking ordinance is October 1, 2013. He said the UNRI Committee recognized that parking is a system and what is done in one area will affect parking elsewhere. For example, during the UNRI Committee's canvassing of the Overlay District, they found that rear yard parking in some areas was as rampant as on-street parking in other areas. Therefore, the committee determined that standards needed to be put in place. During their deliberations at the July 16, 2013 meeting, Mr. Flood said the UNRI Committee voted to amend the recommended ordinance for rear yard parking to require screening only when more than one vehicle was parked in the rear yard. The UNRI Committee based its recommendation on its belief that additional expenses incurred by constructing a screen were unfair to those who only parked one car in their rear yards occasionally.

Mr. Flood stated that the proposed ordinance would include the following standards:

- Single-family dwellings and two-family attached dwelling units shall be limited to the parking and/or storage of four (4) vehicles, boats, trailers, campers and the like total per dwelling unit on the subject lot. This requirement does not limit the occasional parking of guests.
- Screening of the rear yard shall be required when more than one (1) vehicle, boat, trailer, camper and the like are parked and stored in the rear yard and visible from adjoining properties on the side and rear of the subject lot.
- The screening requirements can be satisfied by either a fence at least six (6) feet in height that creates a complete visual barrier from adjoining properties or with vegetative materials that are three (3) feet in height at the time of planting and will reach a height of six (6) feet and create a complete visual barrier from adjoining properties within two (2) years of planting. The vegetative materials listed in Section 9-4-267(C) (3), (5) and (7) shall be utilized to satisfy screening requirements of this section. The property owner shall be responsible for maintaining all vegetation required by this section in a healthy condition. Any dead, unhealthy or missing vegetation shall be replaced. Replacement shall occur at the earliest suitable planting season.
- Rear yard parking and/or storage areas shall be constructed of an all-weather material such as asphalt, concrete, brick, CABC or other materials approved by the City Engineer and rear yard parking and/or storage areas shall be connected to the



front and/or side yard parking and/or storage areas by a driveway constructed of an all-weather material such as asphalt, concrete, brick, CABC or other materials approved by the City Engineer.

- Rear yard parking and/or storage areas shall be contained and delineated by a barrier at least six (6) inches in height.
- Notwithstanding the provisions related to nonconforming situations, the requirements contained shall be applicable to all existing and future required or proposed parking areas.
- The exemption provided in Section 9-4-243 (B) shall not apply to the University Neighborhood Revitalization Initiative Overlay District.
- The exemption provided in Section 9-4-248 (B) shall not apply to rear yard parking areas in the University Neighborhood Revitalization Initiative Overlay District.

Mr. Flood acknowledged that there have been questions regarding how the proposed ordinance would fit within the Historic District Overlay. He said that the provisions of the Historic District would remain intact as the Historic Preservation Commission reviews the improvement for compliance. Through their certificate of appropriateness, they would have the ability to apply any standards in addition to and above those provided by the proposed ordinance. Mr. Flood presented the map below, which depicts the properties located in the College View Historic District and the UNRI Overlay District:





Mayor Thomas asked Mr. Flood to elaborate on Philip Roger's comments about ECU's future plans. Mr. Flood said ECU's Master Plan includes several parking structures, and the University is moving forward with those plans. He added that Mr. Rogers indicated that the University currently has adequate parking for students, faculty and staff, and will have increased ability to cater to those parking needs with the addition of the parking structures.

Council Member Blackburn asked Mr. Flood if he could recall the Committee's vote on the proposed ordinance. Mr. Flood said that the results of the vote were 5 to 1 in support of the rear yard parking standards, and stated that the dissenter was a resident of the Overlay District.

Council Member Joyner asked Mr. Flood what the reasoning was behind the dissenter's objection to the rear yard parking ordinance. Mr. Flood said the expense of meeting screening requirements and the impact on other residents in the area was the reason that the individual was opposed.

Council Member Mercer pointed out that the ordinance does not limit the occasional parking of guests, and said that could be used as a loophole. He asked how that would be enforced. Mr. Flood said that the ordinance is interpretative in nature. He added that the intent of the ordinance is not to regulate guests visiting someone's home, however excessive patterns and intentions will become apparent. Mr. Flood provided the example that daily parking around the same time frame would be considered above and beyond "occasional" visitation, and said enforcement of the ordinance would be complaint driven.

Council Member Mercer asked if the impervious parking surface would result in stormwater drainage problems. Mr. Flood said the coverage would be limited to the area occupied by the vehicle, and therefore would not cause a stormwater retention problem. He added that stormwater requirements are only applicable when over an acre of residential area is disturbed, as confirmed by the Public Works Department.

Council Member Mercer asked if the proposed ordinance could potentially alter the character of the Historic District. Mr. Flood said the Historic Preservation Commission is currently reviewing the ordinance to ensure compliance with the commission's design guidelines. In addition, Mr. Flood stated that the Historic Preservation Commission's requirements will take precedence over the proposed ordinance as the commission reviews parking and on-site improvements. At its June 23, 2013 meeting, the Historic Preservation Commission stressed that parking designs must not alter the historic and residential character of the neighborhood. Mr. Flood stated that the commission will review proposed improvements on an individual basis to determine if the changes will impact the area.

Mayor Thomas declared the public hearing open at 7:55 p.m. and invited anyone wishing to speak in favor of the proposed ordinance to come forward.



John Kinney – No Address Given

Mr. Kinney, an UNRI resident, stated that although he is in favor of the motion, he is unclear about how the term “occasional” would be defined and how the proposed ordinance would be enforced. Additionally, he asked if the Historic District or the Overlay District was a higher priority, and if there would be any conflict between the two.

Mr. Flood said that the word “occasional” is interpretative, and enforcement will likely be complaint driven. He added that Code Enforcement will observe parking behaviors and will determine if the parking exceeds customary visitation. In response to Mr. Kinney’s question about priority, Mr. Flood said that the more restrictive rule will take precedence. Mr. Flood also said there would be a graduated fine system in place as a penalty for violating the ordinance.

Mayor Thomas asked Mr. Flood about the City’s status in collaborating with ECU for additional code enforcement. Mr. Flood said ECU is still considering working with the City, but added that he is unsure of the University’s final decision.

Myron Caspar – No Address Given

Mr. Caspar, a resident of the UNRI District, said the City Council had the opportunity to create an ordinance that made sense if it delineated the square footage of space to be used for parking. Instead, the proposed ordinance invites residents to enclose and pave an entire back yard to park cars in. Mr. Caspar pointed out that a back yard crowded with cars could be a potential obstacle for the fire department when responding to fires and other emergencies. He stated that the ordinance is unenforceable because Code Enforcement officers are not permitted to enter residents’ back yards, collect license plate numbers of the cars parked there, and determine if those vehicles are visiting “occasionally.” He added that the City is ultimately inviting residents to rent out parking in their backyards. Finally, Mr. Caspar pointed out that Section 9-4-255(G) exempts the UNRI Overlay District from Section 9-4-243(B) in the City Code. He asked for an explanation of Section 9-4-243 (B) (2), which states “no expansion of any structure is proposed.”

Mr. Flood said Provision 9-4-243 (B) refers to any proposed or existing principal use regardless of district which meets several conditions, including coverage of 75% by existing structures and no proposed expansion of those structures. He stated that the new ordinance would not be trumped by this section and does not exempt anyone from making improvements if they wish to park in their rear yards.

Council Member Joyner asked Battalion Chief Brock Davenport of the Greenville Fire-Rescue Department for his expert opinion on safety issues caused by rear yard parking. Mr. Davenport said, although proximity to a structure can allow for the spread of fire, there would be no difference between cars parked in rear yards and those parked in driveways.

Hearing no one else who wished to speak on behalf of the amendment to the Zoning Ordinance, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 8:03 p.m.



Council Member Blackburn asked Mr. Caspar to clarify if he was speaking in favor of or in opposition to the amendment. Mr. Caspar stated that he is opposed to the plan.

Council Member Blackburn said that the Overlay District was passed without the consent of many of the area's homeowners, and consequently, any resulting policy is problematic. She added that the proposed rear yard parking ordinance was requested from the top down, and not by resident homeowners; therefore, she opposed this plan. Council Member Blackburn mentioned that, although ECU has supported code enforcement efforts in the UNRI community, the University did not support increasing the number of unrelated individuals sharing a home from three people to four people. Therefore, the University cannot be said to support the parking initiative. Council Member Blackburn questioned why the City Council has not considered back yard parking throughout the City, and also wondered why there is no limit on impervious surfaces. She pointed out that the parking initiative would be complaint based, which is not the proper method for addressing the sustainability of a neighborhood. Council Member Blackburn said the proposed parking ordinance offers many opportunities for guests to violate it without being penalized.

Council Member Joyner said the City Council formed the UNRI Committee in an effort to improve the University neighborhood. He pointed out that no parking policy has been in place in the area for 20 years, and said the proposed parking initiative is the UNRI Committee's second recommendation. He said five members of the committee voted in favor of this proposed ordinance. Council Member Joyner stated that the time has come to make changes and implement a solution for parking issues in the neighborhood. He said the proposed ordinance would be a first step towards action, and that the City Council will have the opportunity to make changes to the ordinance if necessary.

Council Member Mercer said that, although the policy has positive elements, he does not support it because the "occasional" visitation element is too vague. He also mentioned reservations about focusing on a single area of the City. Council Member Mercer asked for a response to the comment by Mr. Caspar, who said that individuals could rent out parking.

City Attorney Dave Holec said that the City does not allow renting of parking spaces at a residential home. He mentioned that policy has been enforced in the past and will continue to be enforced.

Mayor Pro-Tem Glover said it is imperative to balance the use of resources and enforcement of policies throughout the City. She mentioned that other areas of Greenville need Code Enforcement and police officers as well. She said she understood that homeowners want a say in policies that affect their communities; however she does not sympathize with communities that do not want assistance from the City to create and enforce policies.

Council Member Mercer said that the Overlay District is a challenged neighborhood in many ways, and therefore merits close monitoring and special attention. His concern is that a future city council will be forced to bail out the neighborhood if the current issues #1



unchecked. He mentioned that parking is and will remain a challenge even if the proposed policy is passed as a result of the University's growth.

Council Member Mitchell moved to adopt the ordinance to amend the zoning ordinance by adding rear yard parking standards applicable to the UNRI District. Council Member Joyner seconded the motion, which passed by a 4 to 2 vote. Council Members Blackburn and Mercer cast the dissenting votes.

ORDINANCES REQUIRING THE REPAIR OR THE DEMOLITION AND REMOVAL OF DWELLINGS

Police Lieutenant Richard Allsbrook presented a number of ordinances requiring the owners of dwellings which have been vacated and closed for a period of at least six months, pursuant to the enforcement of the Minimum Housing Code, to repair or demolish and remove these dwellings. The ordinances provide that each owner has 90 days to repair or demolish and remove the dwellings. If the owner fails to do so within 90 days, then the City will proceed with repairing or demolishing and removing the dwelling. Lieutenant Allsbrook stated that staff's preference is to repair the properties if possible in order to maintain the character of the Riverdale neighborhood. He presented the following properties to the City Council:

- **ORDINANCE REQUIRING THE REPAIR OR THE DEMOLITION AND REMOVAL OF THE DWELLING LOCATED AT 200 TYSON STREET - (Ordinance No. 13-038)**

Police Lieutenant Richard Allsbrook first presented the dwelling located at 200 Tyson Street. Located at the corner of Tyson Street and Colonial Avenue, the structure was built in 1925 and has a total value of \$35,600. The dwelling is valued at \$32,291 and the land is valued at \$3,309. He stated that \$1,082.44 is currently owed in taxes to the Pitt County Tax Department, and the utilities were disconnected on November 28, 2012. According to Lieutenant Allsbrook, the estimated cost to repair the property is \$42,068.90. There have been 12 Code Enforcement cases initiated on this property since 1998, and the Greenville Police Department has responded to 18 calls for service at this property since March of 1997. Lieutenant Allsbrook stated that since beginning of the assessment of the property in February 2013, it has remained in a state of disrepair. In addition to structural issues, the dwelling has asbestos roofing, mold, peeling lead paint and wood rotting.

- **ORDINANCE REQUIRING THE REPAIR OR THE DEMOLITION AND REMOVAL OF THE DWELLING LOCATED AT 202 TYSON STREET - (Ordinance No. 13-039)**

Police Lieutenant Richard Allsbrook next presented the dwelling located at 202 Tyson Street, which is located beside the structure previously mentioned. Built in 1945, the property has a total value of \$18,459, with the dwelling valued at \$15,150 and the land valued at \$3,309. Lieutenant Allsbrook stated that the utilities were # 1



disconnected from this dwelling in 1998, and \$288.08 is currently owed in taxes to the Pitt County Tax Department. He said that the estimated cost to repair the structure is \$43,282.00. Lieutenant Allsbrook stated that there have been seven Code Enforcement cases initiated on this property since 1998. Additionally, the Greenville Police Department has responded to three service calls since 2003. Based on findings gathered by Code Enforcement during inspections, the exterior and interior issues were similar to those at 200 Tyson Street, including wood rot, structural problems and peeling lead paint. Lieutenant Allsbrook said that the property was boarded up in an effort to secure it; however, no improvements were made to the structure as of the previous 24-hour period.

Council Member Blackburn noted the attractiveness of the iron trellis work on the property and mentioned that it was characteristic of the era in which the home was built. She asked Lieutenant Allsbrook if any features of the demolished homes, such as the trellis and lighting fixtures, would be made available to individuals interested in purchasing them. Lieutenant Allsbrook responded that the contractor who demolishes the property does not distinguish what items are salvageable, but instead hauls off all materials after a demolition.

Council Member Joyner said that based on his personal experiences with remodeling homes, any items of value would have been stripped from the homes or stolen. He added that anything left would not be safe to remove. Although the features may be beautiful, he said that removing them from the homes would not be worth the effort.

Council Member Blackburn expressed her concern that the asbestos would pose a threat to residents of the neighborhood and passersby during demolition. She asked if Code Enforcement had a mitigation plan in place. A.J. Basil, Certified Code Housing Officer, said that the contractor will evaluate hazardous materials and then encapsulate all asbestos prior to removal.

- ORDINANCE REQUIRING THE REPAIR OR THE DEMOLITION AND REMOVAL OF THE DWELLING LOCATED AT 1706 SOUTH GREENE STREET- (Ordinance No. 13-040)

Police Lieutenant Richard Allsbrook next presented the dwelling located at 1706 South Greene Street. He stated that the owner of this property, an elderly woman from New Jersey, came forward prior to the City Council meeting. He said that City Code Enforcement will be meeting with her to enter into a Memorandum of Agreement in order to begin repairs to the property. However, Lieutenant Allsbrook said that he would still present the proposed ordinance to the City Council to assure that progress will be made at this residence. According to Lieutenant Allsbrook, the structure was built in 1935. The utilities were disconnected at this residence in July of 2010. Since 2009, there have been 10 Code Enforcement cases initiated on this property. Additionally, the Greenville Police Department has responded to two calls for service at this property since December of 2007. **Item # 1**



Lieutenant Allsbrook said the tax value on the property as of August 26, 2013 totals \$19,839, with the building value at \$15,939 and the land value at \$3,900. He mentioned that \$334.97 is currently owned to the Pitt County Tax Department, and estimated that the total cost to repair the property is \$24,062.70. Lieutenant Allsbrook noted that the property had succumbed to wood rotting, as well as a dilapidated roof and floors, but was boarded up in an effort to secure it.

Council Member Smith asked if the owner of this property was contacted. Lieutenant Allsbrook said the owner of this property and the owners of the other properties mentioned in the presentation were all contacted via certified mail. In particular, City Code Enforcement identified 20 heirs to the 202 Tyson Street property, and sent a letter to each individual.

Council Member Smith asked if the owner of this property explained why she is only now coming forward. Lieutenant Allsbrook said that she did not appear for the hearing, but attributed the delay to possible travel considerations. Lieutenant Allsbrook said the repairs to the property total \$24,000, and added that the owner intended to make the repairs.

Mayor Pro-Tem Glover said that the City would start the clock for repairs to the property if the owner attempted to make them. Lieutenant Allsbrook said that City Code Enforcement would create a plan of action with the owner to create something positive for the community.

- ORDINANCE REQUIRING THE REPAIR OR THE DEMOLITION AND REMOVAL OF THE DWELLING LOCATED AT 200 CADILLAC STREET (SIDE A AND B) - (Ordinance No. 13-041)

Police Lieutenant Richard Allsbrook next introduced the property located at 200 Cadillac Street, which is comprised of two units. He said the structure was built in 1960 and is located at the intersection of Cadillac and Colonial Streets. The total value of the property is \$17,070, with the building value totaling \$14,270 and the land value totaling \$2,800. The estimated cost to repair the property is \$37,095.40. Lieutenant Allsbrook stated that the utilities have been disconnected since November 7, 1998 on Side A, and since February 20, 2008, on Side B. He said that there have been 20 Code Enforcement cases initiated on this property since 1999, and the Greenville Police Department has responded to 11 calls for service at this property since 1991. Lieutenant Allsbrook said that the property does contain a fence; however, it is not secured with a lock. He pointed out the issues of the exterior of the dwelling, which included mold and a faulty roof. He also said that the storage shed in the rear yard has fallen into disrepair. Additionally, Lieutenant Allsbrook noted the interior issues of both units in the structure. On Side A, he said it appeared that the owner had taken initiative to make improvements; however, mold has begun to grow and the roof is compromised. Side B consisted of peeling paint and a compromised roof. Contrary to the conditions of Side A, no



improvements have been made to Side B. Lieutenant Allsbrook noted that in both units, residential items had been left behind.

- ORDINANCE REQUIRING THE REPAIR OR THE DEMOLITION AND REMOVAL OF THE DWELLING LOCATED AT 210 CADILLAC STREET - (Ordinance No. 13-042)

Police Lieutenant Richard Allsbrook next introduced the property located at 210 Cadillac Street, which was built in 1953. He said that the tax value of the property as of August 26, 2013 is \$23,466, with the building value totaling \$20,666 and the land value totaling \$2,800. Also, Lieutenant Allsbrook said \$727.71 is currently owed to the Pitt County Tax Department on this property, and the estimated costs to repair it are \$23,547.70. There have been 23 Code Enforcement cases initiated on this property since 2003, and the Greenville Police Department has responded to 10 calls for service since July 1993. Lieutenant Allsbrook said that the concerns with this property include wood rotting, deteriorated flooring, peeling of plaster and lead paint, and a leaking roof. In addition, he said that the storage shed in the rear yard has also fallen into disrepair. He also pointed out that the front window was boarded up in order to provide security for the property.

Mayor Pro-Tem Glover asked what party is responsible for maintaining weeded lots of vacant properties. Lieutenant Allsbrook said that Code Enforcement typically sends a notice to the bank or entity that owns the property, and if the owner does not have a contractor to abate the yard, the City will perform the necessary maintenance and attach an administrative lien to the property. He said that 210 Cadillac Street is owned by a bank in California. Mayor Pro-Tem Glover requested that the City's maintenance costs and the amount of the lien on a house be included in future presentations.

- ORDINANCE REQUIRING THE REPAIR OR THE DEMOLITION AND REMOVAL OF THE DWELLING LOCATED AT 466 WEST THIRD STREET - (Ordinance No. 13-043)

Police Lieutenant Richard Allsbrook presented the final property in the presentation, which is located at 466 West Third Street. He said that the property lies near the railroad track and was constructed in 1925. The total value of the property is \$19,801, including the \$2,700 land value and the \$17,101 structure value. He said \$637.46 is currently owed to the Pitt County Tax Department on this property, and estimated that the cost to repair it is \$28,918.60. The utilities to this property were disconnected in September 2012. According to Lieutenant Allsbrook, there have been 10 Code Enforcement cases initiated on this property since 2004. Additionally, the Greenville Police Department has responded to 38 calls for service at this location since September 1993. Lieutenant Allsbrook noted that the street appearance of the home seemed to be in satisfactory condition. However, the dwelling has fallen victim to disrepair. Lieutenant Allsbrook pointed out that the grass had overgrown at the side and rear of the home. In addition, he said that it appeared that someone had recently entered the home, as the door was not ~~stems~~ #1



He stated that there had been a fire; however it only affected a portion of the dwelling. Other issues with the property included wood rotting around the window frames and roof, a missing window and a poor foundation.

Mayor Thomas declared the public hearing open at 8:49 p.m. and invited anyone wishing to speak in favor of the proposed ordinances to come forward. Hearing no one, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 8:50 p.m.

Council Member Joyner moved to adopt ordinances requiring the repair or demolition and removal of the dwellings at 200 Tyson Street, 202 Tyson Street, 1706 South Greene Street, 200 Cadillac Street, 210 Cadillac Street and 466 West Third Street. Council Member Mitchell seconded the motion, which passed by unanimous vote.

PUBLIC COMMENT PERIOD

Dr. Dennis Massey – 911 Bremerton Drive

Dr. Massey addressed the bond referendum for Pitt Community College (PCC), which will be on the November 5, 2013 ballot. He said that last year, PCC had the highest growth rate in North Carolina's community college system, serving 23,000 credit and non-credit students. In addition, he stated that PCC is the most overcrowded out of all 58 community colleges in the system, and as a result, many students have been denied access to courses necessary for completion of degrees and certifications. Although North Carolina provides funding for personnel and equipment, Dr. Massey said that it is the counties' responsibility to provide the facilities for community colleges. He pointed out that PCC has a large impact on Pitt County's economy, and graduates of the college go on to pursue careers in fields such as health care, law enforcement and construction. Dr. Massey said that PCC's 10-year Capital Improvement Plan lists \$120 million of projects, and the two projects on the bond referendum total \$19.9 million. One project on the bond referendum includes a science building. PCC currently provides biotechnology north of the river in the old Prep Shirt factory on Greene Street, but has outgrown that facility. Dr. Massey said that the College wishes to relocate the science building to the main campus and consolidate with biology, physics and other advanced manufacturing areas. The second project is the relocation of PCC's law enforcement building to a facility just south of the main campus. Dr. Massey said that PCC currently serves over 5,000 law enforcement individuals throughout Eastern North Carolina and is home to the largest law enforcement training program in the region. He said that the program is important for the community and the business and industry training space will be freed up because of this move. Dr. Massey stated that the estimated cost for the bond referendum is approximately \$18.50 per \$100,000 assessed value. He acknowledged that the estimated cost is significant; however, he pointed out that investment in PCC is an investment in the local community. He said that the College will be providing training for jobs that will be around for many years to come.



LaQuan Rogers – 3787 Dennis McLawhorn Rd.

Mr. Rogers, who previously served as the chairperson of the Greenville Youth Council, is currently the Student Government Association (SGA) president at Pitt Community College (PCC). He said that PCC is overcrowded, and he feels that the bond referendum is necessary for the College's growth and success. He pointed out that PCC's students graduate to become police officers, firefighters, local contractors and nurses. Additionally, Mr. Rogers stated that 70% of PCC's graduates stay in Pitt County and contribute to the local economy, while all of PCC's students stimulate the local economy in some way. Mr. Rogers reminded the City Council that PCC's students are products of Pitt County, and they need its citizens' to support the Pitt Community College bond referendum.

Eric Brestel – 106 Christenbury Drive

Mr. Brestel expressed his concern about several issues that have created compartmentalization among Greenville's citizens and members of the City Council over the past 21 months. First, he mentioned that the budget committee established by Mayor Thomas did not include all members of the City Council. Mr. Brestel said that the City Council members were not given ample notice to rearrange their schedules to allow their participation on the committee. Next, Mr. Brestel brought up the issue of the speed cushions in the downtown area. He said that the City Council did not have the public's input at the time the speed cushions were introduced at the City Council meeting. In addition, Mr. Brestel said that contractors presented City staff with a plan to develop the downtown area, including the Town Common. He said that the plan was formulated without input from the public or the City Council. Lastly, Mr. Brestel addressed the Overlay District issue. Although he acknowledged that the topic had been thoroughly discussed, he reminded the City Council that six individuals spoke in favor of increasing the number of unrelated housemates from three to four. His concern is that, of those six individuals, one is not registered in the Pitt County Online Parcel Information System (OPIS) for being a Greenville resident, and a second individual is registered as a Pitt County resident, but has taxes mailed to an address in Cary. The remaining four individuals own multiple properties in the Tar River Neighborhood. Mr. Brestel had planned to address local internet sweepstakes; however, his time expired.

Marsha Wyly – 111 Martinsborough Rd.

Ms. Wyly asked the City Council to reconsider taxing internet sweepstakes to support the City's budget. She compared the City's economic development to the growth of a child. The initial economic development projects taken on by prior City Councils represent the "youth" stage. The current City Council's decision to take a step forward and create an economic development department within the City represents the "adolescent" stage. Now, Ms. Wyly said the time has come for the City to move forward into "adulthood." She said that, although she has faith in the City's competent staff, Greenville's economic development could reach a higher caliber if the City brought in an economic development expert to the future planning meeting. Ms. Wyly suggested that individual could be paid for with money from internet sweepstakes. She stated further that internet sweepstakes provide an incredible tax opportunity, and encouraged the City Council members to



abandon any personal preferences against utilizing those sources of revenue to launch Greenville's economic development into the future.

Rick Smiley – No Address Given

Mr. Smiley stated that he is the Treasurer of the Brook Valley Homeowners Association, and has been involved in the Neighborhood Advisory Board since its inception. He said that the City Council is considering an action that would make at least 10 neighborhoods ineligible for representation on that board. Those neighborhoods include Brook Valley, Brook Valley West, Brookhaven, Cherry Oaks North, Cobblestone, Ironwood, Quail Ridge, Shamrock, Southhall and Treetops. Mr. Smiley stated that these neighborhoods are not guilty of ostracizing their residents who rent homes, as the proposed action claims. He stated further that he is not aware of any residents in these neighborhoods claiming to be denied participation in their homeowners association. By contrast, renters in these neighborhoods are welcome at meetings and events, and can be assigned as liaisons on behalf of their homeowners associations to the Neighborhood Advisory Board. Additionally, these residents can vote in their homeowners associations if they are designated as representatives for their house. Mr. Smiley said that if the City Council passes the proposed action, it will send the message to thousands of residents throughout Greenville that the organizations that guide them are insufficient and that their actions are no longer welcome. He closed by asking the City Council to reconsider accepting the proposed action.

OTHER ITEMS OF BUSINESS

ORDINANCE AMENDING THE CONCEALED HANDGUN ORDINANCE - (Ordinance No. 13-044)

City Attorney Dave Holec presented an amendment to the handgun ordinance that will ensure conformity to a new law enacted during the current session of the North Carolina General Assembly. He said the new law will be effective October 1, 2013, and it maintains the authority for cities to prohibit, by the posting of signs, the carrying of a concealed handgun in a City building and its appurtenant premises. Additionally, the new law maintains the authority for cities to prohibit, by the posting of signs, the carrying of a concealed handgun in "recreational facilities." However, the new law changed the authority relating to "recreational facilities" by redefining "recreational facilities." Mr. Holec said that previously, "recreational facilities" was defined by statute as "a playground, an athletic field, a swimming pool, and an athletic facility." The new law more clearly and narrowly defines "recreational facilities" as:

- An athletic field, including any appurtenant facilities such as restrooms, during an organized athletic event if the field had been scheduled for use with the recreation and parks department.



- A swimming pool, including any appurtenant facilities used for dressing, storage of personal items, or other uses relating to the swimming pool.
- A facility used for athletic events, including, but not limited to, a gymnasium.

Mr. Holec added that the new law also states that "recreational facilities" does not include any greenway, designated biking or walking path, an area that is customarily used as a walkway or bike path although not specifically designated for such use, open areas or fields where athletic events may occur unless the area qualifies as an "athletic field", and any other area that is not specifically described in the definition of recreation facility. He stated that under the current ordinance, some facilities listed will no longer qualify as "recreational facilities" under the new law. As a result, these facilities must be removed from the City's ordinance in order to comply with the new law's definition of "recreational facilities." Otherwise, the current ordinance's prohibition relating to recreational facilities which are not within the definition of the new law will not be enforced as of October 1, 2013. The remaining provisions relating to other recreational facilities and buildings and their appurtenant premises would remain in effect and could be enforced.

Council Member Mitchell moved to approve the ordinance to amend the concealed handgun ordinance. Council Member Joyner seconded the motion.

Council Member Mercer said he would support the motion because the City must obey the law. He added that he does not approve of the state government dictating the City's regulations; however, he expressed his concern about what would happen if they do not take action. Mr. Holec pointed out that if the City does not take action, the ordinance will not be in compliance with State statute, and therefore would create confusion for law enforcement officers and others who enforce the ordinance.

Council Member Joyner said the only law the City can make is that which the General Assembly gives authority to do. Mr. Holec said this is simply something required by the State, and confirmed that no City Council Member had advocated for or against it.

Mayor Pro-Tem Glover asked if the ordinance allows individuals to possess concealed weapons on playgrounds. Mr. Holec confirmed that was correct, but added that the person carrying the concealed weapon must have a permit. Mayor Pro-Tem Glover expressed her concern that the ordinance would not stop a person from carrying a weapon onto a playground openly.

Council Member Blackburn said that she would not vote in support of the ordinance and pointed out that, although the City would lose its enforcement ability, the City Council could choose not to adopt it. She said that guns do not belong in recreational areas. Council Member Blackburn pointed out that if the ordinance was requested by members of the community, the City Council would hold a public hearing in order to make an informed decision on the matter. However, that power has been immobilized by the State



government as it imposes policies from the top down. She encouraged her fellow City Council Members to listen to the community and be responsive to its needs.

Mayor Pro-Tem Glover said that Mr. Holec made it clear that State statute governs what powers the City Council has. She said, although the City Council did not have to vote for the ordinance, there was no other choice but to abide by State statute.

Upon motion made by Council Member Mitchell, and seconded by Council Member Joyner, the motion to approve the ordinance to amend the concealed handgun ordinance passed by a 5 to 1 vote. Council Member Blackburn cast the dissenting vote.

ORDINANCE AMENDING THE PROVISIONS OF THE CITY CODE RELATING TO AN UPTOWN OUTDOOR DINING PERMIT - (Ordinance No. 13-045)

Planner Chantae Gooby said that Greenville has had outdoor dining on City property for many years; however, many restaurants have not taken advantage of the opportunity due to the cumbersome approval process required by the City. Ms. Gooby stated that in 2003, the owners of Starlight Café approached the City Council about using the City-owned alley adjacent to the restaurant for outdoor dining. In order to obtain the City's approval, Starlight Café's owners were required to do the following:

- Pay a \$500.00 fee
- Present layout plan to the City's departments for review and approval
- Submit the plan to the City Council for consideration

Ms. Gooby said that recently, other businesses have expressed interest in providing outdoor dining, but were intimidated by the process of achieving approval to do so. She stated that on May 9, 2013, the City Council adopted new standards for outdoor dining. The new Uptown Outdoor Dining Permit standards adopted by the City Council included the following changes:

- Changes implemented to streamline the process for the applicant, shorten the duration, make the fee more affordable.
- City planner coordinates with all departments for application review and communicates with applicant, fee was reduced, time frame reduced from 60+/- days to 10+/- working days.

Ms. Gooby said that since the adoption of the outdoor dining standards, staff has met on several occasions with Uptown Greenville merchants, property owners and members to address some concerns, and several changes to the standards, which are proposed below:

- Originally, furniture was to be of metal construction; the updated standards state that furniture may be of any construction with the exception of plastic.



- Rather than requiring businesses to remove all furniture from outdoor dining areas each day by 10:00 p.m., the new standards require removal of all furniture by 12:00 a.m. (midnight).
- The standard prohibiting music from any source (acoustic, electric or other) was deleted. Instead, staff will work with Uptown Greenville to address the issue comprehensively.
- The original standards prohibited umbrellas. Per the amended standards, umbrellas are allowed provided vertical and horizontal clearances on sidewalks are maintained as required by NC Building Code and ADA compliance.
- Instead of an annual fee of \$125, the new standards call for an initial fee of \$125; \$25 renewal fee, if no changes.
- Signage: While not included in the original standards, the use of “sandwich” signs located in public right-of-way has been discussed. staff will work with Uptown Greenville to address the issue comprehensively.

Council Member Mitchell asked if there was a purpose of having a fee at all, aside from paying for staff time. Ms. Gooby said that the fee prevents businesses from submitting poor-quality plans that would be a waste of staff’s time.

Council Member Smith asked what changes would cause the annual renewal fee of \$25.00 to increase. Ms. Gooby said that any changes that result in an increase of the overall footprint of the business’s original plan would result in a fee of \$125.00. If no changes were made, the business would only owe the annual \$25.00 renewal fee.

Council Member Blackburn moved to approve the amendment to the uptown outdoor dining permit ordinance. Council Member Joyner seconded the motion.

Council Member Blackburn said that this ordinance is necessary because the City did not originally have one. She pointed out that, over the past few months, the City Council has partnered with the individuals that the ordinance will affect. By doing so, the City Council has shown that it can be flexible. She commended everyone who worked on the development of the ordinance.

Upon motion made by Council Member Blackburn and seconded by Council Member Joyner, the motion passed by unanimous vote.

AMENDMENT TO THE NEIGHBORHOOD ADVISORY BOARD ORDINANCE - (Ordinance No. 13-046)

City Attorney Holec presented the follow-up from the presentation at the September 9, 2013 City Council meeting. At that meeting, City Council approved a motion which gave direction for Option Four of the Neighborhood Advisory Board Ordinance to be prepared and presented. He provided the City Council members with a document noting the changes



made to the ordinance in red, black and blue ink. The red ink showed the changes from the existing ordinance, the black ink showed what is in the current ordinance, and the blue ink showed what was added as a difference from Option One. He stated that Option Four requires neighborhood associations to be inclusive in their membership. Additionally, Option Four defines "inclusive membership" as allowing all residents living in the neighborhood, including residents who are property owners and residents who are renters, to participate in the neighborhood association as full and equal members commencing immediately upon residence in the neighborhood, and does not have different standards for residents who are property owners and residents who are renters in eligibility requirements, voting rights, dues levels or any other matter relating to membership. Mr. Holec said that the section marked in blue ink clarifies that a neighborhood association does not include a homeowners association; however, members of the homeowners association who are residents of the neighborhood may establish a neighborhood association consistent with the provisions of this definition, which requires inclusivity as earlier defined. Mr. Holec stated further that the provision from the current ordinance, which states that there can be only one neighborhood association from each neighborhood, has been deleted from Option Four, so that the same neighborhood will be permitted to have a homeowners association and a neighborhood association. He said that the ordinance that includes Option Four has an effective date of January 1, 2014, to allow individuals within the neighborhoods to create a neighborhood association in compliance with the new provisions.

Mayor Thomas said that studying a process over time provides an opportunity to look at its impact and listen to different views on how to approach it. He stated that the goal is to provide inclusiveness to all citizens, including renters and homeowners, so that every citizen can participate in Greenville's Neighborhood Advisory Board. Mayor Thomas said that he wished to add to the potential amendment and offered the following language:

- Allow a homeowners association to be considered as a neighborhood association for the purpose of participating in the Neighborhood Advisory Board.
- Neighborhood associations, not including homeowner associations, are required to be inclusive as defined in Option 4.
- Delete the limitation on the number of neighborhood associations, including homeowner associations, which each neighborhood may have.

Council Member Mitchell moved to approve the proposed amendment with the additional language offered by Mayor Thomas. Council Member Joyner seconded the motion.

Council Member Blackburn said that the City Council had an option to be inclusive by increasing the Neighborhood Advisory Board by one seat. Now that more options have been brought forward, she stated that she is confused as to how to make a decision at the current meeting, much less how the public will be able to understand. Additionally, she expressed her concern that the City was making different sets of rules for homeowners. Item # 1



associations and neighborhood associations. Mr. Holec said that, in a sense, there would be two sets of rules due to the design of homeowners associations. Homeowners associations are designed for property owners; therefore, they do not necessarily include all residents in a neighborhood. He referred to Mr. Smiley's comments that renters can vote when the property owners give them proxy rights; however, the renter does not otherwise have the authority to do so. He stated that Option Four would allow homeowners associations to also be considered as neighborhood associations for purposes of participation in the Neighborhood Advisory Board.

Council Member Smith asked for clarification that the ordinance would be inclusive, and that homeowners associations would be able to participate in the Neighborhood Advisory Board. Additionally, she asked if the residents who are not a part of the homeowners association could create a neighborhood association. Mr. Holec said that the ordinance does address inclusiveness, and renters or property owners could create a neighborhood association. Also, neighborhood associations must meet all the requirements in the ordinance which ensure equality for renters and homeowners. However, Mr. Holec pointed out that TRUNA's neighborhood association may be impacted by the ordinance because its bylaws state that a resident is not eligible to be a member until they reside in the neighborhood for at least four years.

Council Member Blackburn said that she has not seen TRUNA's bylaws; however, she understood that in TRUNA, a resident cannot be a board member until he or she has resided in the neighborhood for four years. She believed, however, that TRUNA allows membership for those who have not resided in the neighborhood for four years.

Council Member Blackburn asked Mr. Holec if he felt that it was fair to allow homeowners associations to decide who is permitted to vote, but to impose regulations on neighborhood associations. Mr. Holec said that homeowners associations were designed to meet the needs of homeowners, who pay for the construction of property, landscaping of common areas, and other capital projects related to the neighborhood. The provisions for neighborhood associations allow participation for renters and homeowners.

Council Member Blackburn said that it is poor policy for the City to set up one set of rules for neighborhood associations and another set for homeowners associations. She pointed out that this is a divisive policy, and targets TRUNA in many ways, because TRUNA is currently the only neighborhood association with two associations operating. Council Member Blackburn said that, although she was not familiar with the details of TRUNA's bylaws, renters in that neighborhood are able to participate and vote. She stated further that changing bylaws should be the responsibility of the neighborhood association rather than the City Council.

Council Member Smith said that she does not want anyone, renters or homeowners, to be excluded from participating in the Neighborhood Advisory Board. She said that since homeowners associations are legal entities, they have more difficulty changing their



bylaws. She stated that she is willing to accept the ordinance because it provides inclusiveness for all.

Council Member Mercer said that he cannot vote on the ordinance at the current meeting without input from the neighborhoods and the Neighborhood Advisory Board. He stated that the Neighborhood Advisory Board worked on a fair solution for several months, and the City Council has only had since Monday's meeting to look at the new proposal. He said that the best idea would be to postpone a decision on the proposal until after getting input from the Neighborhood Advisory Board and neighborhoods.

Council Member Blackburn expressed her reservations for passing an amendment that establishes two different sets of rules for two different groups. She agreed that it would be wise to allow the public to weigh in over the next month before making a decision on the matter.

Mayor Pro-Tem Glover said the Neighborhood Advisory Board was created for the entire City and is one of the few boards that the City provides a budget for. Therefore, the City Council should have a say in making sure that the Neighborhood Advisory Board represents the entire City and operates within the City Council's guidelines.

Council Member Smith stated that she could not vote in favor of the motion to postpone the decision until October due to offensive statements that being inclusive of renters would reflect poorly on the Neighborhood Advisory Board and City government.

Council Member Mercer moved to postpone making a decision to October. Council Member Blackburn seconded the motion, which failed by a 2 to 4 vote. Council Members Blackburn and Mercer cast the votes in favor of the motion.

Council Member Mercer stated that he must vote against the original motion because, although the amendment may be a compromise, he still felt that it is necessary to receive feedback from the neighborhoods before making a decision. He stated that Mayor Thomas's recommendation, which Mitchell moved, is a substantive change from the original amendment.

Council Member Mitchell pointed out that having two neighborhood organizations is currently allowed. He stated that the only change suggested is to allow homeowners associations to be included in the Neighborhood Advisory Board and not to be held to the standards of a neighborhood association. Therefore, the homeowners associations can continue to operate as they normally do.

Mayor Thomas said that citizens should show support for their neighbors, regardless of whether those neighbors are renters or homeowners. He stated that ownership is not defined by a piece of paper, but is instead defined by pride in one's community. He said if the City has a board, everyone should be included.



There being no further discussion, the motion to approve the proposed amendment, with the addition of language proposed by Mayor Thomas (reflected on page 25), passed by a vote of 4 to 2. Council Members Blackburn and Mercer cast the dissenting votes.

COMMENTS FROM THE MAYOR AND CITY COUNCIL

The Mayor, Mayor Pro-Tem and Council Members made general comments about past and future events.

CITY MANAGER'S REPORT

City Manager Lipscomb recommended amending the 2013 City Council Meeting Schedule to cancel the September 23, 2013, meeting and add a Joint City Council/Greenville Utilities Commission meeting on September 30, 2013, at 5:00 p.m. in the GUC Board Room.

Council Member Smith moved to approve City Manager Lipscomb's recommendation. Council Member Mercer seconded the motion, which passed by unanimous vote.

ADJOURNMENT

Council Member Joyner moved to adjourn the meeting, seconded by Council Member Smith. There being no further discussion, the motion passed by unanimous vote and Mayor Thomas adjourned the meeting at 10:53 p.m.

Prepared By:
Sara Ward, Clerical Assistant
City Clerk's Office

Respectfully submitted,

Carol L. Barwick, CMC
City Clerk

PROPOSED MINUTES
MEETING OF THE CITY COUNCIL
CITY OF GREENVILLE, NORTH CAROLINA
OCTOBER 10, 2013



A regular meeting of the Greenville City Council was held on Thursday, October 10, 2013, in the Council Chambers, located on the third floor at City Hall, with Mayor Allen M. Thomas presiding. Mayor Thomas called the meeting to order at 7:00 p.m. Council Member Smith gave the invocation, followed by the Pledge of Allegiance.

Those Present:

Mayor Allen M. Thomas, Mayor Pro-Tem Rose H. Glover, Council Member Kandie Smith, Council Member Marion Blackburn, Council Member Calvin R. Mercer, Council Member Max R. Joyner, Jr. and Council Member Dennis J. Mitchell

Those Absent:

None

Also Present:

City Manager Barbara Lipscomb, City Attorney David A. Holec, City Clerk Carol L. Barwick and Deputy City Clerk Polly W. Jones

APPROVAL OF THE AGENDA

Council Member Blackburn moved to approve the agenda as presented. Council Member Joyner seconded the motion, offering a friendly amendment to approve with the annual report on the Firefighters Relief Fund Committee being heard following Appointments because their presenter has an engagement elsewhere. Council Member Blackburn accepted the amendment and the amended motion passed unanimously.

SPECIAL RECOGNITIONS

Mayor Thomas congratulated the Pitt County Girls Softball League All-Stars for winning the Girls' Softball World Championship. He commended the coaches and players on their outstanding accomplishment and presented them with certificates of recognition. Mayor Thomas recognized the following individuals:

- Gray Barrow
- Alexis Phillips
- Cameron Davis
- Marissa Roach
- Sarah Nimmo



- Cameryn Criswell
- Lexi Phillips
- Lexie Vincent
- Ava Palmer
- Madison Deanes
- Carson Criswell
- Madison Bowers
- Assistant Coach Rick Deanes
- Assistant Coach Mike Criswell
- Head Coach Bob Nimmo

City Manager Barbara Lipscomb congratulated the City of Greenville Public Information Office for winning two national awards from the City and County Communications and Marketing Association (3CMA) in the Public Service Announcement category. Although the Public Information Office has won awards on the state level, the 3CMA awards are its first on the national level. City Manager Lipscomb recognized Jonathan Edwards for his creation of a series of public service announcements about hurricane preparedness which featured a fictional wrestler, "The Hurricane," and his sidekick, "Tropical Storm." The Public Information Office also won a Savvy Award, the highest award in the Promotional Video category, for its "Citizens Academy Man" spots. City Manager Lipscomb stated that participation in the Citizens Academy tripled as a result of the spot. She recognized Public Information Officer Steve Hawley for the achievement of this award.

City Manager Lipscomb, joined by Mayor Thomas and Interim Fire-Rescue Chief Eric Griffin, read and presented a plaque to Mr. Tony Smart in honor of his 35 years and two months of service to the Greenville Fire-Rescue Department.

City Manager Lipscomb, joined by Mayor Thomas and Police Chief Hasaan Aden, read and presented a plaque to Ms. Judy Dye in honor of her 15 years of service to the Greenville Police Department.

APPOINTMENTS

APPOINTMENTS TO BOARDS AND COMMISSIONS

Greenville Bicycle & Pedestrian Commission

Council Member Mercer made a motion to appoint Ashley Breedlove to fill an unexpired term that will expire January 2015, in replacement of Anthony R. Little, who had resigned. Council Member Joyner seconded the motion and it carried unanimously.



Historic Preservation Commission

Council Member Blackburn continued the appointment of Maury York's seat, who had resigned.

Human Relations Council

Mayor Pro-Tem Glover made a motion to reappoint Bonnie Snyder to a first three-year term that will expire September 2016, Shaterica Lee to a first one-year term that will expire October 2014, and Maurice Whitehurst to a first one-year term that will expire October 2014. Council Member Joyner seconded the motion and it carried unanimously.

Mayor Pro-Tem Glover continued the appointment of the East Carolina University seat.

Pitt-Greenville Convention & Visitors Authority

Mayor Pro-Tem Glover continued the appointment of Terry Shank's seat, who had resigned.

Planning & Zoning Commission

Council Member Smith continued the appointment of Kevin Burton's seat who had resigned.

Police Community Relations Committee

Council Member Joyner continued the appointment of Tom McCullough's seat.

Mayor Pro-Tem Glover appointed Carol Naipaul to a first two-year term that will expire October 2015.

Council Member Smith appointed Shawan Sutton to a second two-year term that will expire October 2015.

Council Member Mercer continued the appointment of Wayne Whipple's seat.

Recreation & Parks Commission

Council Member Joyner continued the appointment of Terry Boardman's seat, who had resigned.

Sheppard Memorial Library Board

Council Member Mitchell made a motion to reappoint Janice Spears to a second three-year term that will expire October 2016, and Ray Spears to a second three-year term that will expire October 2016. Council Member Joyner seconded the motion and it carried unanimously.

Youth Council

Council Member Blackburn continued the appointment due to lack of applicants.



NEW BUSINESS

FIREFIGHTERS' RELIEF FUND COMMITTEE ANNUAL REPORT

Mr. Will Franklin, treasurer of the Firefighters' Relief Fund Committee, gave a brief overview of the relief fund to the City Council. He said it was established in 1907 by legislation so that every community could ensure that no firefighter ever becomes destitute due to injury in the line of duty. Mr. Franklin said that the Firefighters' Relief Fund Committee is comprised of five members: two who are appointed by the City Council, two active duty firemen and one from the State Firemen's Association. Mr. Franklin said that the Committee receives its funding from the State, and has been granted some latitude over the years due to the health of the relief fund. He stated that as of July 2012, the beginning balance of the relief fund was approximately \$631,000. Since that time, he said that the Committee has received around \$57,000 from the State and gained approximately \$12,000 in investment income. Mr. Franklin said that the Committee pays a supplemental retirement for the retired firefighters, which is paid out of any interest that the relief fund receives. Additionally, he said that the Committee provides scholarships for firefighters and their children, and paid around \$5,000 last year. Other disbursements totaled \$2,300, which included \$800 for bereavement and \$1,500 for death benefits. Also, the Committee is required to keep a bond on the treasurer to ensure honesty. Mr. Franklin said that as of June 2013, the relief fund grew by \$50,000, bringing the total to approximately \$680,000. Since that time, he said that the Committee has received an additional \$60,000, which increases the fund to about \$700,000. Mr. Franklin said that \$20,000 to \$30,000 is the average amount paid out per year.

PUBLIC HEARINGS

ORDINANCE TO ANNEX LANGSTON WEST, SECTION 5, INVOLVING 4.6382 ACRES LOCATED AT THE CURRENT TERMINUS OF BIRCH HOLLOW ROAD AND ABOUT 1,300+ FEET NORTH OF THOMAS LANGSTON ROAD - (Ordinance No. 13-049)

Community Development Director Merrill Flood presented the ordinance, which is a voluntary annexation located in the southwest portion of the City in Voting District 2. The subject area is approximately 4.6382 acres, is in Vision Area E and is currently zoned as Residential-Single-family (R9S). The present tax value of the subject area is \$86,966, and the total estimated tax value at full development is \$2,352,966. Mr. Flood stated that the annexation will affect 11 single-family homes. Additionally, he said that the population at full development would be 24, with an estimated minority population of 10.

Mayor Thomas declared the public hearing open at 7:30 p.m. and invited anyone wishing to speak in favor of the annexation to come forward. Hearing no one, Mayor Thomas invited



comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 7:31 p.m.

Council Member Blackburn made a motion to approve the annexation ordinance. Council Member Joyner seconded the motion, which passed by unanimous vote.

ORDINANCE REQUESTED BY COLLICE C. MOORE TO EXTEND THE CITY OF GREENVILLE'S EXTRATERRITORIAL JURISDICTION (ETJ) IN THE NORTH CREEK COMMERCIAL PARK AREA – (Ordinance No. 13-050)

Community Development Director Flood stated that property owner Collice C. Moore has requested an extension of the City of Greenville's Extraterritorial Jurisdiction (ETJ) for North Creek Commercial Park. The property is approximately 10.1125 acres and is located in the northwest corner of the city. Mr. Flood said that other property in the area has been in the City's jurisdiction since 1972, and it established the boundary 1,000 feet east of the U.S. 264 bypass. This boundary was drawn irrespective of property lines, and as a result, many properties were split. Mr. Flood said that the property owner desires for all of the properties to lie within the City's ETJ for consideration of future development. Mr. Flood said that the City Council adopted a resolution asking the Pitt County Commissioners for approval of the proposed ETJ extension on April 11, 2013. On May 15, 2013, the property owner's request was presented to and approved by the Pitt County Planning Board. Next, the Pitt County Board of Commissioners approved the request. Then, the City of Greenville Planning and Zoning Commission reviewed the request on September 17, 2013. Mr. Flood stated that staff's recommendation is for the City Council to approve the ordinance extending the City's ETJ following a public hearing.

Mayor Thomas declared the public hearing open at 7:32 p.m. and invited anyone wishing to speak in favor of the ETJ extension to come forward.

Ken Malpass- No Address Given

Mr. Malpass spoke briefly on behalf of the property owner, Collice Moore. He said that Mr. Moore wishes to expand the commercial park.

Hearing no one else who wished to speak in favor of the item, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 7:33 p.m.

Council Member Blackburn made a motion to approve the ordinance extending the ETJ. Council Member Joyner seconded the motion.

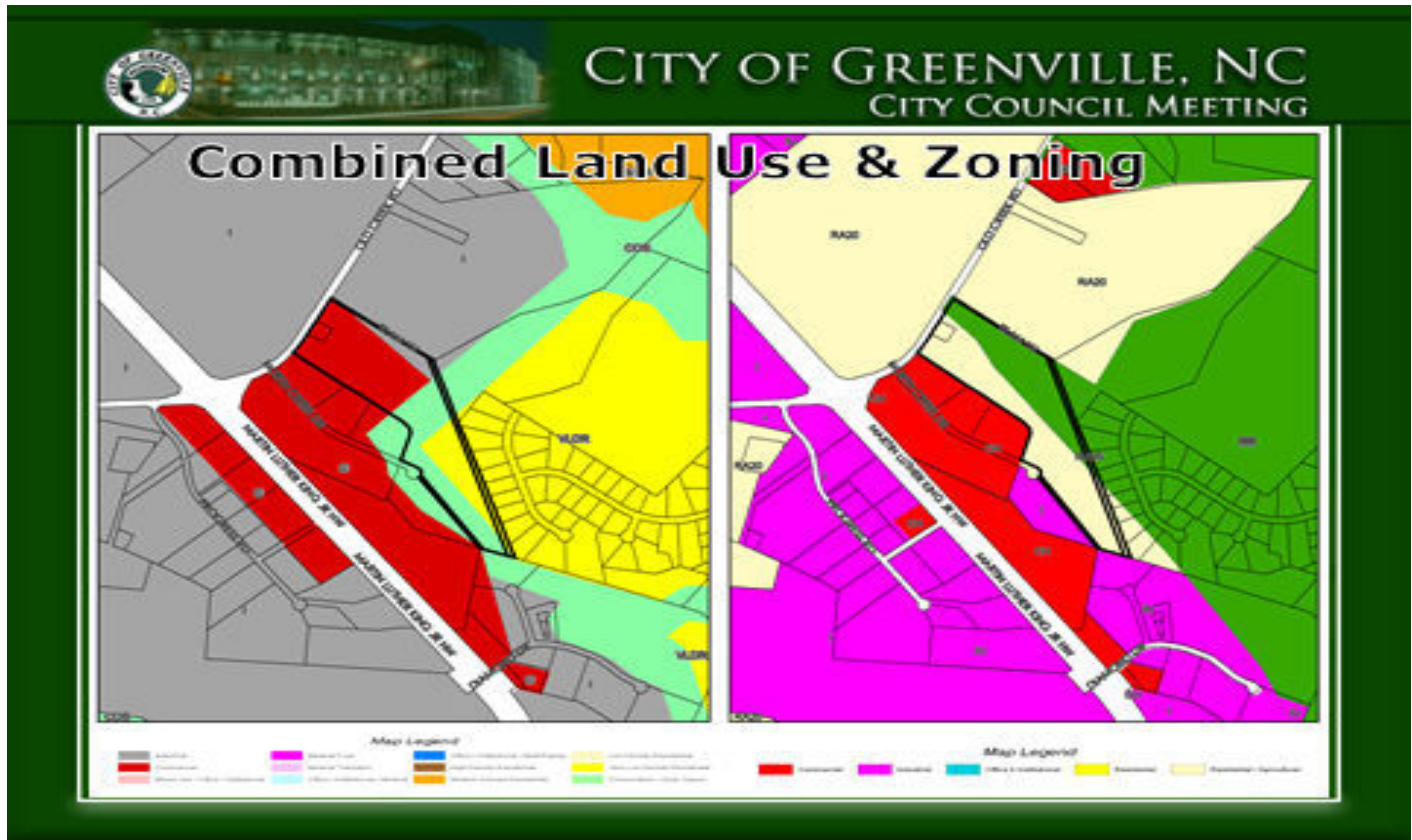
Council Member Blackburn asked if the ETJ expansion was merely administrative or if it was necessary in order for the property owner to begin projects on the property. Mr. Flood said that the owner would prefer to develop the property in the City's jurisdiction because doing so would provide benefits, such as City sewer and sanitary services.



There being no further discussion, the motion passed by unanimous vote.

ORDINANCE REQUESTED BY COLLICE C. MOORE AND POHL PARTNERSHIP TO REZONE 25.2285 ACRES LOCATED NEAR THE SOUTHEAST CORNER OF THE INTERSECTION OF OLD CREEK ROAD AND NORTH CREEK DRIVE FROM RA20 (RESIDENTIAL-AGRICULTURAL), RR (RURAL RESIDENTIAL - PITT COUNTY'S JURISDICTION), AND I (INDUSTRY) TO IU (UNOFFENSIVE INDUSTRY) AND O (OFFICE) - (Ordinance No. 13-051)

Planner Chantae Gooby stated that the City has received a request from Collice C. Moore and POHL Partnership to rezone approximately 25.2285 acres located near the southeast corner of the intersection of Old Creek Road and North Creek Drive from RA20 (Residential-Agricultural), RR (Rural Residential - Pitt County's Jurisdiction), and I (Industry) to IU (Unoffensive Industry) and O (Office). She stated that this rezoning request is in conjunction with the request to extend the ETJ. Ms. Gooby said that the property is located in Vision Area E and is divided into three tracts. Tract 1 is approximately 24 acres, and is requested for IU. Tract 2 is a 40-foot wide strip that is requested for O, and can act as a buffer for the nearby North Woods subdivision. Ms. Gooby said that given the small size of Tract 2, it is not developable as O. Tract 3 is a 20-foot strip of land that will clean up the zoning area. The property is currently vacant or agricultural, and also has a concentration of several non-residential uses. Ms. Gooby stated that the proposed rezoning could lead to a decrease of 440 trips. Under the current zoning, the property could accommodate approximately 100 single-family lots, whereas under the requested zoning, staff would anticipate about 240,000 square feet of warehouse, mini storage or industrial uses. Ms. Gooby said that the Future Land Use Plan recommends Commercial (C) at the southwest corner of Martin Luther King, Jr. Highway, which would transition into O in the east and south. Additionally, the Plan recommends utilizing Conservation/Open Space (COS) as a buffer between the non-residential and residential areas, and also to show potential environmental constraints. She showed the City Council the Future Land Use Plan Map and Zoning Map below:



Ms. Gooby stated that staff is of the opinion that the request complies with the general requirements of the Comprehensive Plan, which are listed below:

- Direct access to major thoroughfares
- Office Institutional/ Multifamily should be used as a buffer between Commercial and Residential

Council Member Blackburn asked Ms. Gooby to explain the consideration of the development and use of the COS area, as it is usually left as open space. Ms. Gooby clarified that Tract 2 could serve as a buffer or for the setback area; however, commercial or industrial buildings cannot be constructed there. She said the buffer provided an “insurance policy” that buildings would not directly back up to the property line.

Council Member Blackburn pointed out that the COS appears larger than the buffer area on the map. Ms. Gooby said that the map is not dimensionally specific. She added that when the map was drawn in 2004, it was known that there was a potential for environmental constraints and was drawn to reflect the floodplain study. But based on a preliminary revised flood study, the property will not be impacted by the floodway as what was originally predicted.



Mayor Thomas declared the public hearing open at 7:41 p.m. and invited anyone wishing to speak in favor of the proposed rezoning ordinance to come forward.

Ken Malpass- No Address Given

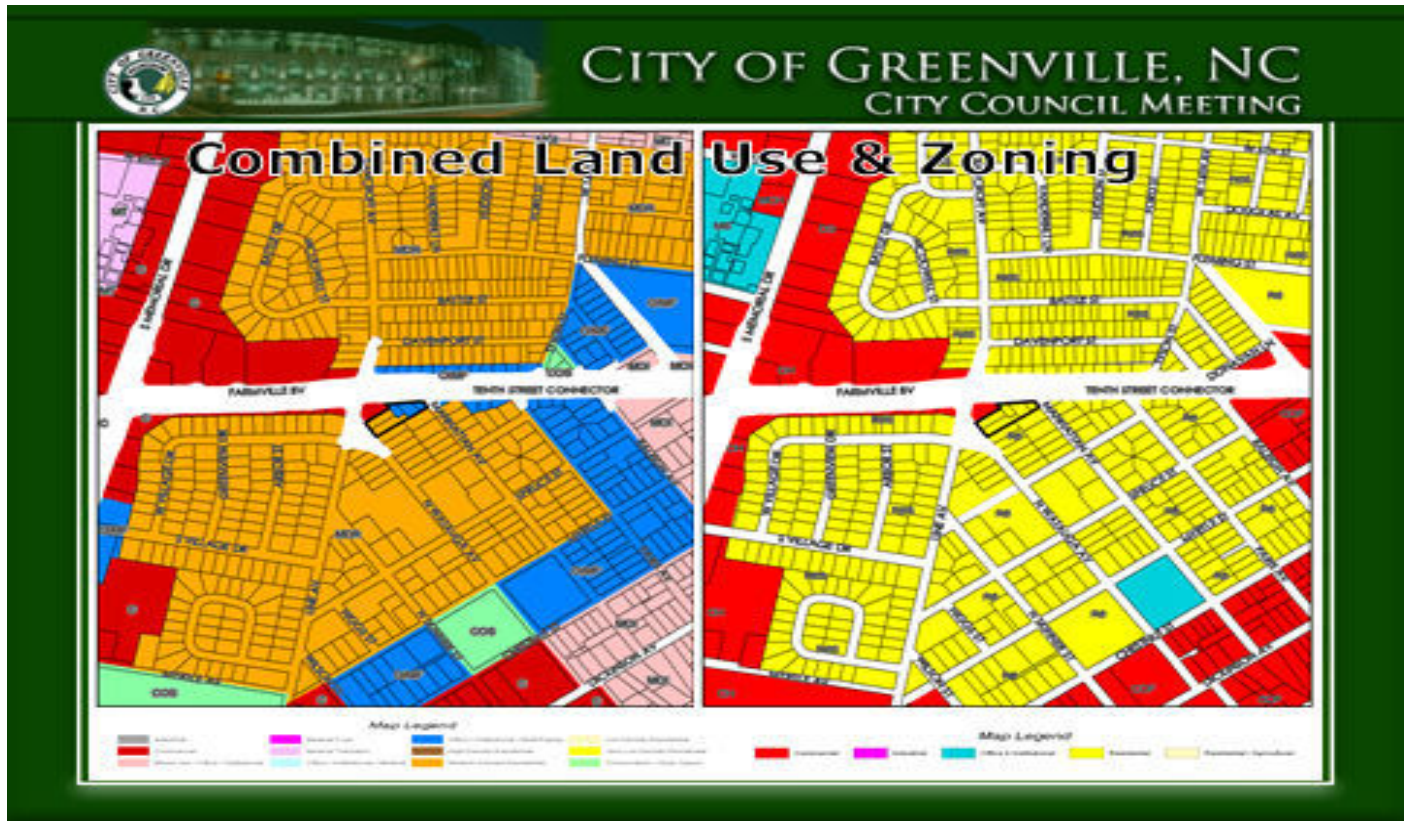
Mr. Malpass spoke on behalf Collice Moore and stated that the entire request is in conformance with the Comprehensive Plan.

Hearing no one else who wished to speak in favor of the proposed rezoning ordinance, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 7:42 p.m.

Council Member Joyner made a motion to approve the rezoning ordinance. Council Member Mercer seconded the motion, which passed by unanimous vote.

ORDINANCE REQUESTED BY KENNETH M. LLOYD, SR. TO REZONE 0.6522 ACRES LOCATED AT THE SOUTHWEST CORNER OF THE INTERSECTION OF FARMVILLE BOULEVARD (TENTH STREET CONNECTOR) AND MANHATTAN AVENUE FROM R6 (RESIDENTIAL [HIGH DENSITY MULTI-FAMILY]) TO CH (HEAVY COMMERCIAL) - (Ordinance No. 13-052)

Planner Gooby presented a rezoning request for the property located at the corner of Farmville Boulevard and Manhattan Avenue from R6 (Residential [High Density Multi-family]) to CH (Heavy Commercial). The property is located in Vision Area G, and is currently vacant. She pointed out that the rezoning area wraps around a doughnut-shaped area of excess land that was purchased for the Tenth Street Connector, and said that both areas are owned by the same person. Under the current zoning, however, the excess land is undevelopable without the addition of the proposed rezoning area. She presented City Council with the slide below, which depicts the Future Land Use Plan and Zoning Maps:



Ms. Gooby stated that the rezoning could generate 2,700 trips, and the property could yield approximately 6,200 square feet of fast food restaurant or convenience store space. In the Comprehensive Plan under Management Action G, Farmville Boulevard will link with Tenth Street. The Future Land Use Plan Map recommends C (Commercial) at the southeast corner of the intersection of Farmville Boulevard and Line Avenue transitioning to HDR (High Density Residential) to the south and OIMF (Office/Institutional/Multi-Family) to the east. She stated that staff's opinion is that the request is in general compliance with the Comprehensive Plan and the Future Land Use Plan Map.

Mayor Thomas declared the public hearing open at 7:46 p.m. and invited anyone wishing to speak in favor of the proposed rezoning ordinance to come forward.

Steve Spruill – No Address Given

Mr. Spruill appeared before the City Council on behalf of the property owner, Kenneth Lloyd. He offered to answer any questions that the City Council may have.

Hearing no one else who wished to speak in favor of the rezoning ordinance, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 7:46 p.m.



Council Member Joyner made a motion to approve the rezoning ordinance. Council Member Blackburn seconded the motion, which passed by unanimous vote.

ORDINANCE REQUESTED BY MICHAEL GLENN TO REZONE 0.50 ACRES LOCATED AT THE NORTHWEST CORNER OF THE INTERSECTION OF WEST NINTH STREET AND FICKLEN STREET FROM IU (UNOFFENSIVE INDUSTRY) AND CDF (DOWNTOWN COMMERCIAL FRINGE) TO CD (DOWNTOWN COMMERCIAL) - (Ordinance No. 13-053)

City Planner Gooby presented the proposed ordinance to rezone property along Ninth Street from IU (Unoffensive Industry) and CDF (Downtown Commercial Fringe) to CD (Downtown Commercial). She said that the proposed ordinance is the result of a trend in the surrounding area to rezone properties to CD (Downtown Commercial), and is recommended as part of the West Greenville Revitalization Plan. According to Ms. Gooby, the property is currently split-zoned, with the majority of the property zoned as IU and the smaller portion as CDF. She said that the current and proposed zoning anticipate the same square footage of space. However, as opposed to the current zoning, which would be used for manufacturing or a warehouse, the proposed zoning would provide space for office or retail sales facilities. Ms. Gooby said that this rezoning could generate 36 trips, but with the interconnected street system, those trips will be disbursed in various ways. She mentioned that there is currently a vacant building on the property, which is designated as part of the Tobacco Warehouse Historic District. However, the designation is honorary and does not regulate the appearance or the use of the building. Ms. Gooby stated that, in staff's opinion, the requested rezoning ordinance complies with the Horizons Plan, the Future Land Use Plan Map and the West Greenville Revitalization Plan.

Mayor Thomas declared the public hearing open at 7:49 p.m. and invited anyone wishing to speak in favor of the proposed rezoning ordinance to come forward. Hearing no one, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 7:50 p.m.

Council Member Joyner made a motion to approve the rezoning ordinance. Council Member Blackburn seconded the motion, which passed by unanimous vote.

RESOLUTION AUTHORIZING THE SALE OF CITY-OWNED PROPERTY AT 605 HUDSON STREET - (Resolution No. 054-13)

Senior Planner Niki Jones requested authorization to sell the City-owned home located at 605 Hudson Street. He said that the City has an eligible buyer named Ms. Mary Tyson. The home has three bedrooms, two bathrooms, and is approximately 1,248 square feet. The fair market value on the home is \$87,000, which was set by the City Council on March 8, 2012. Mr. Jones said that closing on the home is planned on or before November 22, 2013.

Mayor Thomas declared the public hearing open at 7:51 p.m. and invited anyone who wished to speak in favor of the proposed sale to come forward. Hearing no one, Mayor



Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 7:52 p.m.

Council Member Blackburn asked how many homes have been sold during the current year. Mr. Jones stated that during the current year, one home has been sold in addition to the property at 605 Hudson Street, while five other homes remain on the market through the City's Community Housing Development Organization (CHDO). Community Development Director Flood added that 21 homes have been sold since 2006.

Mayor Pro-Tem Glover made a motion to approve the resolution. Council Member Smith seconded the motion, which passed by unanimous vote.

ORDINANCE AMENDING THE STORMWATER MANAGEMENT CONTROL REQUIREMENTS - (Ordinance No. 13-054)

Public Works Director Kevin Mulligan followed up from the May 2013 Stormwater Utility Workshop, which addressed the challenges facing the City's stormwater utility. He said these challenges include poor soil, flat topography and close proximity to the Tar and Neuse Rivers. In addition to the natural challenges, Mr. Mulligan said that the City's stormwater utility is impacted by the current detention regulation, which is based upon one-year stormwater quality. Mr. Mulligan stated that, as a result of the stormwater workshop, staff formed a Stormwater Stakeholders Group to collaborate within the development of an amendment to the current stormwater detention ordinance to address the quantity of stormwater. Mr. Mulligan said that Greenville's Stormwater Management Program currently meets the requirements of the Tar-Pamlico Stormwater Rule and NPDES Phase II MS4 Discharge Permit for Development, which means that the City's stormwater infrastructure minimizes the nutrients in the stormwater before it reaches the Tar or Neuse Rivers and protects stream channels from erosion through the attenuation of one-year peak flows. Based on the watershed master plan, which consists of three square miles, Mr. Mulligan stated that flood control projects are the driving force behind Capital Improvement Program (CIP) costs. He said that when the projected costs for improvements to pass a 10-year storm are extrapolated to the entire City limits and ETJ, they total approximately \$180 million. Flood control projects for the City limits alone are projected to reach about \$100 million. He added that if the 10-year detention ordinance had previously been put in place, the costs would have been far less; approximately \$27 million for City limits and ETJ, and \$14 million for City limits alone. Mr. Mulligan said that citywide master planning could reduce costs associated with future flood control projects by identifying areas which are prone to flooding before the watersheds are fully developed. He added that the proposed amendment to the current detention ordinances would reduce the impact of flooding on future development. Mr. Mulligan said that the current detention ordinances are designed to treat runoff for smaller, more frequent storm events, but they do not improve the problem of water quantity. He stated that, of the 15 largest communities in North Carolina, Greenville is the only community that does not have a detention ordinance specifically for large storm events. Mr. Mulligan said that staff is



proposing the addition of five- and 10-year storm events for projects required to meet the current stormwater program. In addition, staff is proposing a requirement for detention of the 25-year storm event in critical areas identified through the Watershed Master Planning process. Mr. Mulligan said that the stakeholder group, as well as the Planning and Zoning Commission, unanimously approved the changes to the ordinance. He stated, however, that due to recent changes to state regulations, City Council approval must also be unanimous. If approved, he said the changes would go into effect on April 10, 2014.

Council Member Smith asked if staff has a list of the areas at high risk for flooding. Mr. Mulligan said that staff does not currently have a list. However, he stated that the overall project will provide a way for staff to identify the areas that are prone to flooding.

Mr. Mulligan said that there are three exemption mechanisms to the ordinance. These exemptions include:

- Areas in which there is less than 10% of new impervious area
- Areas that are in redevelopment areas
- Areas in which the literal interpretation of the requirements would cause undue hardship

In addition, Mr. Mulligan said that any projects currently being built have until April 10, 2014 to be submitted. This is to prevent the developers from losing money or from having to start over on the projects. Mr. Mulligan noted that stormwater management facilities can be created as attractive focal points for developments, including fountains and ponds. Mr. Joyner asked if there was a particular size of land that must abide by the ordinance.

Civil Engineer Lisa Kirby clarified that the ordinance is based on the size of land that is disturbed, as is the plan that is currently in place. She said that commercial land must comply for a half acre of disturbance, while residential land must comply for an acre of disturbance. Ms. Kirby added that developers are only accountable for the area of land that they propose to disturb in the site plan, and therefore potentially may not be impacted by the ordinance.

Council Member Joyner asked if all future changes must be unanimous. City Attorney Holec said that all future changes must be unanimous due to the Regulatory Reform Act, which is in effect until October 1, 2014. After that date, he said that the rules will revert to normal, barring any changes from the General Assembly.

Council Member Blackburn asked if this ordinance would have an impact on the City's infrastructure needs. Mr. Mulligan said that the ordinance will minimize the necessary amount of funding for the City's stormwater infrastructure needs. He added that the ordinance will address both water quality and quantity.



Council Member Blackburn asked Mr. Mulligan to explain the appeal process. Mr. Mulligan said that in the event that the literal interpretation of the requirement creates an undue hardship, the applicant may appeal to the Board of Adjustment for a variance in whole or in part from the requirement.

Mayor Thomas declared the public hearing open at 8:17p.m. and invited anyone who wished to speak in favor of the ordinance to come forward. Hearing no one, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 8:18 p.m.

Council Member Blackburn made a motion to approve the ordinance. Council Member Joyner seconded the motion, which passed by unanimous vote.

PUBLIC COMMENT PERIOD

Nancy Colville – 113 Lord Ashley Drive

Ms. Colville stated that she was concerned that the proposed bond referendum for Pitt Community College (PCC) will increase the property tax rate in the county. She said that she has followed Dr. Dennis Massey's presentations and is concerned about the wording of the ballot. She wanted to bring to everyone's attention that Dr. Massey has said that the last referendum was in 1989 for \$10 million; however, Ms. Colville came across information that there was a limited obligation bond in 2010. Ms. Colville said that the limited obligation bond which PCC received was for \$22 million, which came from a property tax increase. She said this money was used to build a technology building, an academic building and a building for facilities services. In addition, Ms. Colville stated that PCC received private contributions to build a student center. She questioned why a law enforcement facility did not take priority over these other projects. Ms. Colville stated that she supports education; however, the City must consider the 39% of property owners who will be footing the bill for future projects.

Brenda Highsmith – 469 Mill Street – Simpson

Ms. Highsmith stated that she is also concerned about the proposed Pitt Community College (PCC) Bond Referendum. As a retired teacher from Pitt County, she said it is difficult for her to think of not supporting education. However, she stated that she does not support the bond referendum. Ms. Highsmith compared the bond referendum to teaching her third graders about the concept of wants and needs. She said that the City must consider whether PCC genuinely "needs" the bond referendum for improvements, or if the college simply "wants" to make improvements. Ms. Highsmith said that she wondered why the College did not choose to build a science building with previous funding, given the building's high cost and importance to PCC. She pointed out that the bond referendum will require taxpayers to foot a \$20 million bill over the next 20 years. She questioned the College's creativity to utilize the space it currently occupies, and reminded citizens that the present times are uncertain for the economy.



Frank Cassiano – 1205 E. 5th Street

Mr. Cassiano stated that he is a member of the Pitt Community College Foundation Board. He said that, although the bond referendum calls for a tax increase, the percentage of the increase is marginal. Mr. Cassiano pointed out that PCC is the fastest growing campus in the state, and its students need the resources that the bond referendum would provide in order to pursue their education.

Dr. Rick Croskery – 4001 Hardwick Court

Dr. Croskery introduced himself as a candidate for the District 5 City Council seat, which is currently held by Council Member Joyner. He stated that he has been in Greenville for 32 years and is a physician at Physicians East. Dr. Croskery said that he enjoys being a Greenville citizen and has participated with the United Way, the Chamber of Commerce and many local arts organizations. As a result of his long, in-depth relationship with Greenville, Dr. Croskery said that he would be an ideal representative on the City Council.

Barney Kane – 1706 Canterbury Road

Mr. Kane said that he is pleased that Greenville is a leader in the East, but stated that the City must not follow the trend of growth and sprawl of other cities in the region. He said that the City once made the mistake of overrunning Greenville Boulevard and Memorial Drive with strip malls at the suggestion of realtors and developers who said the construction was necessary for Greenville's prosperity. However, this construction temporarily ruined the commercial purpose and the civic function of downtown Greenville. Mr. Kane said that Greenville can pursue better visions and projects with careful planning and recognition of the ideas of all citizens. He stated that a City Council that works together to embrace new ideas practices respectful and modest leadership rather than taking credit for the work of others. Mr. Kane said that progress in the city must be a community effort.

Mike Rothchild – No Address Given

Mr. Rothschild stated that vacant strip malls and storefronts are becoming increasingly common in Greenville. He expressed his disappointment that the City is focused more on construction of new buildings, instead of the promotion of overall development. He suggested this could be improved by setting businesses up in buildings that are currently vacant, rather than adding new construction. Mr. Rothschild said that he would like to see the City commit to filling empty storefronts and take responsibility for structures that are built.

Sharon Evans – No Address Given

Ms. Evans stated that she is the Director of Operations for the North Carolina Enrollment Center. She said that the organization has opened a regional office in Greenville that will serve counties east of Interstate 95. The organization will provide access to care by providing health insurance for uninsured individuals who have an income. Ms. Evans said that the North Carolina Enrollment Center is located on Greenville Boulevard.



Chip Pennington – No Address Given

Mr. Pennington said Police Chief Hassan Aden spoke at Cypress Glen this morning and did more good in an hour than anyone else he has seen. He complimented Chief Aden on the work he has done for Greenville.

OTHER ITEMS OF BUSINESS

CONVENTION CENTER EXPANSION PROJECT

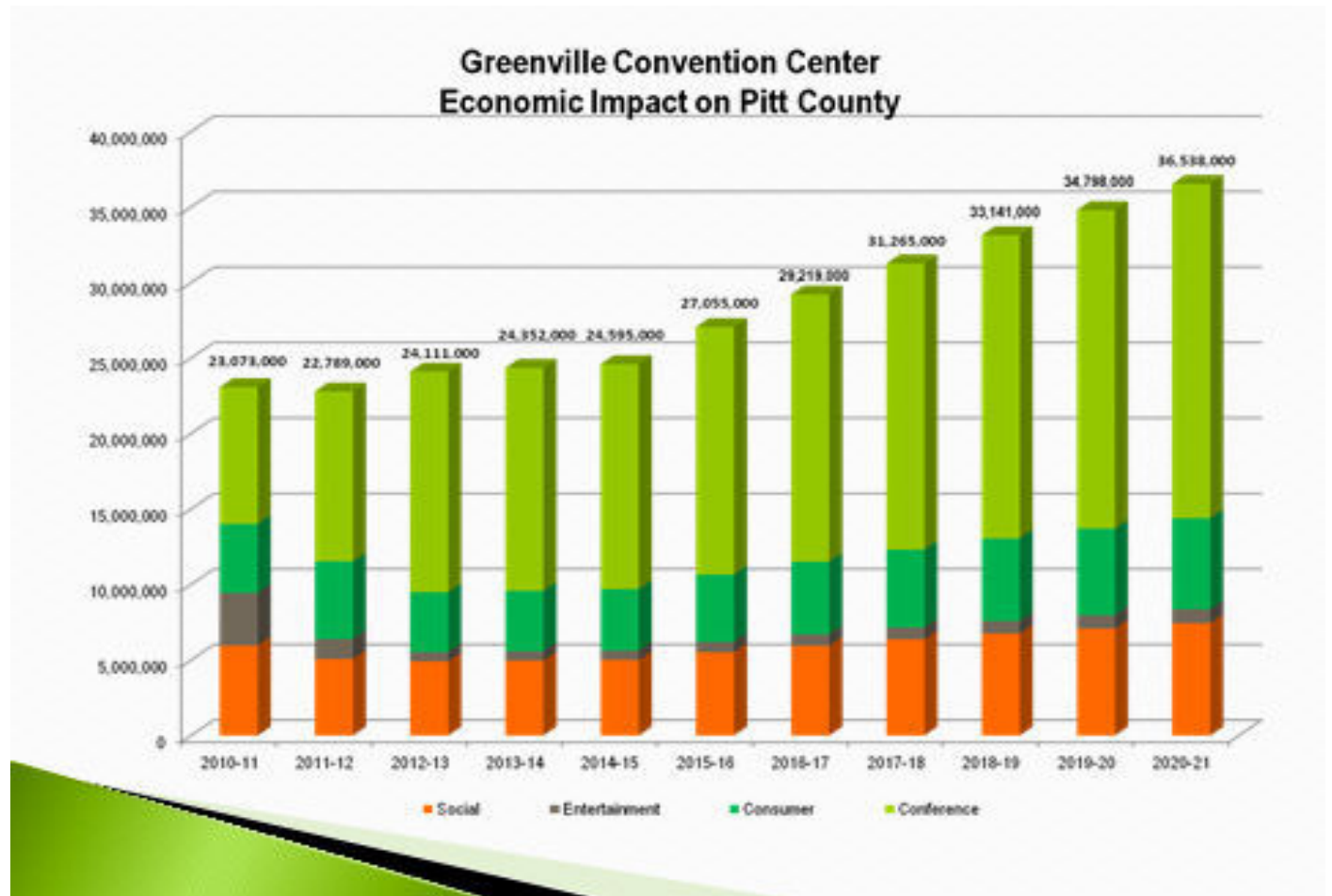
Mr. John Van Coutren, Principal of Exhibit Hall Managers (EHM), presented the Convention Center Expansion Project. He introduced EHM's other officials, who included Ms. Rheasa Tucker, Ms. Jeanette Keys and Mr. Dave Pulver. Mr. Van Coutren said that the Greenville Convention Center is a competitive piece for the City of Greenville. He said that EHM has contracted with LS3P, the architectural firm that designed the Wilmington Convention Center. LS3P conducted a market study and determined that in order for the Greenville Convention Center to remain competitive, it must be updated and expanded. The upgrades to the 12-year-old Convention Center are significant enough to make an impact and would be a huge economic driver for the City of Greenville. Mr. Van Coutren said that EHM outlined the below objectives for LS3P:

- Create a facility that reinforces the vitality of Greenville to drive economic impact
- Upgrade space to create a more upscale look to better compete for event business
- Maximize area and flexibility for seminars and breakout sessions
- Establish identifying brand through entry canopy with signage and sculptural element
- Develop interior finishes to celebrate the influence of Greenville's history in modern, innovative setting
- Upgrade ceiling and lighting design in exhibit hall.
- Upgrade HVAC system to mitigate noise in exhibit hall
- Improve flexibility while maximizing custom experience
- Upgrade existing space to respond to market and customer needs

Mr. Van Coutren said that the main competitors of the Greenville Convention Center are the Koury Center in Greensboro, Twin City Quarter in Winston-Salem, Sheraton Imperial in RTP, Wilmington Convention Center, Raleigh Convention Center and New Bern Convention Center. He said that Raleigh, Wilmington and New Bern Convention Centers were all funded by taxpayers, whereas the Greenville Convention Center was funded entirely without property taxes. According to Mr. Van Coutren, LS3P proposes an upgrade and expansion of the existing facility, which will make the Greenville Convention Center a competitive facility. The expansion will total 45,000 square feet of space, and will include 10 breakout rooms and a 4,600 square-foot outdoor terrace. Currently, the Greenville Convention center does not have any coverage mechanisms in the front of the building for



inclement weather. Therefore, LS3P is proposing a 100-foot awning. Mr. Van Coutren said that upgrades will be made to the interior of the facility as well. They will take place in the lobby, the pre-function space, the concession area, the restrooms and the exhibit halls. He said the current interior will be replaced with a more modern look and will include travertine stone, wood paneling and textured wall coverings. In addition to visual improvements, Mr. Van Coutren said that the HVAC will be improved. He said that the current 6-unit system is loud when turned on, and many keynote speakers and guests have complained about not being able to hear. To mitigate the sound, cloud ceilings and slot diffusers will be installed. As a result of reconfiguring the ceiling, fire protection engineers will inspect and lower the sprinkler heads if necessary. Mr. Van Coutren said that at the conclusion of the expansion, the Greenville Convention Center combined with the Greenville Hilton will provide a total of 433 rooms and 35 breakout rooms, which is well above what many competitors have to offer. Mr. Van Coutren stated that the expansion and upgrades should satisfy the Greenville Convention Center’s needs for the next 10 to 15 years, and will have a total cost of approximately \$4 million. He pointed out that the owner of the Hilton has agreed to gift a portion of land to the expansion project. Mr. Van Coutren showed City Council the chart below, which shows the projected economic impact that the expansion and upgrades will have on Greenville and Pitt County:





Mayor Thomas asked how the City can refinance the original debt from when the facility was built. Mr. Van Coutren said that there is currently \$4 million remaining from the original \$6 million debt. He said the City intends to refinance the \$4 million, go with another revenue bond and layer another \$4 million on top of that amount, which will bring the debt total to approximately \$8 million. Based on economic models, Mr. Van Coutren said that the occupancy tax is estimated to increase steadily at 4%.

Council Member Joyner said that the City's benefits will far outweigh its investment in the expansion of the Convention Center. By making these improvements, he said people will be drawn to Greenville and will spend money here.

Council Member Smith made a motion to approve the Greenville Convention Center Expansion Project. Council Member Mitchell seconded the motion, which passed by unanimous vote.

TIRE DEALERSHIPS AND THE STORAGE AND DISPOSAL OF TIRES

Council Member Joyner stated that the current storage and disposal of tires at two Greenville tire dealerships, one on Dickenson Avenue and the other on Memorial Drive, has come to his attention. He said that the tires are stored inefficiently and give the dealerships a poor visual appearance. In particular, he mentioned that the dealership on Dickenson Avenue stores hundreds of tires behind its facility, which attracts swarms of mosquitoes during rainy weather. Council Member Joyner questioned if the City had any existing regulations for tire storage and disposal.

Community Development Director Flood stated that staff identified 26 local tire dealerships that sell used tires. Of those dealerships, three to four have outgrown their original permitting in a short period of time, and therefore resemble junk yards. Mr. Flood said that, as a result, Community Development, Code Enforcement and Fire-Rescue personnel have taken action against one of the dealerships for land use, public nuisance and building code violations. However, Mr. Flood recognized that the City lacks sufficient screening and storage requirements for the poor visual aspect.

Council Member Blackburn said that she is glad that the City is taking a look at the issue, and asked Mr. Flood if he thought that additional regulations should be put in place. Mr. Flood said that staff will come back with a future report on what has been accomplished and will present other options.

Mayor Pro-Tem Glover pointed out that there are homes in close proximity to the tire dealerships and said that the storage of the tires is not aesthetically pleasing to the nearby residents. She suggested that staff should strengthen the language of existing policies to prevent the recurrence of poor storage practices.



Council Member Mitchell moved to direct staff to continue to address issues related to the tire storage and to develop necessary recommendations to make the tire dealerships an asset to the community. Council Member Joyner seconded the motion, which passed by unanimous vote.

REPORT ON SWEEPSTAKES BUSINESS ENFORCEMENT

Council Member Blackburn requested an update on sweepstakes business enforcement. She mentioned that the City has received many mixed messages from Raleigh regarding the machines, and is aware that the General Assembly has made the machines illegal. Since other cities are removing sweepstakes machines, Council Member Blackburn wanted to know if similar action would soon take place in Greenville.

Police Chief Hassan Aden updated the City Council on Pitt County's strategy for dealing with sweepstakes businesses. He said that he has met with the Sheriff and the District Attorney on numerous occasions to discuss issues surrounding these establishments. He stated that there was a powerful lobby bringing injunctions for mere inspections of the equipment and bringing lawsuits against jurisdictions. Therefore, to avoid unnecessary risk, Police Chief Aden and his colleagues believed it would be in the City's best interest to wait until the end of the legislative session to see what changes would be made. He said that two cases went to the North Carolina Supreme Court and were then appealed to the United States Supreme Court. The United States Supreme Court ruled in favor of the State of North Carolina and upheld State laws which make sweepstakes machines illegal. Police Chief Aden said that he, the Sheriff and the District Attorney have a strategy that will work toward gaining compliance and addressing enforcement issues with those who do not comply.

Mayor Pro-Tem Glover said that the City Attorney advised the City Council about pending cases and cautioned them to wait for a decision about the legality of sweepstakes. She pointed out that since the Supreme Court has ruled in the State's favor, the City Council can now take action. In addition, she wished to dispel any rumors that the City Council supports the operation of sweepstakes.

Council Member Joyner said that he believed the City Council did take action on the sweepstakes because it enforced rules about where they could and could not be, but still heeded the City Attorney's advice by waiting for the outcome of the lawsuits before taking action. He asked Mr. Holec to explain the details of the lawsuits. Mr. Holec said that the appellate courts determined that the privilege licenses were excessive and therefore unconstitutional. He stated that a city can have privilege licenses; however, they cannot be at a level deemed excessive. He cited the case that occurred involving the City of Lumberton, in which the City is required to refund the excessive privilege license funds to the businesses. In addition to privilege licenses, Mr. Holec said that the other litigation issue involved the criminal act of operating the machines. The Supreme Court denied review of the case, thus North Carolina Supreme Court's decision which upheld the State's



prohibition on electronic machines and devices for sweepstakes has remained in place. Council Member Mercer understood that the courts determined \$400,000 to be excessive. Mr. Holec said that “excessive” fees vary by city and are reviewed on a case-by-case basis. He pointed out that the fees in the City of Lumberton were \$5,000 per establishment plus \$2,500 per machine. Council Member Mercer said the fees recommended by staff for Greenville last year, which were approximately \$200,000, were not deemed to be excessive by the courts. He said that if that figure concerned the City Council, it could be cut in half to \$100,000. Mr. Holec said that where to draw the line for “excessive” has yet to be determined, but said that additional court decisions would aid in that determination.

REPORT ON PROGRAM FUNDING IN THE FISCAL YEAR 2014 BUDGET

Council Member Blackburn expressed her concern about the implications that tightening the Fiscal Year 2014 budget will have on funding for several longstanding programs. She said that she is especially concerned about funding for the Façade Improvement Grant, filling the Neighborhood Liaison position and the City-sponsored 8K race, which did not take place this year.

Assistant City Manager Chris Padgett said the 8K race was cancelled this year due to a lack of interest based on a mutual decision of the partners involved. He added that it was not cost effective to have the race this year, but it will be revamped for future years. Mr. Padgett said the Façade Improvement Grant is funded in the current budget at \$56,000, which is more than was spent in the past three years. He said that the Historic Loan Pilot Program, which was created three years ago, is budgeted at \$70,000 in the current fiscal year. Mr. Padgett also stated that the University Area Down Payment Assistance program is budgeted for \$20,000.

City Manager Lipscomb said the program funds were established when the City Council recommended and approved the Fiscal Year 2013-2014 Budget. She stated that staff has the ability to move monies around within the budget with limitations to ensure that all necessary services are provided. In addition, she said that the City also has a contingency that can be tapped. She said that she believes the programs are, and will continue to be, funded sufficiently.

Council Member Blackburn inquired about the status of the Neighborhood Liaison position. City Manager Lipscomb said that staff is confident that it can provide neighborhood services with existing personnel, rather than filling the full-time Neighborhood Liaison position.



COMMENTS FROM THE MAYOR AND CITY COUNCIL

The Mayor, Mayor Pro-Tem and Council Members made general comments about past and future events.

CITY MANAGER'S REPORT

City Manager Lipscomb recommended the City Council consider cancelling the October 21, 2013, City Council meeting as there was nothing proposed for the agenda.

Upon motion by Council Member Joyner, and second by Council Member Mercer, the City Council voted unanimously to cancel the October 21, 2013, City Council meeting.

ADJOURNMENT

A motion was made by Council Member Joyner, and seconded by Council Member Blackburn, to adjourn the meeting. There being no further discussion, the motion passed by unanimous vote. Mayor Thomas adjourned the meeting at 10:10 p.m.

Respectfully submitted,

Carol L. Barwick, CMC
City Clerk



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Right-of-way encroachment agreement with University Health Systems of Eastern North Carolina, Inc., d/b/a Vidant Health, to encroach upon the public street right-of-way of Hemby Lane to install a below-ground fiber-optic cable in a conduit

Explanation: **Abstract:** The City has received a request from University Health Systems of Eastern North Carolina, Inc., d/b/a Vidant Health, to encroach upon the public street right-of-way of Hemby Lane to install a below-ground fiber-optic cable in a conduit.

Explanation: Attached for City Council's consideration is a right-of-way encroachment agreement setting out the terms by which University Health Systems of Eastern North Carolina, Inc., d/b/a Vidant Health, can install below-ground fiber-optic cable in a conduit crossing under the street section of Hemby Lane to serve parcel number 65176.


No adverse comments regarding this encroachment were received through the departmental review process. Staff takes no exception to this request.

Fiscal Note: No fiscal impact is anticipated with this action.

Recommendation: Approve the right-of-way encroachment agreement permitting University Health Systems of Eastern North Carolina, Inc., d/b/a Vidant Health, to encroach upon the public street right-of-way of Hemby Lane to install a below-ground fiber-optic cable in a conduit.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Hemby Lane Encroachment Agreement](#)

-----[SPACE ABOVE THIS LINE IS RESERVED FOR RECORDATION DATA]-----

STATE OF NORTH CAROLINA
COUNTY OF PITT

Prepared by: City of Greenville
Mail to: City of Greenville PWD
PO Box 7207
Greenville, NC 27834

Right of Way Encroachment Agreement
Emerald Place Subdivision

THIS AGREEMENT made and entered into this the _____ day of _____, 2014, by and between the **CITY OF GREENVILLE**, Party of the First Part and hereinafter sometimes referred to as the **CITY**, and **University Health Systems of Eastern Carolina, Inc. d/b/a Vidant Health** Party of the Second Party and hereinafter sometimes referred to as the **OWNER**;

WITNESSETH

THAT WHEREAS, the OWNER desires to encroach upon the public right of ways of the public streets designated as Hemby Lane with the construction of (1) 1.25" HDPE innerduct containing (1) fiber optic cable as shown on Attachment "A";

WHEREAS, it is to the material advantage of the OWNER to effect this encroachment, and the CITY, in the exercise of authority conferred upon it by statute, is willing to permit the encroachment within the limits of the right of ways as indicated on attachment "A", subject to the conditions of this Agreement.

NOW, THEREFORE, in consideration of the execution of this Agreement by the CITY, the benefits flowing to the OWNER, and the covenants and agreements herein contained with respect to the obligations of the OWNER hereunder, the CITY does hereby give and grant unto the OWNER, the right and privilege to make the encroachment, as shown on attachment "A", subject to the conditions contained in this Agreement.

TO HAVE AND TO HOLD said encroachment rights under this Agreement unto the OWNER, provided, however, the OWNER performs and abides by the covenants and agreements herein contained.

The covenants and agreements to be performed by the OWNER as a part of the consideration for this encroachment agreement are as follows:

1. All costs of construction and maintenance of the encroaching structure will be at the sole cost and expense of the OWNER.
2. All damages to the right of ways, including the traveled portion of the street located thereon, or to facilities maintained by Greenville Utilities Commission as a result of the construction or maintenance of the encroaching structure, shall be borne by the OWNER, including but not limited to the following:
 - a. Restoring the traveled portion of the street to good, passable condition for use by the public.
 - b. Repairing any damage to the existing curbing or sidewalks.
 - c. Repairing any damage to facilities maintained by Greenville Utilities Commission
3. Any damage to the OWNER's encroaching structure caused by the CITY's or Greenville Utilities Commission use of its right of ways for construction or maintenance work in the ordinary course of its business, shall be borne by the OWNER.
4. The OWNER shall maintain the encroaching structure so that it does not interfere with the utilization of the right of way by the CITY or utilization by the Greenville Utilities Commission of the right of way or facilities maintained by Greenville Utilities Commission.
5. The OWNER shall install and maintain the encroaching structure in such safe and proper condition that it will not obstruct or interfere with the proper maintenance of the right of way, or facilities maintained by Greenville Utilities Commission and if at any time in the future the CITY shall require the removal of or changes in the location of the encroaching structure, the OWNER shall promptly remove or alter the location of the encroaching structure in order to conform to such requirements without cost to the CITY.
6. The OWNER hereby agrees to indemnify and save the CITY and its officers and employees harmless from all damages and claims for damage that may arise by reason of the installation and maintenance of the encroaching structure.
7. The OWNER agrees to exercise every reasonable precaution during construction and maintenance of the encroaching structures to prevent damage to the right of way or facilities maintained by Greenville Utilities Commission. The OWNER shall comply with all applicable rules, regulations, and ordinances of the CITY as well as those of state and federal regulatory agencies. Whenever any installation or maintenance operation by the OWNER or its contractors disturbs the ground surface, the OWNER agrees to return the area as nearly as possible to its condition prior to disturbance.
8. The OWNER agrees to assume the actual cost of any inspection of the OWNER's work considered to be necessary by the CITY.
9. In the event of noncompliance by the OWNER with any of the covenants and agreements herein contained, the CITY reserves the right to stop all works by the OWNER until the OWNER complies, or to cause the removal of the encroaching structure from its right of way or from City property without cost to the CITY.

10. Notwithstanding any other provision of this Agreement, the CITY may terminate the right, privilege, and easement granted herein by the provision of at least thirty-days (30) written notice to the OWNER.

IT IS UNDERSTOOD AND AGREED that after completion of the construction of the encroaching structures, the OWNER may assign, subject to the conditions contained in this Agreement, the encroachment rights under this Agreement to the Homeowners' Association provided that said assignment is in writing with the association, agreeing to perform and abide by the covenants and conditions to be performed by the OWNER contained in this Agreement and provided that a copy of said assignment is delivered to the CITY within ten (10) days of the execution of the assignment.

IT IS UNDERSTOOD AND AGREED that this Agreement shall become null and void if actual installation of the encroaching structure is not complete within one (1) year from the date of the execution of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate originals as of the day and year first above written.

UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA, INC.

David C. Herman, MD (Seal)

David C. Herman, MD, Chief Executive Officer
Agent for and on behalf of University Health Systems of Eastern Carolina, Inc. d/b/a Vidant Health
2100 Stantonsburg Road
Greenville, NC 27835

CITY OF GREENVILLE

Allen M. Thomas, Mayor

ATTEST:

Carol L. Barwick, City Clerk

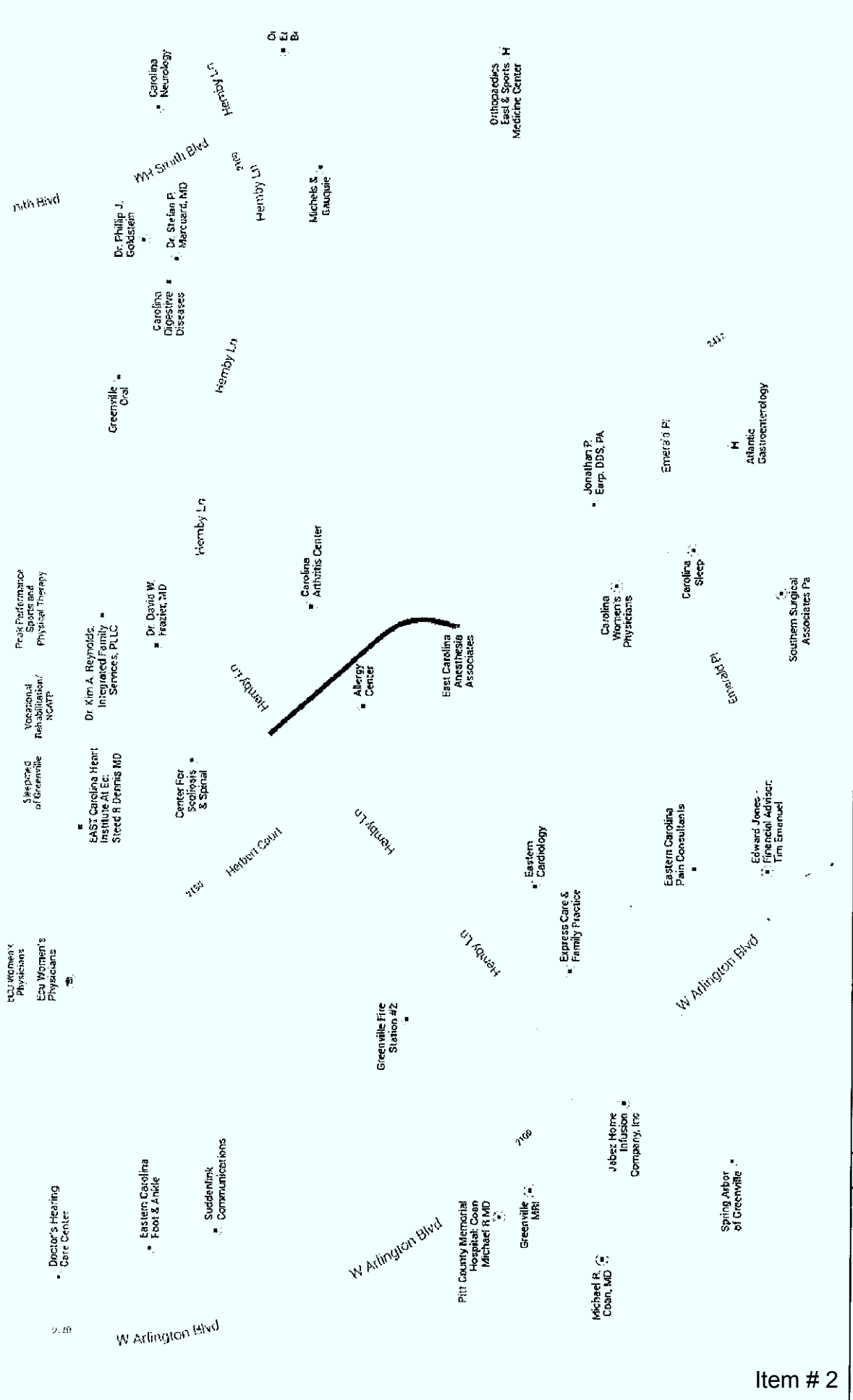
APPROVED AS TO FORM:

David A. Holec, City Attorney

RECOMMENDED:



GREENVILLE, NC PITT COUNTY LOCATION MAP



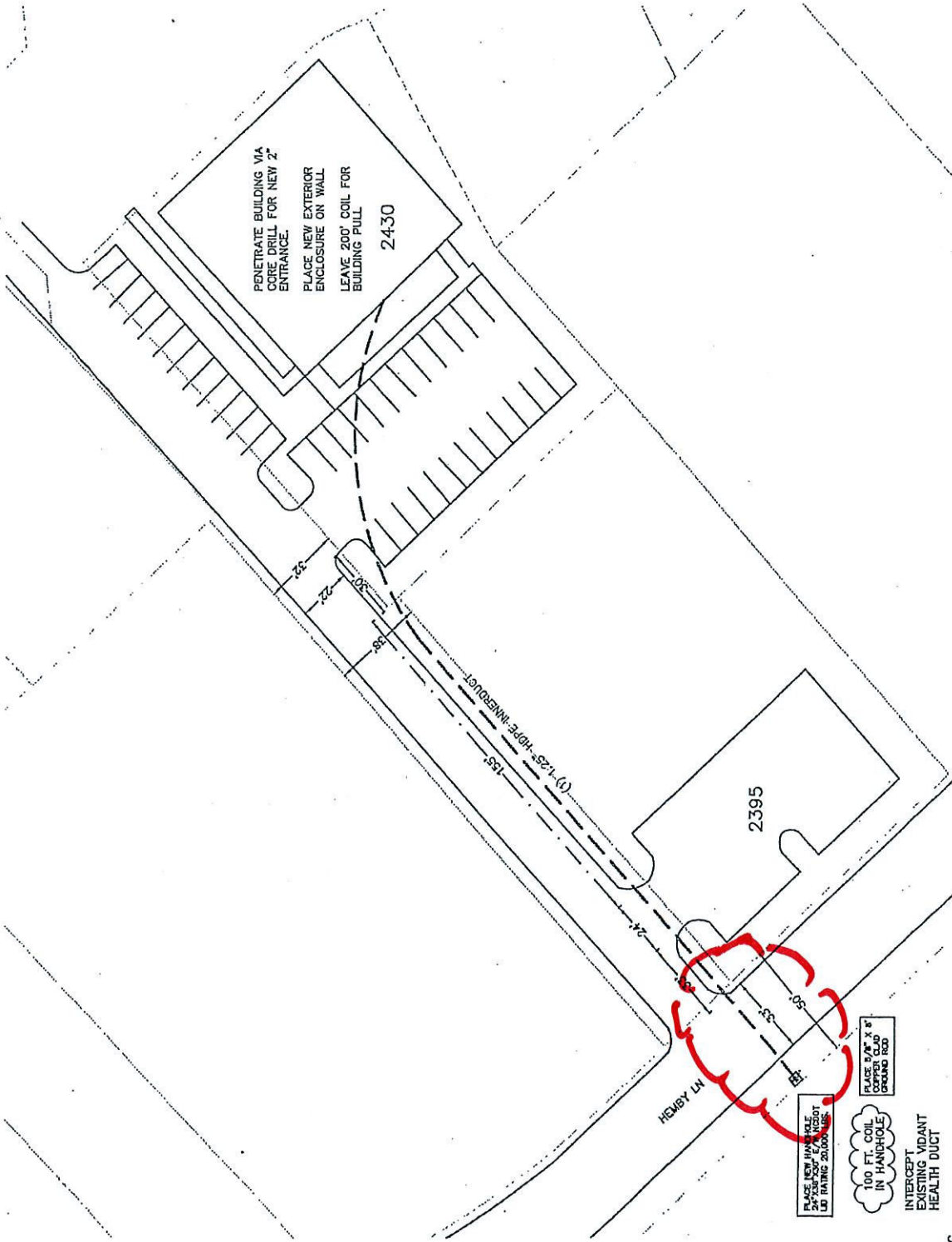
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| <p>DESIGNED AND DRAFTED BY: Beta Engineering, PA PO Box 505 Thomasville, NC 27361</p> | <p>PROJECT CODE: VIDANT HEALTH GREENVILLE, NC</p> | <p>PROJECT NUMBER: BE-5135</p> | <p>SCALE: HORIZONTAL: N/A VERTICAL: N/A</p> | <p>2100 STANTONSBURG ROAD GREENVILLE, NC 27835</p> |
| <p>BY: B. A. BOGER</p> | <p>PROJECT NO: 2</p> | | <p>VIDANT HEALTH GREENVILLE, NC</p> | |



ALL DIRECTIONAL BORE SHALL BE COMPLETED AT A DEPTH OF 48" UNLESS OTHERWISE NOTED.

GREENVILLE, NC
PITT COUNTY




100 FT. COIL IN HANDHOLE
INTERCEPT EXISTING VIDANT HEALTH DUCT

PLACE NEW 1/2" DIA. 20' X 20' X 8' COIL IN HANDHOLE

PLACE 3/4" X 8' COIL IN HANDHOLE

CALL BEFORE YOU DIG
1-800-632-4949
72 HOURS NOTICE REQUIRED

| | | | | | | |
|--|---|--|--|--|--|--|
|  Beta Engineering, PA PO Box 505 Thomasville, NC 27381 | DATE: _____ BY: _____ CD: _____ APP'D: _____ | GREENVILLE, NC SCALE: HORIZONTAL 1"=60' VERTICAL 1"=60' | INFORMATION ON THIS DRAWING IS THE PROPERTY OF BETA ENGINEERING, PA. NO PART OF THIS DRAWING IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT THE WRITTEN PERMISSION OF BETA ENGINEERING, PA. | VIDANT Health Center 2100 STANTONSBURG ROAD GREENVILLE, NC 27833 | PROJECT CODE: _____ PROJECT NUMBER: BE-5135 | FOR: VIDANT HEALTH GREENVILLE, NC DATE: 11 |
| | H. A. BOGGER ENGINEER BETA ENGINEERING, PA | APPROVAL: _____ | SCALE: HORIZONTAL 1"=60' VERTICAL 1"=60' | INFORMATION ON THIS DRAWING IS THE PROPERTY OF BETA ENGINEERING, PA. NO PART OF THIS DRAWING IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT THE WRITTEN PERMISSION OF BETA ENGINEERING, PA. | VIDANT Health Center 2100 STANTONSBURG ROAD GREENVILLE, NC 27833 | PROJECT CODE: _____ PROJECT NUMBER: BE-5135 |



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

-
- Title of Item:** Resolution declaring Urban Search and Rescue canine Storm as surplus property and authorizing her disposition to Retired Battalion Chief Susan Barrett
- Explanation:** The Urban Search and Rescue program has discontinued the canine program; thus, Urban Search and Rescue canine Storm is being retired. Fire-Rescue Battalion Chief Susan Barrett has been K-9 Storm's handler for six years, and she has expressed an interest that Storm be released to her care for the remainder of Storm's life.
- Fiscal Note:** No direct cost to the City.
- Recommendation:** Approve the attached resolution declaring Urban Search and Rescue canine Storm as surplus property and selling her to Retiree Susan Barrett for one dollar (\$1.00).
-

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Attachments / click to download

[RESOLUTION_DECLARING_AN_URBAN_SEARCH_AND_RESCUE_CANINE_976328](#)

RESOLUTION NO.
RESOLUTION DECLARING AN URBAN SEARCH AND RESCUE CANINE AS SURPLUS
AND AUTHORIZING HER DISPOSITION TO
RETIRED BATTALION CHIEF SUSAN BARRETT

WHEREAS, the Urban Search and Rescue canine for the Greenville Fire-Rescue Department, K-9 Storm, has retired as a result of the Urban Search and Rescue program discontinuing the canine program;

WHEREAS, Fire-Rescue Retiree Susan Barrett has been K-9 Storm's handler for six years and has expressed an interest that Storm be released to her care for the remainder of Storm's life; and

WHEREAS, North Carolina General Statute 160A-267 permits City Council to authorize the disposition of property valued at less than thirty thousand dollars (\$30,000) by private sale;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenville that K-9 Storm be and is hereby declared surplus to the needs of the City and is authorized to be conveyed to Retiree Susan Barrett for one dollar (\$1.00).

This the 7th day of April, 2014.

Allen M. Thomas, Mayor

ATTEST:

Carol Barwick, City Clerk

#976328



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Reimbursement Agreement with Greenville Utilities Commission for Design, Easement Acquisition, and Construction of Waterline Relocation for Bridge #421 on King George Road

Explanation: **Abstract:** In conjunction with the replacement of Bridge #421 on King George Road, the existing waterline will be relocated. The cost for this relocation is the responsibility of Greenville Utilities Commission (GUC), but will be included in the construction contract awarded by the City to facilitate coordination during construction. GUC will reimburse the City for associated costs of relocation, which requires an agreement with GUC.

Explanation: Design plans for the proposed replacement of Bridge #421 on King George Road have progressed to approximately 65% complete. The project is 80% federally funded through NCDOT's Bridge Program, which requires that NCDOT review and approve the plans. Since NCDOT will not allow the existing waterline to be reattached to the future bridge, the waterline must be relocated.

The efforts of design work, easement acquisition, and construction are all eligible to receive 80% federal funds as part of the project funding through NCDOT. As such, and to better facilitate plan development and construction activity, both City staff and GUC agree the best process is to include the waterline relocation as part of the City's project. The design consultant, Wetherill Engineering, Inc., will accomplish the relocation design and include this in the construction drawings. The future construction contract will include relocating the waterline as part of the work of the contract. The City will invoice GUC at set stages as set forth in the agreement for actual costs incurred for design, easement acquisition, and construction.


Fiscal Note: This agreement will provide the 20% matching funds for the waterline relocation work as required by the City's Municipal Agreement with NCDOT for the bridge replacement. The City will not incur any net cost for relocation of the waterline

as a result of this Agreement.

Recommendation: Approve the attached agreement with GUC for reimbursement of costs incurred for the design, easement acquisition, and construction of waterline relocation for the replacement of Bridge #421 on King George Road.

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Attachments / click to download

 [King George Bridge Cost Share Agreement with GUC 968554](#)

**NORTH CAROLINA
PITT COUNTY**

AGREEMENT

THIS AGREEMENT, made and entered into this the ___ day of _____, 2014, by and between the CITY OF GREENVILLE, a municipal corporation organized and existing pursuant to the laws of the State of North Carolina, Party of the First Part and hereinafter referred to as CITY, and the GREENVILLE UTILITIES COMMISSION, a commission organized and existing pursuant to the laws of the State of North Carolina, Party of the Second Part and hereinafter referred to as GUC;

WITNESSETH:

WHEREAS, CITY has undertaken a project to replace Bridge #421 on King George Road near York Road in the Brook Valley Neighborhood, hereinafter referred to as PROJECT, the costs for which are reimbursable items which qualify for provision by the North Carolina Department of Transportation (NCDOT), through the Municipal Bridge Program, of eighty percent (80%) of project cost for plan development and implementation;

WHEREAS, CITY and GUC agree that the water main belonging to GUC must be relocated as part of the work of the PROJECT, and further agree that design and construction associated with the relocation of water main shall be accomplished by a design consultant and contractor retained by CITY;

WHEREAS, CITY and GUC agree it is in the best interest of both parties for the contractor which performs the work of the PROJECT to also complete, or cause to be completed, the work of relocating the conflicting water main belonging to GUC; and

WHEREAS, GUC has agreed to reimburse CITY the twenty percent (20%) required matching funds associated with the design, easement acquisition, and construction expenses

associated with the relocation of the water main on the PROJECT.

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

1. The CITY will contract with Wetherill Engineering, Inc., hereinafter WEI, for the provision of the professional services for design development, preparation of construction drawings and contract documents, and associated tasks related to the relocation of the GUC water main for the PROJECT, said contract being an amendment to CITY's current contract with WEI for the PROJECT and hereinafter referred to as the AMENDMENT.

2. The CITY will provide GUC reasonable opportunities to provide review comments on and approve the construction drawings prepared by WEI related to the relocation of the GUC water main prior to awarding a construction contract for the PROJECT.

3. GUC will provide inspection services, at no cost to the CITY, for relocation of the GUC water main which is accomplished for the PROJECT.

4. GUC shall pay the CITY the sum of Nine Hundred Eighty and 79/100ths Dollars (\$980.79), said amount being twenty percent (20%) of the amount to be paid to WEI for the services provided under the AMENDMENT. Payment shall be made by GUC to the CITY within fifteen (15) days of the receipt of an invoice from the CITY. The CITY shall send the invoice to GUC after the services related to relocation of the GUC water main under the AMENDMENT have been completed.

5. GUC shall pay the CITY twenty percent (20%) of costs associated with acquiring any easement necessary for the relocation of the GUC water main, including compensation to owner, appraisals, surveys, legal expenses, and all other costs necessary to obtain and record the easement(s). Cost for easements associated with relocation of the GUC water main is estimated to

be One Thousand Five Hundred and NO/100ths Dollars (\$1,500.00). It is understood by both CITY and GUC that this is an estimate and that GUC shall reimburse CITY twenty percent (20%) of actual costs incurred. Payment shall be made by GUC to the CITY within fifteen (15) days of the receipt of an invoice from the CITY. The CITY shall send the invoice to GUC after the easement has been acquired.

6. GUC shall pay CITY twenty percent (20%) of the final construction costs for relocation of the GUC water main. Cost for construction expenses related to relocation of the GUC water main is estimated to be Thirty-Five Thousand and NO/100ths Dollars (\$35,000.00); however, reimbursement by GUC to the CITY shall be based upon final payments to the contractor for the PROJECT, including any change orders that become necessary, to accomplish the work of relocation of the GUC water main, said payments being based upon the unit price work of the construction contract and any associated change orders. Payment shall be made by GUC to the CITY within fifteen (15) days of the receipt of an invoice from the CITY. The CITY shall send the invoice to GUC after the relocation of the GUC water main has been completed.

7. All changes and amendments to this Agreement shall be in writing and signed by the parties.

8. This Agreement represents the entire agreement and understanding of the parties and there are no other agreements oral or in writing between the parties. The persons executing this Agreement declare and assert they have the authority and ability to bind their party to the terms and conditions of this Agreement.

9. This Agreement shall be interpreted and enforced under the laws of the State of North Carolina.

10. The parties agree to execute this Agreement in duplicate originals. Each party shall

maintain a fully executed original Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, in duplicate originals,
as of the day and year first above written, all pursuant to authority duly granted.

L.S.
ATTEST

GREENVILLE UTILITIES COMMISSION

By: _____

Amy Quinn
Executive Secretary

By: _____

Anthony C. Cannon
General Manager/CEO

CITY OF GREENVILLE

By: _____

Barbara Lipscomb
City Manager

APPROVED AS TO FORM:

David A. Holec, City Attorney
City of Greenville

PRE-AUDIT CERTIFICATION

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

Bernita Demery, Finance Director
City of Greenville

Account Number: _____

APPROVED AS TO FORM:

Phillip R. Dixon, Commission Attorney
Greenville Utilities Commission

PRE-AUDIT CERTIFICATION

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

Jeff W. McCauley, Chief Financial Officer
Greenville Utilities Commission



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Acceptance of Economic Development Grants from ElectriCities and the Pitt County Development Commission

Explanation: **Abstract:** The Office of Economic Development submitted two grants, one to ElectriCities and one to the Pitt County Development Commission, each of which has been approved. These grants will provide funding in support of current City of Greenville economic development initiatives.

Explanation: The Office of Economic Development submitted two grants, one to ElectriCities and one to the Pitt County Development Commission. Each grant has been approved.

The ElectriCities Smart Communities grant is an economic development tool made available by ElectriCities to member units of government. As described in the attached briefing document, this grant will support a joint partnership with Uptown Greenville that will be used to recruit new retail businesses to the Uptown Commercial District. Additional information on the ElectriCities grant is provided in the attached brochure.

The Pitt County Development Commission (PCDC) recently launched a grant program to provide up to \$5,000 at a time to Pitt County municipalities to further economic development initiatives. The approved grant funding will assist the City, Chamber of Commerce, and other partners to expand the SEED co-working space in the Uptown district. Additional information on the SEED program along with information about the PCDC grant program is attached.

Fiscal Note: The \$4,000 ElectriCities Smart Community grant requires a match equivalent to the grant amount. Funds to cover the \$4,000 match are available in the Economic Development Office budget and were earmarked for this purpose.

The \$5,000 PCDC grant does not require a match.

Recommendation: Staff requests that the City Council accept the \$4,000 grant from Electricities and the \$5,000 grant from the Pitt County Development Commission.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Grants Memo](#)

 [Grant](#)

 [PCDC Grant](#)

MEMORANDUM

To: Barbara Lipscomb, City Manager

From: Carl Rees, Economic Development Officer

Date: January 28, 2014

Subject: Grant Opportunities

In an effort to advance Greenville's 2013 – 2014 economic development initiatives, Office of Economic Development Staff is pursuing two new grant opportunities. Please find information below on each. We will be requesting that the City Council authorize applications for these two grants at the February 10, 2014 City Council meeting.

ElectriCities Smart Communities Grant

Smart Communities, an economic development assistance tool sponsored by ElectriCities, was created to help cities attract and retain commercial and industrial customers. Participants are eligible to receive a \$4,000, 50/50 matching grant to be used towards specific economic development projects in various categories, including downtown redevelopment.

The Office of Economic Development plans to submit a "Retail Challenge" proposal as a recruitment tool aimed at promoting economic development by attracting and retaining new and existing business in the Uptown Commercial District. With support from Uptown Greenville, the Retail Challenge will be a collaborative effort offering subsidies for rent, utilities, and advertizing to a new retail business for one year. The award package will incentivize retail businesses to reseed Greenville's growing Uptown Commercial District by providing direct operating support and by increasing visibility.

If awarded, the \$4,000 grant would assist with brand development and layout work for the Retail Challenge program as well as to help fund the incentive program. Funds to cover the \$4,000 match are currently included in the Office of Economic Development budget in a line item dedicated to the Retail Challenge program. Utilizing City funds, potential grant funds and contributions from Uptown Greenville, the proposed budget for the program is \$15,000.

Pitt County Development Commission Municipal Support Grant

Staff is preparing an application for a \$5,000 grant from the Pitt County Development Commission (PCDC) in support of a proposed expansion to the SEED program which has been dubbed "SEED 2.0". The grant is funded by the PCDC and is available to all Pitt County municipalities to provide support for economic development initiatives.

Over the past six months, City staff has been working along with staff from the Greenville-Pitt County Chamber and Uptown Greenville to build upon the existing model of SEED (Supporting

Entrepreneurial and Economic Development) a co-working office space in the Uptown district. The co-working space currently allows early stage entrepreneurs a chance to locate in the Uptown district with a low overhead cost, and while in residence to collaborate with other local entrepreneurs in development of their business idea. Current SEED tenants are allowed to utilize the space for up to 90 days. The program is operated by the Chamber of Commerce and is also supported financially through contributions from some Chamber member businesses.

After several successful 90-day SEED sessions, the partners cited above have determined that the timing is right to build upon the existing program in order to add additional space for use by local entrepreneurs. This additional space will allow SEED participants as well as other entrepreneurs the opportunity to remain in a co-working environment while moving to a cubicle or even small office space. This proposed expansion is in line with the findings of Greenville's recently completed economic development assessment that cited the need to develop buildings and sites at a variety of scales through public/private partnerships. This natural evolution is also a positive step along a pathway that may ultimately lead to the development of a full-service small business incubator in the city of Greenville.

The new space proposed for "SEED 2.0" is just over 3,000 square feet and is located above the East Group offices on Evans Street. The owners of the space have offered a below market lease and have been exceptionally generous with other lease terms. To date, there are three tenants committed to the SEED 2.0 space over and above the standard SEED participants. The SEED partnership via the City of Greenville is requesting that the PCDC grant \$5,000 to help with the startup costs such as a security system and some minor up-fits to the space. With a grant award from the PCDC as well as other City and private sector support, the goal is to open the doors of SEED 2.0 on April 1st.

Cc: Chris Padgett, Assistant City Manager
Merrill Flood, Community Development Director



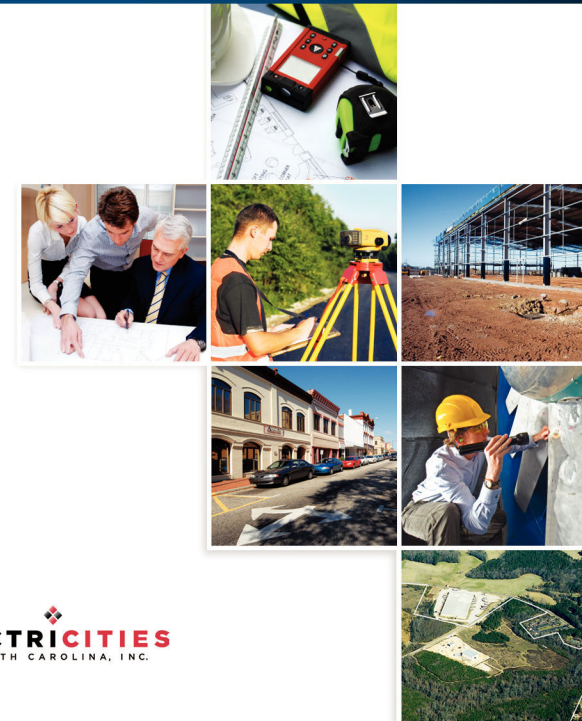
Let ElectriCities Help Prepare Your Community for Industrial and Commercial Growth.

Smart Communities, an Economic Development assistance tool from ElectriCities, was created to help NCMPA1 and NCEMPA Participants attract and retain commercial and industrial customers.

NCEMPA and NCMPA1 Participants are eligible to receive a \$4,000 matching grant to be used towards specific economic development projects. Smart Communities grants are matching funds and must involve local funding. In 2012, grant awards are limited to 10 NCEMPA Participants and 10 NCMPA1 Participants. Grants will be awarded based on the strength of the overall project and impact to the community. Grant applications will be reviewed continuously with awards made as applications are approved. Once the project funding is spent, no further applications will be considered in that calendar year.

Smart Communities

ElectriCities Economic Development

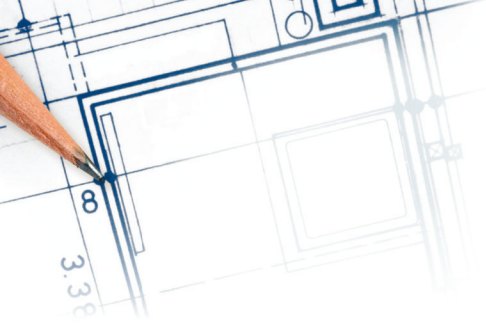


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Item # 5



Grants are available in the following areas:

- **Brownfield Remediation**
- **Building/Parcel Layouts**
- **Business Retention**
- **Downtown Redevelopment**
- **Facade Upgrades**
- **Grant Writing**
- **Infrastructure Plans**
- **Rail Study**
- **Signage**
- **Site Certification**
- **Site Plan Development**
- **Strategic Planning**
- **Website Design**
- **Other**

(Partial List)



Smart Communities Snapshot

What is Smart Communities?

Smart Communities is a grant program available through ElectriCities Economic Development that provides funding for specific economic development projects.

Who is eligible for Smart Communities grants?

All NCEMPA and NCMPA1 Participants.

What is the maximum funding?

\$4,000 maximum is available per community and does require a 50/50 match from the city or town.

How many awards will be made?

In 2012, 10 \$4,000 awards are available for each Power Agency (10 for NCEMPA and 10 for NCMPA1).



When are applications due?

Applications are accepted at any time and will be reviewed as they are received. If the maximum funding is exhausted before December 31, 2012, no more applications will be accepted. If this happens, the website will be updated and the application will be removed.

Where do I find an application?

Find applications online at www.electricities.com.

Who do I contact for information or questions?

Contact Brenda Daniels at 800-768-7697 ext. 6363 or bdaniels@electricities.org

To apply for a Smart Communities grant, complete the short application and submit to:

Brenda Daniels
Manager, Economic Development
ElectriCities of NC
bdaniels@electricities.org
Fax: 919-760-6060



Item # 5

MUNICIPAL SUPPORT GRANT APPLICATION

Funding Year 2013-2014

The goal of this grant program is to provide support for economic development initiatives in Pitt County municipalities.

Timing: Grant applications will be received on an ongoing basis from July 1, 2013 to June 30, 2014.

Requirements:

- 1) Only Pitt County municipalities may apply for funds.
- 2) Requests must be directly related to economic development.

Instructions:

- 1) Read the grant guidelines in full prior to beginning your application.
- 2) Complete the application cover page.
- 3) Answer all questions in the narrative section. Your application can include up to 2 pages.
- 4) Submit the application via email, fax or mail.
 - Email applications to Mandy Moye mandy.moye@pittcountync.gov.
 - Fax applications to (252) 758-0128.
 - Mail applications to PO Box 837 Greenville, NC 27835-0837.
- 5) You will receive a confirmation within 3 business days of receipt of the application. You will also be given the date of the next Board meeting at which the application will be discussed and eligible for Board action. Following the designated meeting, you will be notified of the Board's decision. Depending on the timing of the submission and the upcoming Board meeting agenda, the Development Commission reserves the right to move an application to a future Board meeting beyond the next meeting date. You may be asked to present at a Board meeting, but it is not required and will be on a case-by-case basis.

Guidelines:

- Applications may be submitted for up to \$5000 per request.
- Total amount of grant funding for 2013-2014 fiscal year is \$25,000.
- Each municipality will be allowed one open grant application at a time.
- Applications will be accepted on a rolling basis.
- An organization may apply for funds multiple times in a fiscal year.
- Grant money will be dispersed on a reimbursement basis or by direct invoice at the Development Commission's discretion.
- Municipalities may apply on their own behalf or on behalf of other entities with the municipality as the host applicant (provided the application meets all other guidelines).
- The PCDC Board will review all requests and may ask for additional information.
- The grant program will be reviewed each year to determine future funding availability and appropriation and is not guaranteed for future fiscal years.
- The grant will not fund the following:
 - Festivals, parades and other community-specific events
 - Dues/fees to organizations
 - Salaries and wages
- A final report with appropriate documentation is required to close the grant and qualify the municipality to submit a future grant, if desired.

Pitt County Development Commission Municipal Support Grant Program Cover Sheet

| | | | |
|---|-------------|---------------------------|----------------|
| Project Title | | | |
| Applicant | | | |
| Project Manager (Name and job title) | | | |
| Title | | | |
| Address (<i>Street, City, ZIP Code</i>) | Website URL | Other Telephone () | E-mail Address |
| | | | |

Certification and Approval

I hereby certify that the information contained in this application is, to the best of my knowledge, complete and accurate. I further certify, to the best of my knowledge, that any ensuing program and activity will be conducted in accordance with all applicable application guidelines and instructions, and that the requested budget amounts are necessary for the implementation of this project.

| | |
|--------------------------|------|
| TOWN/CITY MANAGER | |
| Signature | Date |
| Type or print the name | |

Application Narrative

I. PROJECT DESCRIPTION

Describe the proposed project and how it directly relates to economic development initiatives.

II. BUDGET

Outline the budget of the project. Include quotes if applicable. List any other financial support obtained or pending.

III. EXPECTED BENEFITS

Describe the specific benefits that you expect from this project.

VI. OTHER INFORMATION

Include any other relevant information to be considered.



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Request by Pitt County Board of Health

Explanation: **Abstract:** The Pitt County Board of Health is considering adoption of a public health rule that would prohibit the use of tobacco products, including electronic cigarettes, in all public parks within Pitt County. The Board wants to determine whether various entities, including City Council, would support such an action and, to this end, has provided a Resolution of Support for City Council's consideration.

Explanation: The Pitt County Board of Health is considering adoption of a public health rule that would prohibit the use of tobacco products, including electronic cigarettes, in all public parks within Pitt County. This action would be applicable in all City parks as well. The Board wants to determine whether various entities, including City Council, would support such an action and, to this end, has provided a Resolution of Support for City Council's consideration.

Section 12-1-13 of the Greenville City Code prohibits smoking in municipal buildings and facilities, except in designated smoking areas as determined by the City Manager. Included in the definition of smoking are lighted pipes, cigars, cigarettes or other combustible tobacco products. This ordinance is further implemented by Administrative Procedure #8, which prohibits smoking in buildings and vehicles and identifies limited designated areas. No City Code provision prohibits smoking in City parks, beyond the prohibition that is applicable to buildings, facilities and vehicles.


Fiscal Note: No fiscal impact anticipated.


Recommendation: Both City Council and the Recreation and Parks Commission have received the attached letter from the County Health Director. Staff recommends that a single response be provided by the City. As such, staff recommends that City Council refer this matter to the Recreation and Parks Commission for a recommendation,

then determine the City's position.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Letter from Dr. Morrow](#)

 [Administrative Procedure](#)



Dr. John Morrow, Director

February 26, 2014

RECEIVED

Mrs. Barbara Lipscomb, City Manager
City of Greenville
PO Box 7207
Greenville, NC 27835

MAR - 4 2014

CITY MANAGER'S OFFICE

Dear Mrs. Lipscomb,

The Pitt County Board of Health is considering adoption of a public health rule that would prohibit the use of tobacco products, including electronic cigarettes, in all public parks within Pitt County. Before the Board takes action on this issue, they would like to know whether or not your Board/Commission/Committee would support such an action.

Please read the attached resolution. If you do support this action, please take a vote to approve it, then mail/fax/email the signed document to the following address:

Jennifer Dickerson
Pitt County Deputy Registrar
201 Government Circle
Greenville, NC 27834
Tel: 252-902-2442
Fax: 252-413-1396

jennifer.dickerson@pittcountync.gov

Feel free to change this resolution to fit your need. If you would like any assistance with making these changes do not hesitate to call us.

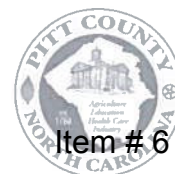
Communities across the country have improved their public parks by making them smoke-free or tobacco-free. Often municipal officials are concerned about who will enforce such regulations. The Pitt County Board of Health intends to allow this rule to be self-enforced by the community at large. There usually is no need for police intervention. We also plan to use grant funding to purchase attractive signs for your park. These signs will have a positive message that will encourage healthy behavior. We hope that by decreasing tobacco litter, park maintenance cost will actually decrease.

If you have other questions or concerns about this public health rule, I will be happy to discuss it with you.

Sincerely,

A handwritten signature in black ink, appearing to read "John H. Morrow", with a stylized flourish at the end.

John H. Morrow, MD, MPH
Health Director



Resolution of Support for Tobacco-Free Parks in Pitt County

WHEREAS, our parks are established to promote healthy activities and community wellness; especially for children;

WHEREAS, several parks in Pitt County share facilities with, or are located adjacent to public schools, which by law, have 100% tobacco-free campuses;

WHEREAS, according to the Centers for Disease Control and Prevention (CDC), tobacco use and secondhand smoke exposure are leading preventable causes of illness and premature death in Pitt County, in North Carolina and our nation;¹

WHEREAS, research indicates that during active smoking, outdoor levels of secondhand smoke may be as high as indoor levels and may pose a health risk for people in proximity to the smoker;²

WHEREAS, children learn by modeling adult behavior and benefit by having positive role models and from positive reinforcement of healthy lifestyles;

WHEREAS, cigarette and tobacco litter is the number one item littered in our parks and creates a health and safety hazard to both small children and wildlife, and distracts from the natural beauty of the environment;

WHEREAS, the United States Food and Drug Administration (FDA) has stated that an analysis of electronic cigarettes or "e-cigarette" samples indicates that they contain not only nicotine but also detectable levels of known carcinogens and toxic chemicals;

WHEREAS, on January 2, 2010, "An Act To Prohibit Smoking In Certain Public Places And Certain Places Of Employment," North Carolina Session Law 2009-27, became effective, authorizing local governments to adopt and enforce ordinances "that are more restrictive than State law and that apply in local government buildings, on local government grounds, in local vehicles, or in public places";

WHEREAS, the Mission of Pitt County Public Health is to "Protect, Promote and Assure the Health of all People in Pitt County", and the Board of Health has the authority under NC General Statute 130A-39 to adopt rules necessary for that purpose; and these rules apply to the County and all the municipalities within Pitt County;

THEREFORE, be it resolved, that _____ supports the adoption of a Public Health Rule to prohibit use of all tobacco products, including e-cigarettes in all public parks located within Pitt County.

Chairman

Date

¹Centers for Disease Control and Prevention, Smoking and Tobacco Use Fast Facts, <http://www.cdc.gov/tobacco/datastatistics/factsheets/fact/#toll>

² Neil E. Klepeis, Wayne R. Ott, and Paul Switzer, *Real-time Measurement of Outdoor Tobacco Smoke Particles*, 57 J. AIR & WASTE MGMT. ASS'N 522, 522 (2007); Neil E. Klepeis, Etienne B. Gabel, Wayne R. Ott, and Paul Switzer, *Outdoor Air Pollution in Close Proximity to a Continuous Point Source*, 43 ATMOSPHERIC ENV'T 3155, 3165 (2009); Jihee Hwang, Kiyoung Lee. *Determination of Outdoor Tobacco Smoke Exposure by Distance From a Smoking Source*, NICOTINE & TOBACCO RESEARCH, 1-7 (2013).



ADMINISTRATIVE PROCEDURE

City of Greenville

| | | |
|---|--|--|
| Procedure Title: <i>Smoking in City Buildings and Vehicles</i> | Procedure Number: 8 Version: A <input checked="" type="checkbox"/> Original Version <input type="checkbox"/> Replaces Version Dated | Effective Date: 12/01/07 Issuing Department/Division: City Manager |
| Approved By: Wayne Bowers, City Manager <i>Wayne Bowers</i> | | |

Purpose

To implement the smoking policy established by Section 12-1-13 of the Greenville City Code.

Scope

This procedure applies to all employees and visitors who utilize the office areas, meeting rooms, and other locations in City owned, leased, operated, occupied, managed, or controlled buildings and vehicles.

Procedure

Smoking shall mean the inhaling, exhaling, burning, or carrying of a lighted pipe, cigar, cigarette, or other combustible tobacco product.

Smoking in any form as defined herein is prohibited in all City of Greenville buildings and vehicles.

Smoking by City employees on City property will be permitted in the following designated areas:

1. Outdoors except that near City buildings smoking shall be allowed only in areas designated by the appropriate department head and approved by the City Manager
2. Truck bays at Fire/Rescue stations at the discretion of the Chief of Fire/Rescue

Employees who violate this directive, or the ordinance on which it is based, shall be subject to disciplinary action.

This Administrative Procedure supersedes the Administrative Directive originally implemented on October 14, 1993 and revised on August 7, 1995.

This Administrative Procedure does not supersede any applicable federal, state, or local regulations that address smoking in designated areas.

#724732

12-14

Greenville - Offenses and Public Nuisances

- (6) It shall be unlawful for any person to ask, beg or solicit alms on private property or residential property, without first obtaining permission from the owner or occupant of the property.

(C) *Permitted activity.* All acts authorized as an exercise of a person's constitutional right to picket, protest or speak, and acts that are permitted by a permit issued by the city shall not constitute unlawful activity under this section.

(D) *Penalties.*

- (1) Any violation of any provision(s) of this section of the City Code shall be a misdemeanor as provided by G.S. 14-4, and punishable by the maximum penalty of \$500 as provided by G.S. 14-4(a).

- (2) The City Attorney is authorized to seek injunction relief against repeat offenders.

(Ord. No. 2708, § 1, passed 9-16-1993)

SEC. 12-1-13 SMOKING REGULATED IN MUNICIPAL BUILDINGS AND FACILITIES.

(A) *Definitions.* "Smoking" shall mean the inhaling, exhaling, burning or carrying of a lighted pipe, cigar, cigarette or other combustible tobacco product.

(B) *Smoking prohibited in municipal buildings.* It shall be unlawful for any person to smoke in any building or facility or portion of a building or facility now or hereafter owned, leased, operated, occupied, managed or controlled by the city or the Greenville Utilities Commission, except in specially designated smoking areas. The City Manager or the General Manager of the Greenville Utilities Commission shall have the authority to designate smoking areas within each city or GUC building or facility respectively. An area within each building or facility may be designated as a smoking area only if the ventilation of such area is sufficient, adverse impact on municipal employees and members of the public is minimal, and no fire or safety hazard will be created by smoking in such area.

(C) *Filtration devices.* The City Manager and the Greenville Utilities Commission General Manager are authorized to require the use of appropriate filtration devices in areas where smoking is allowed. Filtration devices must be approved as meeting minimum performance criteria established by the City Manager or the Greenville Utilities Commission General Manager. In determining whether or where filtration devices must be used, the City Manager or Greenville Utilities Commission General Manager shall consider the effectiveness of existing HVAC equipment, the availability and practicality of natural ventilation, and the function and volume of use of the area or areas involved.

(D) *Penalty.*

- (1) Violation of this section or any part of this section shall subject the offender to a civil penalty in the amount of \$25 to be recovered by the city. Violators shall be issued a written citation which must be paid within 72 hours. Violation of this section shall not constitute a misdemeanor or infraction punishable under G.S. 14-4.
- (2) In addition to the penalty stated in subsection (D)(1) above, violation of this section by a municipal or GUC employee shall subject the employee to disciplinary action under the personnel policies of the city or the GUC.
- (3) The City Manager and Greenville Utilities Commission General Manager or designees in facilities other than City Hall or the GUC Main Office, are authorized to issue citations.

(E) *Conflict of laws.* If any portion of this section or the enforcement thereof is found to be preempted by state or federal law, such preemption shall not operate to invalidate the rest of the section and the same shall remain in full force and effect. (Ord. No. 2729, § 1, passed 10-14-1993)

Editor's note:

Ord. No. 2729, adopted Oct. 14, 1993, added provisions designated as § 12-1-12. Inasmuch as Ord. No. 2078, adopted Sept. 16, 1993, had added provisions designated as § 12-1-12, the provisions of Ord. No. 2729 have been redesignated as § 12-1-13 at the discretion of the editor.



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Various tax refunds greater than \$100

Explanation: **Abstract:** Pursuant to North Carolina General Statute 105-381, adjustment refunds are being reported to City Council. These are refunds created by a change or release of value for City of Greenville taxes by the Pitt County Tax Assessor. Pitt County Commissioners have previously approved these refunds; they are now before City Council for their approval as well. These adjustment refunds will be reported as they occur when they exceed \$100.

Explanation: The Director of Financial Services reports adjustment refunds of the following taxes:

| <u>Payee</u> | <u>Adjustment Refunds</u> | <u>Amount</u> |
|--------------------------|----------------------------------|----------------------|
| Melissa L. Harrington | Individual Personal Property | \$ 125.31 |
| Michael J. Johnson | Registered Motor Vehicle | \$ 326.40 |
| Jody R. Mizell | Registered Motor Vehicle | \$ 101.17 |
| Keigh E. Wainright | Registered Motor Vehicle | \$ 105.21 |
| Carolina Marble Products | Business Personal Property | \$ 433.58 |
| Ralph J. Radcliff, Jr. | Registered Motor Vehicle | \$ 207.43 |

Fiscal Note: The total amount to be refunded is \$1,299.10.

Recommendation: Approval of tax refunds by City Council

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Attachments / click to download



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: 2014-2015 City of Greenville Strategic Plan

Explanation: **Abstract:** City Council will consider adoption of the 2014-2015 City of Greenville Strategic Plan.

Explanation: City Council conducted its annual planning session on January 24 and 25, 2014. The planning session was structured as a two-day strategic planning retreat in which City Council discussed the organization's vision, mission, values, goals, and priorities.

A summary of the 2014 planning retreat and initial draft of the strategic plan were presented to City Council at their March 20, 2014 meeting. At that time, Council provided feedback on the draft strategic plan, and that feedback has been incorporated into the revised plan that is being provided for City Council's consideration.

Fiscal Note: No fiscal impact associated with adopting the strategic plan. Components of the plan that require specific financial resources will be considered during the biennial budget development process.

Recommendation: Approval of the 2014-2015 City of Greenville Strategic Plan as provided.

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 [Strategic Plan](#)

City of Greenville STRATEGIC PLAN 2014–2015





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| Goals, Performance Measures, & Tactics | 9-16 |



cityPROFILE

As the cultural, educational and economic hub of Eastern North Carolina, Greenville is expansive; it rewards the curious imagination and the entrepreneurial mind. Its natural blend of small-town friendly atmosphere and metropolitan area amenities help create a diverse, neighborly, business-friendly, college community with connections and resources normally only found in much larger cities.

With a population of more than 87,000 and the expectation of surpassing 100,000 by 2020, Greenville has quickly grown to become the 10th largest city in North Carolina. Located just inland of the North Carolina coast, East of I-95, more than 20 parks grace Greenville's landscape.

If you're an outdoor enthusiast, you'll find enough adventure and scenic beauty here to fill up the canvas of your days, and plenty of like-minded people who share your respect for the grandeur of nature, love of relaxing under the shade of oaks, or joy of hiking down a path that leads you not to the trail's end, but to the conclusion that this is where you belong.

The smart-thinking, hard work, and optimism that once made Greenville a leading marketer of tobacco are still prevalent, though now guiding the area's technology focus with its many bioscience and robotics breakthroughs.

Find yourself in Greenville, North Carolina, you'll find yourself in good company.

CITYCOUNCIL

2013-2015



Allen Thomas
Mayor



Calvin Mercer
Mayor Pro-Tem/
At-Large

The City operates under the Council-Manager form of government wherein the elected City Council establishes policy and hires a professional City Manager to implement their policy and run the day-to-day operations of City government. The Greenville City Council is comprised of seven members including a Mayor and one at-large member voted on city-wide and five members voted on by residents of the City's five voting districts. Nonpartisan elections are held every two years for all City Council seats, including the Mayor.



Kandie Smith
District #1



Rose Glover
District #2



Marion Blackburn
District #3



Rick Smiley
District #4



Rick Croskery
District #5

Item # 8



LETTER FROM THE MANAGER

Dear Greenville City Council, Residents and Employees,

Over the past decade, the Greenville City Council has annually or bi-annually adopted “strategic” goals and related action items. The action items have effectively been used as a “work plan” for staff, with progress being reported to City Council every six months. While this process has generally been viewed as positive, best practices dictate that a true strategic planning process should be based upon a shared vision and include a mission statement, organizational values, goals, performance measures and tactics.

THE STRATEGIC PLAN



To this end, staff has worked over the past four months to gather citizen, employee and City Council input to build the foundation on which this Strategic Plan has been developed. The plan will be used to guide and direct the City’s energies, financial resources and planning in almost every area of local government. By adopting the plan, City Council is setting the direction for the community. It is staff’s responsibility to implement the plan by addressing the identified tactics.

I would like to thank all of the participants in this process for their time and effort. Your contributions were critical in creating a strategic plan that truly reflects the community’s vision and values. The plan will be used as a roadmap to achieve that vision and to provide citizen’s with high quality and meaningful City services in the years to come.

Sincerely,

Barbara Lipscomb
City Manager

The City of Greenville is guided by a strategic planning process. The Strategic Plan is comprised of the Vision for the community, the organizational Mission and Values, 5-Year Goals that support the long-term vision, and annual Tactics intended to advance towards achieving the goals. City Council meets annually to refine the elements that comprise the Strategic Plan to ensure that it is reflective of the changing needs of our community.

This approach aligns City programs and resources with long-term goals, brings critical needs into focus, and provides an organizational roadmap for success. The Strategic Plan is a blue print which guides decision making and resource allocation. The City is a result-oriented organization and, as such, evaluates and reports on the advancement of the Strategic Plan to ensure accountability.

VISION STATEMENT

The City of Greenville is a vibrant, innovative, and inclusive community with unique and sustainable neighborhoods; an abundance of first-class arts, cultural and recreational opportunities; well-maintained and cost-effective infrastructure; a diversity of transportation options; and a strong business climate supported by entrepreneurialism and top quality educational institutions.

MISSION STATEMENT

The City of Greenville's mission is to provide all citizens with high-quality services in an open, inclusive, professional manner, ensuring a community of excellence now and in the future.

GOALS

GOAL 1: DYNAMIC AND INVITING COMMUNITY

The City of Greenville will be a dynamic and inviting community with an abundance of arts, cultural and recreational venues, parks and open spaces, greenways and other transportation alternatives, clean and attractive streetscapes, and well-designed public spaces and private developments.

GOAL 2: ECONOMIC DEVELOPMENT

Provide a strong economic climate that supports entrepreneurialism, innovation, a diversity of businesses that provide a range of employment opportunities, and tax base growth that provides fiscal sustainability for the delivery of high-quality City services.

GOAL 3: WELL MANAGED AND FISCALLY SUSTAINABLE CITY ORGANIZATION

Provide a well-managed City government that utilizes its motivated, qualified and professional workforce to provide innovative and effective methods of service delivery in a forward-thinking and fiscally sustainable manner.

GOAL 4: INFRASTRUCTURE

Promote a sustainable and accessible city through quality, efficient, and well-maintained infrastructure.

GOAL 5: QUALITY NEIGHBORHOODS

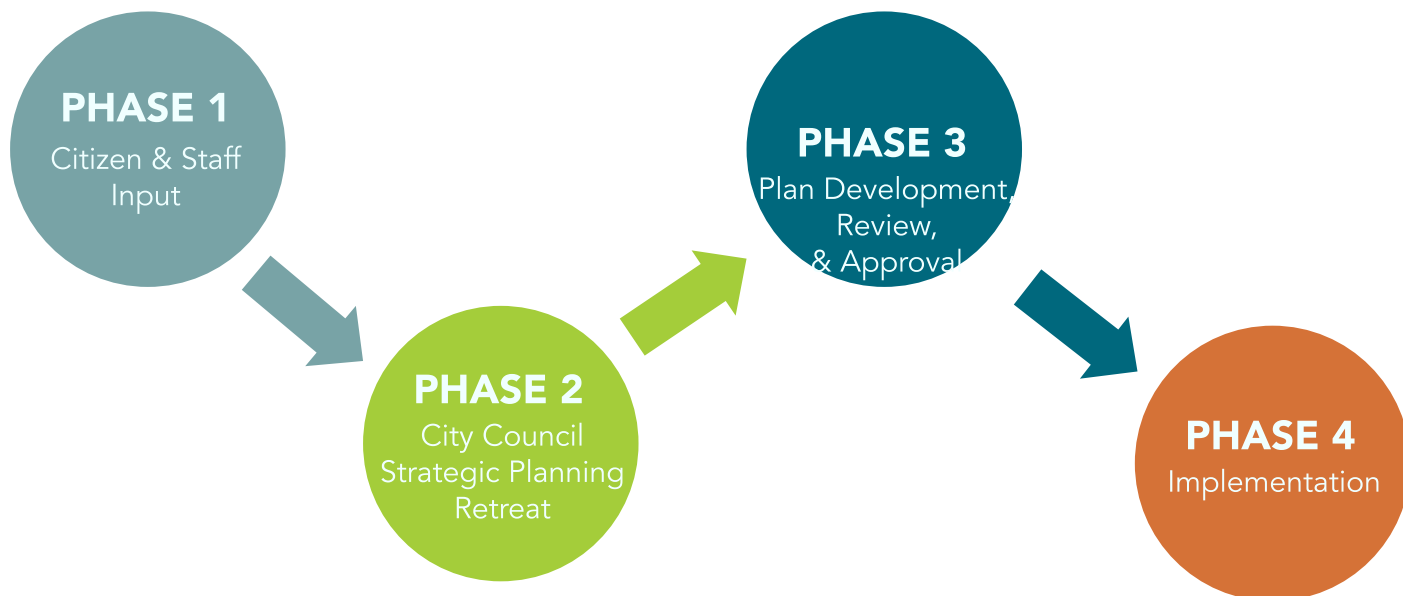
The City of Greenville will provide an environment that produces and maintains high quality neighborhoods that are attractive, well-designed, and sustainable providing citizens a variety of housing choices.

GOAL 6: SAFE COMMUNITY

The City of Greenville will collaborate with citizens, businesses, and visitors to provide a safe community.

PLAN DEVELOPMENT PROCESS

The City of Greenville's strategic planning process consists of four key phases as depicted below.



PHASE 1: CITIZEN AND STAFF INPUT

The first phase of developing the Strategic Plan involved soliciting input from citizens and staff.

CITIZEN INPUT

Citizen input was gathered by conducting a citizen survey completed by 843 City residents in January, 2014. This survey identified the types of services City citizens value and how satisfied they are with how the City provides those services. ETC Institute administered the survey for the City to ensure that the results were demographically representative of the community. Key findings from the survey include...

- 66% of respondents were satisfied or very satisfied with the quality of services provided by the City.
- Citizens were least satisfied with management of traffic flow on City streets and overall maintenance of City streets and sidewalks.
- Police and Fire/Rescue services are the most important to citizens, followed by traffic flow, sanitation services, and maintenance of City streets and sidewalks.
- Public safety, economic development, and infrastructure were rated as the most important focus areas for the City.

STAFF INPUT

In December, 2013, the City conducted a Senior Management Team Retreat to gather staff input on various topics to be discussed at the City Council Strategic Planning Retreat. This effort focused primarily upon developing a draft History Map, Current Environment Scan, and Goals. This retreat was facilitated by Fountainworks, the same professional facilitator later used for the City Council Strategic Planning Retreat.

Recognizing that the organizational values adopted as part of the plan should be utilized at all levels of the organization, all City employees were surveyed regarding which values they felt were most applicable to them. The results of this survey determined the values that were included as part of the plan.



PHASE 2: CITY COUNCIL STRATEGIC PLANNING RETREAT

On January 24 and 25, 2014, City Council conducted a Strategic Planning Retreat to review the input gathered from citizens and staff and to begin developing the strategic plan elements. Prior to the retreat, City Council members were individually interviewed by the facilitator to explain the retreat agenda and process and to determine what they wanted to achieve through the process. Below is a brief review of the activities conducted during the two day retreat.

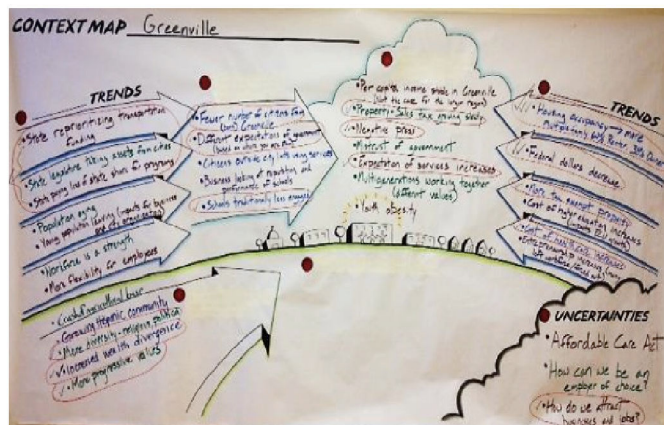
REVIEWING GREENVILLE'S HISTORY

The City Council reviewed a graphic depiction of key events that occurred in the City over the past decade that had been developed by the Senior Management Team. Council members discussed the events identified and orally added additional key events. The history review allowed for reflection on the progress the City has made over the past decade and what we have learned from past experiences.



CURRENT ENVIRONMENT SCAN

Staff then shared the preliminary results of the Citizens Survey with City Council (see Phase 1 under Plan Development Process).





City Council reviewed and added to a Context Map depicting the trends and uncertainties of our current environment. Those trends and uncertainties that City Council felt needed the most attention included the following:

| | |
|-----------------------------------|--|
| Housing Occupancy (62% renter) | State reducing cost-share for programs |
| Property/Sales Tax Growing Slowly | Fewer number of citizens from here |
| Federal Funding Decreasing | Different expectations of government |
| Increased Wealth Divergence | More tax exempt property |
| Negative press | Cost of healthcare rising |
| State transportation funding | More Diversity / Progressive values |
| State taking assets from cities | How to attract business and jobs? |

STAFF PRESENTATIONS

City staff made three presentations related to City finances and facilities. They included:

- A Current Year Financial Update presentation by Financial Services Director Bernita Demery.
- A presentation on the 5-Year General Fund Projections by Assistant City Manager Chris Padgett.
- A Facility Maintenance Program presentation by Public Works Director Kevin Mulligan.

VISIONING EXERCISE

This exercise allowed Council members to be creative as they were divided into two groups and asked to develop a Cover Story related to the City of Greenville in 2034. The two headlines created were:

- Best City in America to Raise a Child! Greenville, NC!
- Greenville: Redefining the South



Some of the vision themes that came out of this exercise included:

- Culture, Open Spaces, Parks
- Forward Looking / Planning for Future
- Innovative / Entrepreneurship
- Safe / Welcoming
- Jobs for Everyone
- Quality Education System / Well Trained Workforce
- Healthy / Fun / Progressive

DEVELOPING THE MISSION, VALUES, GOALS AND CURRENT YEAR TACTICS

City Council reviewed the City's current Mission Statement and provided input regarding potential modifications. They also reviewed eleven potential Value Statements and agreed to allow City employees to choose those that they felt were the most important to the organization.

Draft Goals developed by the Senior Management Team were discussed with City Council and potential refinements identified. Each Goal was then discussed in detail and Council members worked in teams to identify potential tactics for each goal. Just under 200 potential tactics were identified.



City Council also prioritized potential tactics with each Council member using one red dot to identify their top priority and three green dots for other priorities. The tactics that received red dots included:

- Set aside open park space as part of development
- Development Standard Review
- South Greenville Recreation Center
- Town Common Improvements (2 red dots)
- Economic Development Strategic Plan
- Establish Sustainable Business North of the River

PHASE 3: PLAN DEVELOPMENT, REVIEW AND APPROVAL

Using the information obtained from the citizen survey and developed during the City Council Strategic Planning Retreat, staff developed an initial draft of the primary strategic plan elements for City Council's review and input. These elements included draft vision and mission statements, values, goals, performance measures and tactics. Staff presented these elements to City Council at their March 20, 2014 meeting. Upon incorporating the input received from City Council, the full draft of the plan was presented to, and approved by, City Council at their April 7, 2014, meeting.

PHASE 4: PLAN IMPLEMENTATION

The City Manager has the overall responsibility of ensuring that the Strategic Plan is implemented. City Council's responsibility is to ensure that appropriate resources are provided to support implementation. Staff will continue the current practice of providing semi-annual progress updates. Additionally, a system will be created to annually report the performance measures related to each Goal.



VISION STATEMENT

The City of Greenville is a vibrant, innovative, and inclusive community with unique and sustainable neighborhoods; an abundance of first-class arts, cultural and recreational opportunities; well-maintained and cost-effective infrastructure; a diversity of transportation options; and a strong business climate supported by entrepreneurialism and top quality educational institutions.

MISSION STATEMENT

The City of Greenville's mission is to provide all citizens with high-quality services in an open, inclusive, professional manner, ensuring a community of excellence now and in the future.

VALUES

INTEGRITY

We will be truthful, dependable, and fair in all actions.

RESPECT

We will value each person for their thoughts, opinions, and diversity.

PROFESSIONALISM

We will be professional and efficient in our work.

FAIRNESS AND EQUITY

We will practice fairness and equity in all decisions.

TEAMWORK

We will work together in a shared responsibility of service.

ACCOUNTABILITY

We will be accountable for our actions and decisions to all we serve.

COMMITMENT TO SERVICE AND EXCELLENCE

We will strive for excellence and be committed to providing high-quality services to our customers/citizens.



GOALS, PERFORMANCE MEASURES AND TACTICS

Drawing from the exercises conducted during City Council's Strategic Planning Retreat, six goals emerged that must be addressed to successfully achieve the Vision. These goals provide the framework for the Tactics that should be addressed in the coming fiscal year. The City of Greenville's goals, the performance measures designed to monitor the success at achieving them, and the current year Tactics are described in detail below.

GOAL 1: DYNAMIC AND INVITING COMMUNITY

The City of Greenville will be a dynamic and inviting community with an abundance of arts, cultural and recreational venues, parks and open spaces, greenways and other transportation alternatives, clean and attractive streetscapes, and well-designed public spaces and private developments.

Performance Measures

1. Resident satisfaction with various aspects of Recreation and Parks (data from biennial Citizen Survey)
2. Park land per capita (acres per 1,000 residents)
3. Participation in City athletic programs (# of participants)
4. Participation in City arts programs (# of participants)
5. Greenways per capita (miles per 1,000 residents)
6. GREAT Ridership (total # of passengers)
7. Number of public events held in the Uptown area
8. Number of new trees planted by City and/or partners on public property and within public rights-of-way

| CURRENT YEAR TACTICS | LEAD DEPARTMENT(S) |
|--|---|
| <p>1. Well-Planned City</p> <p>1a. Development Standards—Review existing development standards (i.e. zoning ordinance and subdivision regulations) to identify substantive modifications that would result in better implementation of the vision, policies and objectives of Horizon’s: Greenville’s Community Plan.</p> <p>1b. Comprehensive Plan Update—Initiate a scheduled Major Update of Horizon’s: Greenville’s Community Plan.</p> | <p>Community Development</p> |
| <p>2. Arts, Culture, Recreation, & Parks</p> <p>2a. Town Common Improvements—Finalize specific improvements for project phasing, identify funding source(s) for Phase 1 improvements, and develop construction plans for Phase 1 improvements.</p> <p>2b. Comprehensive Recreation and Parks Master Plan—Initiate and complete scheduled 5-year update of the Comprehensive Recreation and Parks Master Plan.</p> <p>2c. South Greenville Recreation Center Design—Continue to pursue a partnership with Pitt County Schools to jointly pursue a new South Greenville Recreation Center facility to begin with a design process.</p> <p>2d. Tar River Legacy Plan—Complete the public input process and plan development associated with the Tar River Legacy Plan and present the final plan to City Council.</p> <p>2e. Arts Partnerships—Continue public arts partnerships with Pitt County Arts Council and Greenville Museum of Art.</p> <p>2f. Public Art—Identify opportunities for the inclusion of public art in public spaces and facilities.</p> | <p>Recreation & Parks</p> <p>Community Development & City Manager’s Office</p> <p>Community Development, Public Works, and Recreation & Parks</p> |
| <p>3. Transportation Alternatives</p> <p>3a. Short-Range Transit Plan—Complete plan and present to City Council.</p> <p>3b. West 5th Street Phase II Streetscape—Complete design work associated with the West 5th Street Phase II Streetscape improvements project.</p> <p>3c. Green Mill Run Greenway, Phase 2 (Sections 2–3)—Complete right-of-way and easement acquisition, contract award and begin construction (construction to be completed November 2015).</p> <p>3d. South Tar Greenway, Phase 3—Complete design and right-of-way/easement acquisition.</p> <p>3e. East 10th Street Traffic Management and Pedestrian Safety Initiative—Actively participate in East 10th Street Traffic Management and Pedestrian Safety Initiative being conducted by NCDOT.</p> | <p>Public Works</p> <p>Community Development and Public Works</p> <p>Public Works</p> |
| <p>4. Inviting Community</p> <p>4a. Uptown Events—Continue to partner with Uptown Greenville and others to provide quality events and entertainment in the Uptown area.</p> <p>4b. Street Trees—Partner with ReLeaf to plant new street trees along primary corridors and/or in neighborhoods.</p> <p>4c. Animal Welfare—Continue public information efforts related to animal welfare.</p> | <p>City Manager’s Office, Community Development, and Recreation & Parks</p> <p>Community Development and Public Works</p> <p>Public Information Office and Police</p> |



GOAL 2: ECONOMIC DEVELOPMENT

Provide a strong economic climate that supports entrepreneurialism, innovation, a diversity of businesses that provide a range of employment opportunities, and tax base growth that provides fiscal sustainability for the delivery of high-quality City services.

Performance Measures

1. Tax base (total valuation)
2. Taxable tax base (total valuation subject to ad valorem taxes)
3. Total business licenses issued
4. Taxable sales per capita
5. Value of new construction (building permit value)
6. Average hotel occupancy rate
7. Unemployment rate



CURRENT YEAR TACTICS

LEAD DEPARTMENT(S)

1. Economic Development Strategic Plan—

Fully implement the current year's initiatives associated with the Economic Development Strategic Plan. Current year activities include:

- 1a. Talent Development
 - Continue support of Operation Re-Entry veteran training initiative.
 - Develop a career fair to link underserved populations with employers and resources.
 - Continue partnerships with PCC, United Way and other agencies to ensure that the local workforce is ready to fill technology based 21st Century jobs.
- 1b. Business Attraction and Retention
 - Continue implementation of Business Retention and Expansion (BRE) program to include North Greenville business survey.
 - Continue recruitment of target sector businesses.
 - Continue support for SEED and other entrepreneurial initiatives.
 - Launch Uptown Retail Challenge grant.
 - Continue funding for Small Business Plan Competition.
 - Develop fund that allows for required match to state incentives.
- 1c. Product development
 - Complete study phase and begin implementation phase of Dickinson Market Study elements related to urban technology park and tech transfer facility partnership with ECU to include opportunities for broadband advantages.
 - Continue discussions with private sector developers regarding creation of office and retail space.
 - Continue discussions with PGV on business recruitment opportunities at the airport.
 - Work with partners to identify opportunities for the development of culinary and arts incubators.
- 1d. Quality of Life
 - Continue discussions with partners to redevelop Uptown Theatre and with ECU to develop a performing arts center in Uptown Greenville.
 - Continue work with CVB, Chamber, and other partners on sports attraction and development including BMX.
 - Work with regional partners to explore opportunities to attract retirees.
 - Continue partnership with Go-Science to open science museum and education center in Uptown Greenville.
- 1e. Urban Revitalization
 - Complete implementation of the priority and carry-over projects in the Redevelopment Commission's work plan.
 - Develop recommendations to City Council on priority projects and funding sources to carry Redevelopment Plan forward.
 - Continue assessment and clean-up work through EPA Brownfield program.
 - Implement items in City's Annual Action Plan for HUD funded activities.
- 1f. Marketing
 - Continue development and distribution of sector-specific marketing collateral for target sectors.
 - Promote Greenville at target sector trade shows.
 - Co-promote Greenville MSA with Department of Commerce, ElectriCities, Pitt County Dev. Commission and NC East Alliance at trade shows and site selector events.
 - Work with regional partners to host periodic site selector tours of the Greenville MSA.

Community Development

Item # 8



GOAL 3: WELL-MANAGED AND FISCALLY SUSTAINABLE CITY ORGANIZATION

Provide a well-managed City government that utilizes its motivated, qualified and professional workforce to provide innovative and effective methods of service delivery in a forward-thinking and fiscally sustainable manner.

Performance Measures

1. Bond Rating
2. Unassigned Fund Balance as a % of General Fund
3. Property tax growth (% growth and total per capita)
4. General government debt per capita
5. Year-end results of Enterprise Funds (Sanitation and Stormwater)
6. Recycling participation rate
7. Resident satisfaction with City services (data from biennial Citizen Survey)



| CURRENT YEAR TACTICS | LEAD DEPARTMENT(S) |
|---|--|
| <p>1. Organizational Optimization</p> <p>1a. Update Personnel Policies—Conduct a comprehensive review and re-write of the City’s personnel policies to ensure that they reflect best practices and current legal standards.</p> <p>1b. Performance Evaluation System—Develop a new performance evaluation system for City employees that is equitable and based on best practices. This system will be used as the foundation for a pay for performance (merit) program.</p> <p>1c. Human Resources and Financial Services Modifications—Implement organizational and operational modifications in the Human Resources and Financial Services Departments based upon the results of the operational evaluations conducted for those departments.</p> <p>1d. City Council Terms—Develop a report outlining the process and potential advantages and disadvantages of pursuing a charter amendment to extend the length of City Council terms for Council’s consideration.</p> | <p>Human Resources</p> <p>City Manager’s Office, Human Resources, and Financial Services</p> <p>City Manager’s Office and City Attorney’s Office</p> |
| <p>2. Fiscal Sustainability</p> <p>2a. Health Insurance Benefits Strategic Plan—Collaborate with GUC to develop a Strategic Plan for health insurance benefits that ensures that these benefits are in line with market and financially sustainable.</p> <p>2b. Local Vendor Preference Policy Implementation—Implement first year of policy.</p> <p>2c. Privilege License Cap Review—Develop a report outlining potential alternative modifications to the current privilege license cap for City Council’s consideration.</p> <p>2d. Sanitation Automation Plan—Continue to implement sanitation automation plan.</p> | <p>City Manager’s Office, and Human Resources</p> <p>Financial Services</p> <p>Financial Services and City Attorney’s Office</p> <p>Public Works</p> |
| <p>3. Communication and Collaboration</p> <p>3a. City Website—Complete and launch redesign of City Website.</p> <p>3b. City Compass—Facilitate increased use of City Compass through education and promotion to streamline and enhance customer service for citizens.</p> <p>3c. Collaboration with Partners—Continue development of positive relationships with community partners and actively pursue opportunities for collaborations that will benefit the community.</p> | <p>Information Technology and Public Information Office</p> <p>Public Information Office</p> <p>All Departments</p> |



GOAL 4: INFRASTRUCTURE

Promote a sustainable and accessible city through quality, efficient, and well-maintained infrastructure.

Performance Measures

1. Street improvements (linear footage resurfaced - including micro-surfacing)
2. Sidewalk improvements (linear footage constructed or reconstructed/repaired)
3. Resident satisfaction with overall maintenance of City streets and sidewalks (data from biennial Citizen Survey)
4. Resident satisfaction with the adequacy of public parking in Uptown Greenville (data from biennial Citizen Survey)
5. Capital projects completed on schedule and within budget (%)



| CURRENT YEAR TACTICS | LEAD DEPARTMENT(S) |
|---|---|
| 1. Maintenance and/or Improvement of Existing Infrastructure | |
| 1a. Facility Maintenance Plan—Fully implement proposed plan. | City Manager’s Office, Public Works and Recreation & Parks |
| 1b. Town Creek Culvert Project—Complete design, obtain required permit approvals and begin construction. | Public Works |
| 1c. Street and Sidewalk Improvements—Incrementally increase annual budget allocations for street and sidewalk improvements with the objective of achieving a 20-year resurfacing schedule in the next 5 years and continuing progress on identified sidewalk needs. | City Manager’s Office and Public Works |
| 1d. Traffic Signal Timing—Coordinate with NCDOT to initiate optimization of traffic signal timing along Greenville Boulevard between Memorial Drive and 10th Street. | Public Works |
| 2. New Infrastructure | |
| 2a. Uptown Parking Deck—Complete design, financing, and construction. | Public Works |
| 2b. Greenville Transportation Activity Center—Complete environmental permitting, obtain additional project funding through FTA/NCDOT and begin property acquisition and final design. | Public Works |
| 2c. Convention Center Expansion—Complete land acquisition, design, and financing and begin construction on proposed expansion and improvement project. | City Manager’s Office, City Attorney’s Office, Public Works, and Financial Services |
| 2d. ERP System Replacement—Begin implementation process for new ERP system to include year-one project tasks. | Information Technology and Financial Services |
| 3. Policy and Planning | |
| 3a. Southwest By-Pass Highway Project—Continue due diligence regarding alternative funding opportunity. | City Manager’s Office, Public Works, and Financial Services |
| 3b. “Gig-City” Public/Private Partnership—Bring together public and private entities to discuss the feasibility of creating a public /private partnership for the development of a metropolitan fiber optic backbone resulting in high-speed (1,000Mb/sec or 1 gig) broadband speed internet services and potentially other services. This would be comparable to Google’s Gig City projects. | City Manager’s Office and Information Technology |
| 3c. LED Street Lights—Collaborate with GUC to develop a cost effective process to transition the City’s street lights to LED and report outcomes to City Council. | City Manager’s Office and Public Works |
| 3d. Stormwater Basin Modeling and Inventory—Develop hydraulic modeling of the City’s watersheds and inventory of stormwater infrastructure to determine required system improvements. | Public Works |



GOAL 5: QUALITY NEIGHBORHOODS

The City of Greenville will provide an environment that produces and maintains high quality neighborhoods that are attractive, well-designed, and sustainable providing citizens a variety of housing choices.

Performance Measures

1. Number of active neighborhood associations.
2. Households represented by a neighborhood association.
3. Number of homes rehabilitated using City programs.
4. Number of substandard homes demolished and removed by City.
5. Number of affordable dwelling units created using City programs.



| CURRENT YEAR TACTICS | LEAD DEPARTMENT(S) |
|--|--|
| <p>1. Neighborhood Plans</p> <p>1a. Review Existing Plans—Review all adopted neighborhood plans and develop a report outlining the status of implementation activities.</p> <p>1b. Develop a New Plan—Initiate and complete the South Greenville Neighborhood Plan.</p> | <p>Community Development</p> |
| <p>2. Neighborhood Associations</p> <p>2a. Provide staff support and expertise to facilitate the establishment of two new neighborhood associations.</p> <p>2b. Support Neighborhood Advisory Board efforts related to hosting an annual neighborhood symposium.</p> | <p>Community Development</p> |
| <p>3. Housing Programs</p> <p>3a. Implementation of the adopted Housing Annual Plan (includes efforts related to the down payment assistance program, owner-occupied home rehabilitation, and infrastructure improvements).</p> <p>3b. Continue the University Area Homebuyer Assistance program.</p> <p>3c. Continue the Historic Preservation Pilot Loan program.</p> | <p>Community Development</p> |
| <p>3d. Develop a strategy to transfer residential City-owned parcels that cannot legally or practically be developed (i.e. too small for a new house to be constructed) to adjacent homeowners.</p> | <p>Community Development, City Manager's Office, and City Attorney's Office</p> |
| <p>3e. Continue efforts to develop new housing in the Lincoln Park neighborhood by partnering with third parties that agree to construct housing on City-owned properties.</p> | <p>Community Development</p> |
| <p>4. Neighborhood Aesthetics</p> <p>4a. Continue minimum housing and nuisance code enforcement efforts.</p> <p>4b. Continue support for the Neighborhood Improvement Grant program overseen by the Community Appearance Commission.</p> | <p>Police</p> <p>Community Development</p> |
| <p>5. Neighborhood Marketing</p> <p>5a. Develop a neighborhoods page on the City's website to include maps, pictures and neighborhood profiles.</p> <p>5b. Produce and air six "Neighborhood Spotlight" segments for GTV-9.</p> | <p>Community Development and Information Technology</p> <p>Public Information Office</p> |
| <p>6. Staff Resources</p> <p>6a. Ensure that appropriate staff resources are available to support various neighborhood improvement efforts.</p> | <p>Community Development and City Manager's Office</p> |



GOAL 6: SAFE COMMUNITY

The City of Greenville will collaborate with citizens, businesses, and visitors to provide a safe community.

Performance Measures

1. Crime Rate (Part I crimes per 1,000 residents)
2. Traffic and pedestrian safety (motor vehicle and pedestrian crash incidents)
3. Resident perception of safety (data from biennial Citizen Survey)
4. Nuisance abatement cases closed
5. Fire/EMS response time
6. Fire inspections completed
7. Fire property loss (\$)

| CURRENT YEAR TACTICS | LEAD DEPARTMENT(S) |
|--|---|
| <p>1. Police Department Three-Year Strategic Plan— Fully implement the first year of the Police Department’s Strategic Plan 2014–2016. Current year tactics included in the Plan are provided below:</p> <p>1a. Community Engagement</p> <ul style="list-style-type: none"> • Maximize use of social media to deliver information to citizens city-wide. • Create periodic Public Service Announcements in partnership with local media outlets. • Formalize the Adopt-A-School Program in order to assign officers to each school within the city limits. | <p>Police</p> <p style="text-align: right; font-weight: bold;">Item # 8</p> |

CURRENT YEAR TACTICS

LEAD DEPARTMENT(S)

- 1b. Crime Reduction
 - Adjust law enforcement strategies to address changing City dynamics.
 - Increase capacity to offer Crime Prevention Through Environmental Design (CPTED) assessments.
 - Utilize Crime Reduction Initiative Area (CRIA) technique also known as Hot Spots Policing.
 - Increase bicycle patrol deployment.
 - Implement department-wide Data Driven Approach to Crime and Traffic Safety (DDACTS) program.
 - Continue efforts related to Focused Deterrence Program
- 1c. Leadership and Ethics
 - Develop and implement a Career Development Program.
 - Redevelop supervisor responsibilities and priorities through training and education.
 - Update Recruitment Plan.
- 1d. Optimize Organizational Structure
 - Review deployment structure.
 - Civilization of applicable positions.
 - Reorganization of Code Enforcement Division.
 - Access needs for current and future substations.
- 1e. Technology and Infrastructure
 - Increase License Plate Recognition System (LPR) infrastructure.
 - Increase use of fuel-efficient vehicles in specific assignments.
 - Expand the Police Department’s rifle program.
 - Expand the Police Department’s bicycle program.
- 1f. Traffic Safety
 - Implement department-wide Data Driven Approach to Crime and Traffic Safety (DDACTS) program.
 - Deploy Light Detection and Ranging (LIDAR) Speed Measuring Instruments and License Plate Recognition System (LPRs).
 - Host four DWI checkpoints per year.
 - Provide periodic Public Service Announcements and Public Awareness Campaigns.

Police

2. Fire/Rescue Services

- 2a. Fire/Rescue Department Assessment—Complete ICMA Fire/Rescue Department Assessment and begin implementation.
- 2b. Fire Inspection Program—Improve current fire inspection processes and increase efficiencies through the use of Geographic Information Systems.
- 2c. Educational Programs—Enhance public safety through improved fire and life safety educational programs.
- 2d. Education and Training—Provide CPR and AED training for the public and staff to improve opportunities for survival of patients in cardiac arrest.
- 2e. Grant Funding—Actively pursue grant funding to support life safety programs.
- 2f. Emergency Operations Plan—Review and coordinate the City’s Emergency Operations Plan.

City Manager’s Office
and Fire/Rescue

Fire/Rescue



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Resolution to execute and deliver the Installment Financing Agreement and Deed of Trust for the City's uptown parking deck

Explanation: **Abstract:** Conduct a public hearing and approve the financing details for the Installment Financing Agreement for the City's uptown parking deck

Explanation: At the March 17, 2014, City Council meeting, the City Council approved a resolution calling for a public hearing on the financing for the construction of the uptown parking deck. Attached is the resolution that approves the proposed Installment Financing Agreement and permits the City Council to approve the documents attached and listed below related to the transaction, in preparation for the May 15, 2014, closing date.

1. Proposed Installment Financing Agreement
2. Deed of Trust

The Installment Financing Agreement will authorize the transaction between the City of Greenville and Capital One. The Agreement will provide funds to construct the City's uptown parking deck. The Deed of Trust ensures repayment by the City to the Bank for moneys borrowed. The borrowing amount to not exceed was increased at the March 20th City Council meeting from the \$4.2 million to \$5.5 million.

Fiscal Note: Annual debt service payments on the financing will be included in the 2014-2015 operating budget and 2015-2016 financial operating plan. The current debt service on this issuance is attached.

Recommendation: Adopt the attached resolution approving a proposed Installment Financing Agreement and certain other documents for the uptown parking deck financing.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

-  [Uptown Parking Deck Approving Resolution 976451](#)
 -  [Deed of Trust Parking Deck 2014 976454](#)
 -  [Installment Agreement Uptown Parking Deck 2014 976455](#)
 -  [Debt Service Proposed Uptown Parking Deck 976427](#)
-

A regular meeting of the City Council of the City of Greenville, North Carolina was held in the City Council Chamber at the City Hall in Greenville, North Carolina, the regular place of meeting, on April 7, 2014 at 6:00 p.m.

Present: Mayor Allen M. Thomas, presiding, and Council members _____

Absent: _____

* * * * *

Mayor Thomas introduced the following resolution, a copy of which had been provided to each Council member, and which was read by its title:

RESOLUTION NO. 2014 - __

RESOLUTION APPROVING A PROPOSED INSTALLMENT FINANCING AGREEMENT TO PROVIDE FOR THE FINANCING FOR CONSTRUCTION OF A PARKING GARAGE IN UPTOWN DISTRICT OF THE CITY OF GREENVILLE AND ACTIONS RELATING THERETO AND AUTHORIZING OTHER OFFICIAL ACTION IN CONNECTION THEREWITH

WHEREAS, the City of Greenville, North Carolina (the “City”) has determined that it is necessary and expedient to finance construction costs of a new parking garage to be built in the uptown district of the City (the “Project”); and

WHEREAS, in order to effectuate the Project, the City and Capital One Public Funding, LLC (the “Bank”) propose to enter into an Installment Financing Agreement (as hereinafter defined) substantially in accordance with the terms proposed by the Bank in its term sheet dated March 26, 2014, as amended, pursuant to the authority granted to the City under Section 160A-20 of the General Statutes of North Carolina; and

WHEREAS, in connection with such financing, it is necessary for the City to approve certain other documents relating thereto and to authorize certain action in connection therewith; and

WHEREAS, there have been presented at this meeting copies of the following documents relating to the Project:

(a) a draft of the proposed Installment Financing Agreement (the “Installment Financing Agreement”), between the City and the Bank, pursuant to which the Bank will make available to the City funds with which to finance the Project and costs relating to the execution and delivery of the Installment Financing Agreement, and the City will, among other requirements, be obligated to make Installment Payments (as defined in the Installment Financing Agreement) and certain other payments; and

(b) a draft of the proposed Deed of Trust, to be dated as of May 15, 2014 or another mutually agreeable date (the “Deed of Trust”), from the City to a deed of trust trustee, for the benefit of the Bank, by which the City will secure its obligations to the Bank under the Installment Financing Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENVILLE:

Section 1. Capitalized words and terms used in this resolution and not defined herein shall have the same meanings in this resolution as such words and terms are given in the Installment Financing Agreement.

Section 2. There is hereby approved the transaction with Capital One Public Funding, LLC set forth in the Installment Financing Agreement to finance the cost of construction of the Project. The aggregate principal amount of the amount advanced to the City under the Installment Financing Agreement shall not exceed \$5,500,000 and shall be repaid at an interest rate of 3.25% per annum.

Section 3. The forms, terms and provisions of the Installment Financing Agreement and the Deed of Trust are hereby approved in all respects, and the Mayor, the City Manager, the Director of Financial Services, the City Attorney and the City Clerk (or any one of them) are hereby authorized and directed to execute and deliver the Installment Financing Agreement and the Deed of Trust, in substantially the forms presented at this meeting, together with any changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the City.

Section 4. The Mayor, the City Manager, the Director of Financial Services, the City Attorney and the City Clerk (or any one of them) are authorized and directed to take such action and to execute and deliver such documents, certificates, undertakings, agreements and other instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the Installment Financing Agreement and the Deed of Trust, including any agreement by and among the Bank, the City and Deutsche Bank National Trust Company relating to the deposit of the advanced funds received under the Installment Financing Agreement in an account established with Deutsche Bank National Trust Company.

Section 5. This resolution shall take effect immediately upon its passage.

Adopted this the 7th day of April, 2014.

Allen M. Thomas
Mayor

ATTEST:

Carol L. Barwick
City Clerk

After consideration of the foregoing resolution, Council member _____
moved for the passage thereof, which motion was duly seconded by Council member
_____, and the foregoing resolution was passed by the following vote:

Ayes: _____
_____.

Noes: _____.

* * * * *

I, Carol L. Barwick, City Clerk of the City of Greenville, North Carolina, DO HEREBY
CERTIFY that the foregoing has been carefully copied from the recorded minutes of the City
Council of said City at a meeting held on April 7, 2014, said record having been made in Minute
Book No. ___ of the minutes of said City Council, beginning at page ___ and ending at page
___, and is a true copy of so much of said proceedings of said City Council as relates in any way
to the passage of the resolution described in said proceedings.

WITNESS my hand and the official seal of said City, this ___ day of April, 2014.

City Clerk

[SEAL]

After filing, please return to:

David A. Holec, Esq.
City Attorney
200 West 5th Street
Greenville, North Carolina 27858-1824

This document was prepared by:

Eric Hebert, Esq.
Sidley Austin LLP
1501 K Street, N.W.
Washington, D.C. 20037

DEED OF TRUST

STATE OF NORTH CAROLINA
COUNTY OF PITT

This DEED OF TRUST, dated as of May __, 2014 (the “Deed of Trust”), from the CITY OF GREENVILLE, NORTH CAROLINA, a municipal corporation duly organized and validly existing under the Constitution and laws of the State of North Carolina (the “City”), to _____, as trustee (the “Deed of Trust Trustee”), for the benefit of Capital One Public Funding, LLC, a corporation organized and existing under the laws of _____, and its successors and assigns hereinafter mentioned (the “Beneficiary”),

WITNESSETH:

WHEREAS, the City has entered into an Installment Financing Agreement, of even date herewith (the “Agreement”), with the Beneficiary, whereby the Beneficiary agrees to advance moneys to the City for purposes of the financing the Project (as defined in the Agreement), and the City agrees to repay the moneys advanced to the City in installments due at the times and in the amounts set forth in Exhibit A to the Agreement (the “Installment Payments”) and to pay certain Additional Payments (as defined in the Agreement) as more fully provided therein;

WHEREAS, pursuant to the Agreement, the City is delivering this Deed of Trust to secure the repayment by the City to the Beneficiary of the moneys advanced and all other sums payable under the Agreement and to secure the other obligations of the City under the Agreement;

COLLATERAL IS OR INCLUDES FIXTURES

WHEREAS, the City has agreed to pay to the Beneficiary the sum of \$5,500,000 for moneys advanced, as evidenced by, and payable as provided in, the Agreement, with interest payable at the times and rate specified therein, with the last Installment Payment of principal and interest being due and payable on _____, 20__;

WHEREAS, the City desires to secure (a) the payment of the Installment Payments due under the Agreement, (b) the payment by the City of all Additional Payments required to be paid by the City under the Agreement and the performance by the City of all of the additional covenants of the City set forth in the Agreement and (c) the performance of the covenants and agreements contained in this Deed of Trust, and any amendments and supplements thereto; and

WHEREAS, the City desires to execute and deliver this Deed of Trust as security for the payment of the amounts described above and the performance of the covenants described above;

NOW, THEREFORE, the City, subject to Permitted Encumbrances (as defined in the Agreement), as security for the Installment Payments and other payments to be made by the City under the Agreement and for the performance by the City of all of its obligations under the Agreement and this Deed of Trust, and in further consideration of the sum of \$1.00 paid to the City by the Deed of Trust Trustee, receipt and sufficiency of which are hereby acknowledged, has given, granted, bargained and sold, and by these presents does give, grant, bargain, sell and convey unto the Deed of Trust Trustee, its successors and assigns, in trust, with power of sale, the real property lying and being in Pitt County in the State of North Carolina, constituting so much thereof as constitutes real property or fixtures, and more particularly described as set forth in Exhibit A attached hereto and made a part hereof; TOGETHER with all buildings, improvements and fixtures of every kind and description now or hereafter erected or located thereon, all rights, appurtenances, easements, privileges, remainders and reversions appertaining thereto and all materials intended for construction, reconstruction, alteration and repair of such buildings and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the aforesaid real property, and all apparatus, equipment, fixtures and articles of personal property now or hereafter attached thereto as fixtures, and replacements thereof, including, but not limited to, all heating, refrigerating, air conditioning, gas, plumbing and electric apparatus and equipment, all boilers, engines, motors, power equipment, piping and plumbing fixtures, pumps, tanks, lighting equipment and systems, fire prevention and sprinkling equipment and systems, and other things now or hereafter thereon or therein, including all interests of any owner thereof in any of such items, and all renewals or replacements thereof or articles in substitution thereof; [TOGETHER with all rents, issues, profits and revenues of the aforesaid real property, fixtures and other property and all of the right, title and interest of the City in and to any and all leases and contracts now or hereafter affecting the real property, fixtures and other property covered hereby or any part thereof]; TOGETHER with all proceeds of any of the foregoing real property and fixtures including, without limitation, proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, all awards and other payments as a result of or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain by any governmental authority ("Eminent Domain"), all insurance proceeds and claims therefor as a result of damage to or destruction of all or any part of any of the foregoing, and all proceeds of title insurance with respect to all or any part of any of the foregoing (the real property, fixtures and proceeds granted

to the Deed of Trust Trustee pursuant to the foregoing provisions hereof being collectively referred to as the "Mortgaged Property");

TO HAVE AND TO HOLD the Mortgaged Property, with all the rights, privileges and appurtenances thereunto belonging or appertaining to the Deed of Trust Trustee, its heirs, successors and assigns, in fee simple forever, upon the trusts and for the uses and purposes hereinafter set out;

AND THE CITY COVENANTS to and with the Deed of Trust Trustee and the Beneficiary that the City is seized of the Mortgaged Property in fee, that the City has the right to convey the Mortgaged Property in fee simple, that the Mortgaged Property is free and clear from all encumbrances and restrictions not specifically mentioned in Exhibit B attached hereto and made a part hereof, and that the City does hereby forever warrant and will forever defend the title to the Mortgaged Property (except for those matters set forth in Exhibit B) against the claims of all persons whatsoever; provided, however, that

HOWEVER, THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST, that if the City shall make all of the payments required under the Agreement secured hereby in accordance with its terms, together with interest thereon and all taxes, charges, assessments and any premiums for insurance hereby secured, and, further, shall comply with all the covenants, terms and conditions of this Deed of Trust and the Agreement and any amendments and supplements thereto, then this conveyance shall be null and void and may be canceled of record at the request and at the cost of the City.

This Deed of Trust secures an obligation incurred for the construction of an improvement on the real property covered hereby and as such constitutes a "construction mortgage" under Section 25-9-334 of the General Statutes of North Carolina.

THE CITY FURTHER COVENANTS, REPRESENTS AND AGREES AS FOLLOWS:

Section 1. Amount Secured; Maintenance and Modification of Mortgaged Property by City. This Deed of Trust secures all present and future indebtedness owing by the City under the Agreement and this Deed of Trust. The principal amount of the indebtedness is \$5,500,000.

The Deed of Trust Trustee shall not be under any obligation to operate, maintain or repair the Mortgaged Property. The City agrees that it will at its own expense (a) keep the Mortgaged Property in as reasonably safe condition as its operations shall permit, (b) keep the Mortgaged Property in good repair and in good operating condition, (c) comply with all applicable governmental requirements imposed upon the Mortgaged Property or in connection with its use and (d) make from time to time all necessary repairs thereto and renewals and replacements thereof.

Subject to the provisions of the Agreement, the City may also, at its own expense, make from time to time any additions, modifications or improvements to the real property covered hereby that it may deem desirable and that do not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property. All such additions, modifications and improvements so made by the City within the boundaries of the Mortgaged Property shall become a part of the Mortgaged Property. The City will do, or cause to be done, all such things

as may be required by law in order fully to protect the security and all rights of the Beneficiary under this Deed of Trust. The City shall not cause or permit the lien of this Deed of Trust to be impaired in any way.

Section 2. Grant and Release of Easements. If no Event of Default under this Deed of Trust shall have occurred and shall continue to exist, the City may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any part of the Mortgaged Property, and the City may release existing interests, easements, licenses, rights of way and other rights or privileges with or without consideration, and the Beneficiary agrees that it shall execute and deliver and will cause, request or direct the Deed of Trust Trustee to execute and deliver any instrument necessary or appropriate to grant or release any such interest, easement, license, right of way or other right or privilege but only upon receipt of (a) a copy of the instrument of grant or release, (b) a written application signed by an authorized representative of the City requesting such instrument and (c) a certificate executed by an authorized representative of the City, such certificate to be reasonably acceptable to the Beneficiary, stating that the grant or release (i) is not detrimental to the proper conduct of the operations of the City at the Mortgaged Property and (ii) will not impair the effective use of or interfere with the operations of the City at the Mortgaged Property and will not diminish the value of the security under this Deed of Trust in contravention of the provisions hereof.

Section 3. Default; Remedies of the Deed of Trust Trustee and Beneficiary Upon Default. (a) If any of the following events shall occur:

(i) default in any payment under the Agreement or default in any of the other terms or conditions of the Agreement secured hereby and the expiration of any applicable grace or notice periods provided thereby;

(ii) failure by the City to observe and perform any warranty, covenant, condition or agreement on the part of the City under this Deed of Trust other than Section 6 hereof for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Beneficiary; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period and if corrective action is instituted by the City within the applicable period and diligently pursued, upon the consent of the Beneficiary, the City shall have such additional period of time to correct the failure as shall be necessary to correct such failure so long as such correction is diligently pursued;

(iii) any lien, charge or encumbrance prior to or affecting the validity of this Deed of Trust is found to exist, other than Permitted Encumbrances, or proceedings are instituted to enforce any lien, charge or encumbrance against any of said Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of this Deed of Trust;

then and in any of such events (hereinafter referred to as an "Event of Default"), all payments under the Agreement shall, at the option of the Beneficiary, become at once due and payable, regardless of the maturity date or other due date thereof.

(b) Upon the occurrence of an Event of Default:

(i) To the extent permitted by law, the Deed of Trust Trustee shall have the right to enter upon the Mortgaged Property to such extent and as often as the Deed of Trust Trustee, in his sole discretion, deems necessary or desirable in order to cure any default by the City. The Deed of Trust Trustee may take possession of all or any part of the Mortgaged Property and may hold, operate and manage the same, and from time to time make all needful repairs and improvements as shall be deemed expedient by the Deed of Trust Trustee; and the Deed of Trust Trustee may lease any part of the Mortgaged Property in the name of and for the account of the City, and collect, receive and sequester the rent, revenues, receipts, earnings, income, products and profits therefrom, and out of the same and from any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of, all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Deed of Trust Trustee, his agents and counsel, and any taxes and assessments and other charges prior to the lien of this Deed of Trust which the Deed of Trust Trustee may deem it proper to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions hereof.

(ii) To the extent permitted by law, the Deed of Trust Trustee shall have the right after an Event of Default to the appointment of a receiver to collect the rents and profits from the Mortgaged Property without consideration of the value of the premises or the solvency of any person liable for the payment of the amounts then owing, and all amounts collected by the receiver shall, after expenses of the receivership, be applied to the payment of the obligations hereby secured, and the Deed of Trust Trustee, at his option, in lieu of an appointment of a receiver, shall have the right to do the same. If such receiver should be appointed or if there should be a sale of the said premises, as provided below, the City, or any person in possession of the premises thereunder, as tenant or otherwise, shall become a tenant at will of the receiver or of the purchaser and may be removed by a writ of ejectment, summary ejectment or other lawful remedy.

(iii) The Deed of Trust Trustee shall have the right to assign to any other person, for lawful consideration, any rents, revenues, earnings, income, products and profits receivable under this Deed of Trust, provided that the proceeds of any such assignment shall be applied as provided in this Deed of Trust.

(iv) The Deed of Trust Trustee is hereby authorized and empowered to expose to sale and to sell the Mortgaged Property or such part or parts thereof or interests therein as the Deed of Trust Trustee deems prudent at public auction for cash, and upon collection of the proceeds from such sale to make and deliver a deed therefor, after first having complied with all applicable requirements of North Carolina law with respect to the exercise of powers of sale contained in deeds of trust. The City agrees that in the event of a sale hereunder, the Beneficiary shall have the right to bid at it and to become the purchaser. The Deed of Trust Trustee may require the successful bidder at any sale to deposit immediately with the Deed of Trust Trustee cash or a certified check in an amount not to exceed five percent (5%) of his bid, provided notice of such requirement is contained in the advertisement of the sale. The bid may be rejected if the deposit is not

immediately made and thereupon the next highest bidder may be declared to be the successful bidder. Such deposit shall be refunded in case a resale is had; otherwise it shall be applied to the purchase price. The sale of the Mortgaged Property or any part thereof or any interest therein, whether pursuant to judicial foreclosure, foreclosure under power of sale or otherwise under this Deed of Trust, shall forever bar any claim with respect to the Mortgaged Property by the City.

(v) To the extent permitted by law, the Beneficiary, immediately and without additional notice and without liability therefor to the City, may do or cause to be done any or all of the following: (A) take physical possession of the Mortgaged Property; (B) exercise its right to collect the rents and profits thereof; (C) enter into contracts for the completion, repair and maintenance of the Mortgaged Property; (D) expend any rents, income and profits derived from the Mortgaged Property for payment of any taxes, insurance premiums, assessments and charges for completion, repair and maintenance of the Mortgaged Property, preservation of the lien of this Deed of Trust and satisfaction and fulfillment of any liabilities or obligations of the City arising out of or in any way connected with the Mortgaged Property whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Deed of Trust; (E) enter into leases demising the Mortgaged Property or any part thereof; (F) take such steps to protect and enforce the specific performance of any covenant, condition or agreement in this Deed of Trust or the Agreement or to aid the execution of any power herein granted; and (G) generally, supervise, manage, and contract with reference to the Mortgaged Property as if the Beneficiary were the equitable owner of the Mortgaged Property. The City also agrees that any of the foregoing rights and remedies of the Beneficiary may be exercised at any time independently of the exercise of any other such rights and remedies, and the Beneficiary may continue to exercise any or all such rights and remedies until the Event(s) of Default of the City are cured with the consent of the Beneficiary or until foreclosure and the conveyance of the Mortgaged Property to the high bidder or until the indebtedness secured hereby is otherwise satisfied or paid in full.

(vi) The Beneficiary may proceed against the fixtures referred to in Section 12 as provided in and in accordance with the applicable provisions of the Uniform Commercial Code as adopted by the State of North Carolina, as amended (the "UCC") or, at its election, may proceed and may instruct the Deed of Trust Trustee to proceed as to the portion of the Mortgaged Property constituting fixtures, in accordance with its rights and remedies with respect thereto and those granted to the Deed of Trust Trustee, all as set forth in this Deed of Trust. Subject to any limitations imposed by the applicable provisions of the UCC, the Beneficiary may sell, lease, or otherwise dispose of all or any part of the fixtures, at public or private sale, for cash or on credit, as a whole or in part, and the Beneficiary may at such sale or sales purchase the fixtures or any part thereof. The proceeds of such sale, lease, collection or other disposition shall be applied first to the costs and expenses of the Beneficiary incurred in connection with such sale, lease, collection or other disposition, and then to such outstanding balance due on any and all indebtedness owed to the Beneficiary. Further, the Beneficiary may require the City to assemble the fixtures, or evidence thereof, and make them reasonably available to the Beneficiary at one or more places to be designated by the Beneficiary which are reasonably convenient to the Beneficiary, and the Beneficiary may take possession of the

fixtures and hold, prepare for sale, lease or other disposition and sell, lease or otherwise dispose of the fixtures. Any required notice by the Beneficiary of sale or other disposition or default, when mailed to the City at its address set forth herein, shall constitute reasonable notice to the City. In addition to, but not in limitation of, any of the foregoing, the Beneficiary may exercise any or all of the rights and remedies afforded to the Beneficiary by the provisions of the UCC or otherwise afforded to the Beneficiary under this Deed of Trust, with all such rights and remedies being cumulative and not alternative, and the City agrees, to the extent permitted by law, to pay the reasonable costs of collection, including, in addition to the costs and disbursements provided by statute, reasonable attorneys' fees and legal expenses which may be incurred by the Beneficiary subject to the procedures and limitations set forth in Section 6-21.2 of the General Statutes of North Carolina, as amended.

In all such cases, the Beneficiary shall have the right to direct the Deed of Trust Trustee to exercise the remedies granted hereunder.

(c) The City also agrees that any of the foregoing rights and remedies of the Beneficiary may be exercised at any time independently of the exercise of any other such rights and remedies, and the Beneficiary may continue to exercise any or all such rights and remedies until the Event(s) of Default of the City are cured with the consent of the Beneficiary or until foreclosure and the conveyance of the Mortgaged Property to the high bidder or until the indebtedness secured hereby is otherwise satisfied or paid in full.

(d) The City hereby waives, to the full extent it lawfully may, the benefit of all appraisal, valuation, stay, moratorium, exemption from execution, extension and redemption laws and any statute of limitations, now or hereafter in force and all rights of marshalling in the event of the sale of the Mortgaged Property or any part thereof or any interest therein.

(e) Except as set forth in (f), the foregoing shall in no way be construed to limit the powers of sale or to restrict the discretion the Deed of Trust Trustee may have under the provisions of Article 2A of Chapter 45 of the General Statutes of North Carolina, as amended. Each legal, equitable or contractual right, power or remedy of the Deed of Trust Trustee now or hereafter provided herein or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power and remedy, and the exercise or beginning of the exercise by the Deed of Trust Trustee of any one or more of such rights, powers and remedies shall not preclude the simultaneous or later exercise of any or all such other rights, powers and remedies.

(f) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, NO DEFICIENCY JUDGMENT SHALL BE RENDERED AGAINST THE CITY IN ANY ACTION FOR BREACH BY THE CITY OF ITS OBLIGATIONS UNDER THE AGREEMENT OR THIS DEED OF TRUST, OR FOLLOWING THE EXERCISE BY THE CITY OF ITS RIGHT OF TERMINATION OF ITS OBLIGATION TO MAKE THE INSTALLMENT PAYMENTS AND ANY ADDITIONAL PAYMENTS UNDER THE AGREEMENT; THE REMEDIES PROVIDED UNDER THIS DEED OF TRUST, INCLUDING FORECLOSURE AND SALE OF THE MORTGAGED PROPERTY UNDER THIS DEED OF TRUST, BEING THE SOLE REMEDY GRANTED HEREBY.

THE TAXING POWER OF THE CITY IS NOT AND MAY NOT BE PLEDGED IN ANY WAY, DIRECTLY OR INDIRECTLY TO SECURE THE PAYMENT OF ANY MONEYS DUE UNDER THE AGREEMENT, INCLUDING THE INSTALLMENT PAYMENTS UNDER THE AGREEMENT OR ANY OTHER INSTRUMENT CONTEMPLATED HEREBY OR THEREBY.

Section 4. Application of Proceeds. The proceeds of (a) the operation and management of the Mortgaged Property pursuant to Section 3 hereof, (b) any sale of the Mortgaged Property or any interest therein, whether pursuant to judicial foreclosure, foreclosure under power of sale or otherwise and (c) any insurance policies or eminent domain awards or other sums (other than awards or sums to which the City is entitled to under the Agreement) retained by the Deed of Trust Trustee upon the occurrence of an Event of Default shall be applied to pay:

First: The costs and expenses of sale, reasonable attorneys' fees actually incurred at standard hourly rates to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended, the Beneficiary's fees and expenses, court costs, any other expenses or advances made or incurred in the protection of the rights of the Beneficiary or in the pursuance of any remedies hereunder and the Deed of Trust Trustee's commission payable under Section 5 hereof;

Second: All taxes and assessments then constituting a lien against said premises other than those advertised and sold subject to;

Third: Any indebtedness secured by this Deed of Trust and at the time due and payable (whether by acceleration or otherwise), including all amounts of principal and interest at the time due and payable with respect to the Installment Payments, and interest on any overdue principal of at a rate per annum equal to the original interest rate payable with respect to the Installment Payments; and

Fourth: The balance, if any, to the persons then entitled thereto under the Agreement.

Section 5. Deed of Trust Trustee's Commission. In the event of a consummated sale under the power of sale contained herein, the Deed of Trust Trustee's commission shall be a reasonable commission for services rendered not to exceed five percent (5%) of the highest bid thereat.

It is further provided that in the event foreclosure is terminated upon the request of the City prior to delivery of the deed by the Deed of Trust Trustee, the City shall pay the Deed of Trust Trustee all costs and expenses incident to the foreclosure, including reasonable compensation for services rendered; together with attorneys' fees actually incurred at standard hourly rates to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended.

It is further provided that the compensation herein allowed to the Deed of Trust Trustee shall constitute indebtedness secured hereby on the Mortgaged Property immediately upon request of sale.

Section 6. General Covenant. The City shall pay the amounts due under the Agreement and shall observe and perform all covenants, conditions and agreements contained in the Agreement, and any amendments and supplements thereto.

Section 7. Payment of Costs, Attorneys' Fees and Expenses. The City shall pay, to the extent permitted by law, any and all costs, attorneys' fees and other expenses of whatever kind incurred by the Beneficiary or the Deed of Trust Trustee in connection with (a) obtaining possession of the Mortgaged Property, (b) the protection and preservation of the Mortgaged Property, (c) the collection of any sum or sums secured hereby, (d) any litigation involving the Mortgaged Property, this trust, any benefit accruing by virtue of the provisions hereof, or the rights of the Deed of Trust Trustee or the Beneficiary, (e) the presentation of any claim under any administrative or other proceeding in which proof of claim is required by law to be filed, (f) any additional examination of the title to the Mortgaged Property which may be reasonably required by the Beneficiary or the Deed of Trust Trustee, (g) taking any steps whatsoever in enforcing this Deed of Trust, claiming any benefit accruing by virtue of the provisions hereof, or exercising the rights of the Beneficiary hereunder, or (h) any proceeding, legal or otherwise, which the Beneficiary shall deem necessary to sustain the lien of this Deed of Trust or its priority. If the City shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 8. Insurance and Taxes. Pursuant to the Agreement, the City will obtain and maintain certain insurance and will pay all lawful taxes, assessments and charges, if any, at any time levied or assessed upon or against the Mortgaged Property or any part thereof; provided, however, that nothing contained in this Deed of Trust shall require the maintenance of insurance or the payment of any such taxes, assessments or charges if the same are not required to be paid under the Agreement. If the City shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 9. No Assignment or Encumbrance of Mortgaged Property. Except as permitted by the Agreement and this Deed of Trust, the City shall not sell, transfer, exchange, lease, mortgage, encumber, pledge, assign or otherwise dispose of the Mortgaged Property or any interest therein or part thereof without the prior written consent of the Beneficiary. Any such disposition or encumbrance of the Mortgaged Property or any interest therein or any part thereof other than Permitted Encumbrances without such prior written consent shall, at the option of the Beneficiary, constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default.

Section 10. Advances by Beneficiary. The Beneficiary is authorized, but is not required to, for the account of the City, to make any required payments under any lien prior hereto or under this Deed of Trust, the non-payment of which would constitute a default, including but not limited to principal payments, interest payments, premium payments, if any, taxes and insurance premiums. All sums so advanced shall attach to and become part of the debt secured hereby, shall become payable at any time on demand therefor and, from the date of the advance to the date of repayment, any sum so advanced shall bear interest at a rate of five percent (5%) per annum. The failure to make payment on demand shall, at the option of the Beneficiary,

constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default. If the City shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 11. The Deed of Trust Trustee. The Deed of Trust Trustee shall be under no duty to take any action hereunder except as expressly required, or to perform any act which would involve him in expense or liability or to institute or defend any suit in respect hereof, unless properly indemnified to his satisfaction by the Beneficiary. All reasonable expenses, charges, counsel fees and other disbursements incurred by the Deed of Trust Trustee in and about the administration and execution of the trusts hereby created, and the performance of its duties and powers hereunder, shall, to the extent permitted by law, be secured by this Deed of Trust prior to the indebtedness represented by the Agreement, and such amounts not paid when due shall, to the extent permitted by law, bear interest at a rate of five percent (5%) per annum. If the City shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 12. Security Interest in Fixtures. **COLLATERAL IS OR INCLUDES FIXTURES.** With respect to any portion of the Mortgaged Property which is or may become fixtures, this Deed of Trust shall constitute a financing statement filed as a fixture filing. In connection therewith, the fixtures are located on the land described on Exhibit A attached hereto, and the City is the record owner of such land. The name and address of the City, as debtor, and the Beneficiary, as secured party, are set forth in Section 16 hereof. The lien upon fixtures granted herein and perfected hereby shall be in addition to and not in lieu of any lien upon fixtures acquired under real property law.

Section 13. Leases. The City shall keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on its part to be kept, observed or performed under any leases involving all or any part of the Mortgaged Property, shall require tenants to keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on their part to be kept, observed or performed under any such leases and shall not suffer or permit any breach or default to occur with respect to the foregoing. In the event of a default by the City under any lease involving all or any part of the Mortgaged Property, the Beneficiary shall have the right to perform or to require performance of any such covenants, agreements, terms, conditions or provisions of such leases, and to add any expense incurred in connection therewith to the debt secured hereby. Any such expense incurred by the Beneficiary shall be immediately due and payable. If the City shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 14. Additional Documents. The City agrees to execute and deliver to the Beneficiary, concurrently with the execution of this Deed of Trust and upon the request of the Beneficiary from time to time hereafter, all financing statements and other documents reasonably required to perfect and maintain the lien or security interest created hereby. For the period in which the indebtedness of the City to the Beneficiary remains unpaid, the City hereby irrevocably makes, constitutes and appoints the Beneficiary as the true and lawful attorney in

fact of the City, to the extent permitted by law, to sign the name of the City on any financing statement, continuation of financing statement or similar document required to perfect or continue such security interests.

Section 15. Environmental Issues. The City for itself, its successors and assigns represents, warrants and agrees that, except as disclosed in writing to the Beneficiary by the City, (a) neither the City nor, to the best of the City's knowledge, any other person has improperly used or installed any Hazardous Material (as hereinafter defined) on the Mortgaged Property or received any notice from any governmental agency, entity or other person with regard to Hazardous Materials on, from or affecting the Mortgaged Property; (b) neither the City nor, to the best of the City's knowledge, any other person has violated any applicable Environmental Laws (as hereinafter defined) relating to or affecting the Mortgaged Property; (c) to the best of the City's knowledge, the Mortgaged Property is presently in compliance with all Environmental Laws and there are no circumstances presently existing upon or under the Mortgaged Property, or relating to the Mortgaged Property which may violate any applicable Environmental Laws, and there is not now pending, or threatened, any action, suit, investigation or proceeding against the City relating to the Mortgaged Property (or against any other party relating to the Mortgaged Property) seeking to enforce any right or remedy under any of the Environmental Laws; (d) the Mortgaged Property shall be used to generate, manufacture, refine, transport, treat, store, handle, dispose, produce or process Hazardous Materials only in accordance with all applicable Environmental Laws; (e) the City shall not cause nor permit the improper installation of Hazardous Materials in the Mortgaged Property nor a release of Hazardous Materials on the Mortgaged Property; (f) the City shall at all times comply with and ensure compliance by all other parties with all applicable Environmental Laws relating to or affecting the Mortgaged Property and shall keep the Mortgaged Property free and clear of any liens imposed pursuant to any applicable Environmental Laws; (g) the City has obtained and will at all times continue to obtain and/or maintain all licenses, permits, and/or other governmental or regulatory actions necessary to comply with Environmental Laws with respect to the Mortgaged Property (the "Permits"), and the City is in full compliance with the terms and provisions of the Permits and will continue to comply with the terms and provisions of the Permits; (h) the City shall immediately give the Beneficiary oral and written notice in the event that the City receives any notice from any governmental agency, entity, or any other party with regard to Hazardous Materials on, from or affecting the Mortgaged Property and shall conduct and complete all investigations, sampling, and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Mortgaged Property in accordance with all applicable Environmental Laws. To the extent permitted by law, the City hereby agrees to defend and indemnify the Deed of Trust Trustee and the Beneficiary and hold them harmless from and against any and all losses, liabilities, damages, injuries (including, without limitation, attorneys' fees) and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against the Deed of Trust Trustee or the Beneficiary for, with respect to, or as a direct or indirect result of (a) the presence on, or under, or the escape, spillage, emission or release from the Mortgaged Property of any Hazardous Material regardless of whether or not caused by or within the control of the City, (b) the violation of any Environmental Laws relating to or affecting the Mortgaged Property, whether or not caused by or within the control of the City, (c) the failure by the City to comply fully with the terms and provisions of this paragraph, or (d) any warranty or representation made by the City in this paragraph being false or untrue in any material respect. In the event that the Beneficiary elects to control,

operate, sell or otherwise claim property rights in the Mortgaged Property, the City shall deliver the Mortgaged Property free of any and all Hazardous Materials so that the conditions of the Mortgaged Property shall conform with all applicable Environmental Laws. To the extent permitted by law, prior to any such delivery of the Mortgaged Property, the City shall pay to the Beneficiary from its own funds any amounts required to be paid under the indemnification provisions set forth above. For purposes of this Deed of Trust, "Hazardous Material" means and includes petroleum products, any flammable explosives, radioactive materials, hazardous materials, asbestos or any material containing asbestos, and/or any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the Environmental Laws. For the purposes of this Deed of Trust, "Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Oil Pollution Act of 1990, the Emergency Planning and Right-to-Know Act, the Clean Water Act, the Clean Air Act, the Toxic Substance Control Act, the Resource Conservation and Recovery Act, any "Super Fund" or "Super Lien" law (including in all cases any regulations promulgated thereunder), or any other federal, state, or local law, regulation or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials, as may now or at any time hereafter be in effect. The obligations and liabilities of the City under this paragraph shall survive the foreclosure of the Deed of Trust, the delivery of a deed in lieu of foreclosure, and the cancellation of this Deed of Trust; or if otherwise expressly permitted in writing by the Beneficiary, the sale or alienation of any part of the Mortgaged Property.

Section 16. Miscellaneous. (a) Notices. All notices, approvals, consents, requests and other communications hereunder shall be in writing and, unless otherwise provided herein, shall be deemed to have been given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: (a) if to the City, at City of Greenville, North Carolina, 200 West 5th Street, Greenville, North Carolina 27858-1824, Attention: Director of Financial Services; (b) if to the Beneficiary, to Capital One Public Funding, LLC, Attn: _____ and (c) if to the Deed of Trust Trustee, _____, _____.

The City, the Deed of Trust Trustee and the Beneficiary may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or persons to whose attention the same shall be directed.

(b) Substitution of Deed of Trust Trustee. The City and the Deed of Trust Trustee covenant and agree to and with the Beneficiary that in case the Deed of Trust Trustee, or any successor trustee, shall die, become incapable of acting, renounce his trust, or for any reason the holder the Beneficiary desires to replace the Deed of Trust Trustee, then the Beneficiary may appoint, in writing, a trustee to take the place of the Deed of Trust Trustee; and upon the probate and registration of the same, the trustee thus appointed shall succeed to all rights, powers and duties of the Deed of Trust Trustee. This granting of power to the Beneficiary is coupled with an interest and is irrevocable.

(c) Successors and Assigns. This Deed of Trust shall inure to the benefit of and be enforceable by the Deed of Trust Trustee and the Beneficiary and their respective successors and assigns.

(d) Amendments and Supplements. This Deed of Trust may be amended and supplemented only as provided in the Agreement.

(e) Applicable Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of North Carolina.

(f) Execution in Counterparts. This Deed of Trust may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(g) Severability. In the event any term, provision or covenant herein contained or the application thereof to any circumstances or situation shall be invalid or unenforceable in whole or in part, the remainder hereof and the application of said term or provision or covenant to any other circumstances or situation shall not be affected thereby, and every other term, provision or covenant herein shall be valid and enforceable to the full extent permitted by law.

IN WITNESS WHEREOF, the City has caused this Deed of Trust to be executed in its name by the City Manager of the City and its seal to be impressed hereon and attested by the City Clerk of the City, all as of the date first above written.

CITY OF GREENVILLE, NORTH CAROLINA

[SEAL]

By: _____
Barbara Lipscomb
City Manager

Attest:

Carol L. Barwick
City Clerk

ACKNOWLEDGEMENT FOR CITY

STATE OF NORTH CAROLINA

COUNTY OF PITT

This ___ day of May, 2014, personally came before me, a Notary Public in and for the said County and State, Carol L. Barwick, who, being by me duly sworn, says that she is the City Clerk of the City of Greenville, North Carolina, a municipal corporation existing under the laws of the State of North Carolina and acting through its City Council, and by authority duly given and as the act of said City, the foregoing instrument was signed in its name by Barbara Lipscomb., as the City Manager of said City, sealed with its seal and attested by herself as the City Clerk.

Witness my hand and notarial seal this ___ day of May, 2014.

Notary Public

My commission expires:

(Notarial Seal)

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LEGAL DESCRIPTION OF THE PARKING GARAGE SITE

The tracts or parcels constituting the Parking Garage in the uptown district of the City are as follows:

EXHIBIT B

LIST OF ENCUMBRANCES

Sidley Austin LLP Draft 4/01/2014

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

Bernita W. Demery
Director of Financial Services

INSTALLMENT FINANCING AGREEMENT

Dated as of May __, 2014

between

CITY OF GREENVILLE, NORTH CAROLINA

and

CAPITAL ONE PUBLIC FUNDING, LLC

\$ _____
Tax-Exempt Installment Financing

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INSTALLMENT FINANCING AGREEMENT

This INSTALLMENT FINANCING AGREEMENT, dated as of May __, 2014 (the "Agreement"), between the CITY OF GREENVILLE, NORTH CAROLINA, a municipal corporation duly organized and validly existing under the laws of the State of North Carolina (the "City"), and Capital One Public Funding, LLC, a _____ duly organized and existing under the laws of _____ (the "Bank");

WITNESSETH:

WHEREAS, the City is a municipal corporation duly organized and validly existing under and by virtue of the Constitution and laws of the State of North Carolina;

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, the City may finance or refinance the acquisition of property and the construction of fixtures or improvements on real property by contracts that create in the fixtures or improvements, or in all or some portion of the property upon which the fixtures or improvements are located, or in both, a security interest to secure repayment of the moneys advanced or made available for construction;

WHEREAS, after a public hearing and due consideration, the City Council of the City has determined to finance the construction costs of a parking garage in the uptown district of The City located at _____, Greenville, North Carolina (the "Project");

WHEREAS, in order for the City to obtain the funds required for the Project, the City has determined to enter into this Agreement whereby the Bank will advance funds to the City to pay the costs of the Project, and the City will repay such advancement with interest in installments pursuant to the terms of this Agreement;

WHEREAS, as security for the performance of its obligation under this Agreement, including the payment of the installment payments hereunder, the City will execute and deliver a Deed of Trust, dated as of the date hereof (the "Deed of Trust"), to the Deed of Trust trustee named therein, for the benefit of the Bank, pursuant to which the City will grant a lien on the Site (hereafter defined) and all of the buildings, improvements and fixtures located and to be located thereon;

WHEREAS, the Bank is willing to advance moneys to the City required for the Project, and the City is willing to repay the moneys so advanced by the Bank in installments as more fully provided herein; and

WHEREAS, the City and the Bank have each duly authorized the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

SECTION 1.1. Definitions and Rules of Construction. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The words “hereby”, “herein”, “hereof”, “hereto”, “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof. All references herein to “Articles”, “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement unless some other reference is indicated.

“Act” means Section 160A-20 of the General Statutes of North Carolina, as amended.

“Advancement” means the advance being made by the Bank to the City pursuant to Section 3.1 of this Agreement relating to the Project.

“Additional Payments” means any of the Bank’s reasonable and customary fees and expenses related to the transactions contemplated by this Agreement, any of the Bank’s expenses (including attorneys’ fees) in prosecuting or defending any action or proceeding in connection with this Agreement, any required license or permit fees, state and local sales and use or ownership taxes or property taxes which the Bank is required to pay as a result of this Agreement, inspection and re-inspection fees, and any other amounts payable by the City (or paid by the Bank on the City’s behalf) as a result of its covenants under this Agreement (together with interest that may accrue on any of the above if the City shall fail to pay the same, as set forth in this Agreement).

“Agreement” means this Installment Financing Agreement, including any amendment or supplement hereto permitted herein.

“Bank” means Capital One Public Funding, LLC, a _____ organized and existing under the laws of Kansas, and any successor thereto.

“City” mean the City of Greenville, North Carolina, a municipal corporation duly organized and validly existing under and by virtue of the Constitution and laws of the State of North Carolina, and any successor entity.

“City Council” means the City Council of the City.

“Closing” means the date on which the City executes and delivers this Agreement, and the Bank makes the Advancement to the City.

“Closing Costs” means and further includes all items of expense directly or indirectly payable by or reimbursable to the City relating to the Project, including, but not limited to, filing and recording costs, settlement costs, printing costs, word processing costs, reproduction and binding costs, legal fees and charges and financing and other professional consultant fees.

“Code” means Internal Revenue Code of 1986, as amended.

“Deed of Trust” means the Deed of Trust, of even date herewith, from the City to the Deed of Trust Trustee, for the benefit of the Bank, securing the Installment Payments and other obligations specified hereunder and thereunder, as supplemented and amended from time to time.

“Deed of Trust Trustee” means the person or other entity at the time serving as trustee under the Deed of Trust.

“Determination of Taxability” means and shall be deemed to have occurred on the date when (a) the City shall receive notice from the Bank that the Internal Revenue Service has assessed as includable in gross income the interest component of the Installment Payments relating to the Advancement made by the City under this Agreement due to the occurrence of an Event of Taxability or (b) the City or the Bank shall receive notice from the Commissioner or any District Director of the Internal Revenue Service that the interest component of the Installment Payments relating to the Advancement made by the City under this Agreement is includable in the gross income of the Bank for federal income tax purposes due to the occurrence of an Event of Taxability.

“Enforcement Limitation” means the provisions of the Act that provide that no deficiency judgment may be rendered against the City in any action for breach of a contractual obligation incurred under the Act and that the taxing power of the City is not and may not be pledged directly or indirectly to secure any moneys due under this Agreement.

[“Escrow Agreement” means the escrow agreement, dated as of ____, 2014 by and among the City, the Bank and Deutsche Bank National Trust Company pursuant to which the Advancement proceeds are held in the Equipment Fund established therein.]

“Event of Nonappropriation” means (a) the failure by the City Council to budget and appropriate in its budget for the ensuing Fiscal Year adopted on or about June 30 of each year moneys sufficient to pay all Installment Payments and any reasonably estimated Additional Payments under this Agreement coming due in the next ensuing Fiscal Year or (b) the City Council’s deletion from its duly adopted budget of any appropriation for the purposes specified in clause (a). In the event that during any Fiscal Year, any Additional Payments shall become due that were not included in the City’s current budget, and if there are no moneys available to pay such Additional Payments prior to the date upon which such Additional Payments are due, an Event of Nonappropriation shall be deemed to have occurred upon notice by the Bank to the City to such effect.

“Event of Taxability” means the occurrence or existence of any fact, event or circumstance caused by the failure of the City to comply with any covenants in this Agreement or any document or certificate executed by the City in connection with the transactions contemplated by this Agreement which has the effect of causing the interest component of the Installment Payments relating to the Advancement made by the City under this Agreement to be includable in the gross income of the Bank for federal income tax purposes.

“Fiscal Year” means the period beginning on July 1 of any year and ending on June 30 of the following year.

“Inclusion Date” means the effective date that the interest component of the Installment Payments relating to the Advancement made by the City under this Agreement is includable in the gross income of the Bank as a result of a Determination of Taxability.

“Installment Payment Date” means each of the dates set forth on the Installment Payment Schedule attached hereto.

“Installment Payments” means the payments required to be paid by the City pursuant to Section 4.1 in order to repay the Advancement, as specified in Exhibit A.

“LGC” means the Local Government Commission of North Carolina established pursuant to Chapter 159 of the North Carolina General Statutes.

“Mortgaged Property” means the property subject to the lien of the Deed of Trust, consisting of the Site, together with substantially all of the buildings, improvements and fixtures located or to be located thereon.

“Net Proceeds” means any proceeds of insurance paid with respect to the Mortgaged Property remaining after payment therefrom of any expenses (including attorneys’ fees) incurred in the collection thereof or any proceeds received in a condemnation proceeding.

“Permitted Encumbrances” means and includes (a) liens for taxes, assessments and other governmental charges due but not yet payable; (b) landlord’s, warehouseman’s, carrier’s, worker’s, vendor’s, mechanic’s and materialmen’s liens and similar liens incurred in the ordinary course of business remaining undischarged for not longer than sixty (60) days from the filing thereof; (c) attachments remaining undischarged for not longer than sixty (60) days from the making thereof; (d) liens in respect of pledges or deposits under workers’ compensation laws, unemployment insurance or similar legislation; (e) the lien created by the Deed of Trust and any lease of all or any portion of the Mortgaged Property permitted by Section 8.2; (f) this Agreement; (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which the City certifies in writing to the Bank will not materially impair the use of the Mortgaged Property for its intended purpose or the marketability of the Mortgaged Property; (h) any mortgage or encumbrance on the Mortgaged Property consented to by the Bank pursuant to Section 2 of the Deed of Trust; and (i) any other encumbrances described in Exhibit B to the Deed of Trust.

“Project” means the construction of the parking garage to be located in the uptown district of the City at _____ Greenville, North Carolina.

“Site” means the real property identified in Exhibit A to the Deed of Trust.

“State” means the State of North Carolina.

“Taxable Rate” means _____ % per annum.

SECTION 1.2. Exhibits. The following exhibits are attached to, and by reference made a part of, this Agreement:

Exhibit A: Installment Payment Schedule

ARTICLE II

REPRESENTATIONS OF THE CITY AND BANK

SECTION 2.1. Representations, Covenants and Warranties of the City. The City represents, covenants and warrants to the Bank as follows:

(a) The City is a municipal corporation duly organized and validly existing under and by virtue of the Constitution and laws of the State of North Carolina.

(b) The Constitution and laws of the State authorize the City to execute and deliver this Agreement and the Deed of Trust and to enter into the transactions contemplated by and to carry out its obligations under this Agreement and the Deed of Trust.

(c) The City has duly authorized and executed this Agreement and the Deed of Trust in accordance with the Constitution and laws of the State.

(d) Neither the execution and delivery of this Agreement and the Deed of Trust, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions or any charter provision, restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitutes a default under any of the foregoing.

(e) No approval or consent is required from any governmental authority with respect to the entering into or performance by the City of this Agreement, the Deed of Trust and all other documents related thereto and the transactions contemplated hereby and thereby, or if such approval is required, it has been duly obtained.

(f) There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against or affecting the City challenging the validity or enforceability of this Agreement, the Deed of Trust or any other documents relating hereto and the performance of the City's obligations hereunder and thereunder.

(g) The City will obtain or cause to be obtained all licenses, permits and other approvals of any other governmental entity having jurisdiction over the City or the Project that are necessary for the Project.

SECTION 2.2. Representations, Covenants and Warranties of the Bank. The Bank represents, covenants and warrants to the City as follows:

(a) The Bank is a corporation organized, existing and in good standing under and by virtue of the laws of _____ and has the power and authority to enter into this Agreement.

(b) Neither the execution and delivery of this Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms,

conditions or provisions of the organizational documents of the Bank or any restriction or any agreement or instrument to which the Bank is now a party or by which the Bank is bound.

ARTICLE III

ADVANCEMENT; ACQUISITION OF PROJECT

SECTION 3.1. Advancement. In consideration of the covenants, warranties and representations contained herein, and in consideration of the City's agreement to repay the moneys advanced hereunder and interest thereon, the Bank shall advance \$ _____ on the date hereof to the City for purposes the Project and for paying Closing costs of the transaction on the Closing. [The Bank shall deposit the Advancement in a separate account established with Deutsche Bank National Trust Company pursuant to the Escrow Agreement designated the "City of Greenville Equipment Fund" (the "Equipment Fund"). The proceeds of the Advancement shall be deposited in the Equipment Fund at Closing and shall be applied, together with any investment earnings thereon, in accordance with the provisions of this Article.]

SECTION 3.2. Project. The City shall cause the Project to occur in compliance with all applicable ordinances and statutes and requirements of all regularly constituted authorities having jurisdiction over the same. Prior to or simultaneously with the disbursement of the proceeds of the Advancement, the City shall subject the Mortgaged Property to the lien and security interest created by the Deed of Trust.

SECTION 3.3. Payment of Closing Costs. The City shall be obligated to pay all Closing Costs when the same become due and payable from the proceeds of the Advancement or other available funds of the City.

SECTION 3.4. Disclaimer of Bank. The City acknowledges and agrees that the Bank (a) has not made any recommendation, given any advice nor taken any other action with respect to the Mortgaged Property and has not at any time had physical possession of the Mortgaged Property or any component part thereof or made any inspection thereof or any property or rights relating thereto, and (c) has not made any warranty or other representation, express or implied, that the Mortgaged Property or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly used, or will accomplish the results which the City intends therefor, or (iii) is safe in any manner or respect.

THE BANK MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE PROJECT, THE MORTGAGED PROPERTY OR ANY COMPONENT PART THEREOF TO THE CITY OR ANY OTHER CIRCUMSTANCE WHATSOEVER WITH RESPECT THERETO, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE; COMPLIANCE THEREOF WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; ANY LATENT DEFECT; THE TITLE TO OR INTEREST OF THE BANK THEREIN BEYOND THAT TITLE OR INTEREST WHICH THE CITY OBTAINS FROM THE BANK PURSUANT HERETO; THE ABILITY THEREOF TO PERFORM ANY FUNCTION; THAT THE PROCEEDS DERIVED FROM THE ADVANCEMENTS WILL BE SUFFICIENT,

TOGETHER WITH ANY OTHER AVAILABLE FUNDS OF THE CITY, TO PAY THE COST OF THE PROJECT; OR ANY OTHER CHARACTERISTICS OF THE PROJECT, IT BEING AGREED THAT ALL RISKS RELATING TO THE PROJECT OR THE TRANSACTIONS CONTEMPLATED HEREBY ARE TO BE BORNE BY THE CITY, AND THE BENEFITS OF ANY AND ALL IMPLIED WARRANTIES AND REPRESENTATIONS OF THE BANK ARE HEREBY WAIVED BY THE CITY.

ARTICLE IV

REPAYMENT OF THE ADVANCEMENT; SECURITY FOR REPAYMENT

SECTION 4.1. Repayment of the Advancement. (a) The City shall repay the Advancement, with interest, computed at the rate of 3.25% per annum (calculated based upon the a 360-day year consisting of twelve 30-day months), in installments due at the times and in the amounts set forth in Exhibit A.

(b) All payments required to be made to the Bank hereunder shall be made by wire transfer to

or as may otherwise be directed by the Bank.

(c) [In the event of a Determination of Taxability, the interest rate relating to the Advancement payable under this Agreement, from and after the Inclusion Date, shall be adjusted to the Taxable Rate. In addition, the City shall pay to the Bank (i) an amount necessary to reimburse the Bank for any interest, penalties, or other charges assessed by the Internal Revenue Service and the Department of Revenue by reason of the Bank's failure to include the interest portion of the Installment Payments relating to the Advancement in its gross income for income tax purposes. In the event of a Determination of Taxability, the Bank shall provide the City with a new Installment Payment Schedule with respect to the Advancement which reflects the new Taxable Rate which will replace the Installment Payment Schedule set forth in Exhibit A.]

(d) The City agrees to give prompt written notice to the Bank upon the City's receipt of any notice or information from any source whatsoever to the effect that an Event of Taxability or a Determination of Taxability shall have occurred.

SECTION 4.2. Budget and Appropriation. (a) The officer of the City at any time charged with the responsibility for formulating budget proposals shall include in the budget proposals for review and consideration by the City Council in any Fiscal Year in which this Agreement shall be in effect, items for all Installment Payments and any estimated Additional Payments required for such Fiscal Year under this Agreement or the Deed of Trust. Any budget item referred to in this Section shall be deleted from the applicable budget by the City Council only by the adoption of a resolution to such effect containing a statement of its reasons therefor, which resolution shall be adopted by roll-call vote and shall be spread upon the minutes of the City Council. The City shall furnish the Bank with copies of its annual budget promptly after its adoption and copies of any amended budget affecting appropriations for Installment Payments or Additional Payments required under this Agreement or the Deed of Trust. The City shall promptly provide written notice to the Bank of any Event of Nonappropriation.

(b) If within 15 days after the beginning of any Fiscal Year the City has not appropriated an amount equal to the Installment Payments and estimated Additional Payments

coming due during such Fiscal Year, then the Director of Financial Services shall send a notice to such effect to the Bank and to the LGC, to the attention of its Secretary, at the Albemarle Building, 325 North Salisbury Street, Raleigh, North Carolina 27603.

(c) The actions required of the City and its officers pursuant to this Section shall be deemed to be and shall be construed to be in fulfillment of ministerial duties, and it shall be the duty of each and every City official to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the actions required pursuant to this Section and the remainder of this Agreement to be carried out and performed by the City.

(d) NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A DELEGATION OF GOVERNMENTAL POWERS NOR AS A DONATION BY OR A LENDING OF THE CREDIT OF THE CITY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE. THIS AGREEMENT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE SOLE DISCRETION OF THE CITY FOR ANY FISCAL YEAR IN WHICH THIS AGREEMENT IS IN EFFECT; PROVIDED, HOWEVER, THAT ANY FAILURE OR REFUSAL BY THE CITY TO APPROPRIATE FUNDS WHICH RESULTS IN THE FAILURE BY THE CITY TO MAKE ANY PAYMENT COMING DUE HEREUNDER WILL IN NO WAY OBLVIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE CITY IN ANY ACTION FOR BREACH OF A CONTRACTUAL OBLIGATION UNDER THIS AGREEMENT AND THE TAXING POWER OF THE CITY IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS DUE UNDER THIS AGREEMENT.

No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the City's moneys, nor shall any provision of this Agreement restrict the future issuance of any of the City's bonds or moneys. To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

SECTION 4.3. Deed of Trust. In order to secure its obligations under this Agreement, including its obligation to make the Installment Payments hereunder, the City will execute and deliver the Deed of Trust simultaneously with the execution and delivery of this Agreement.

SECTION 4.4. No Set-Off; Recoupment, Etc. Subject to Section 4.2 and the Enforcement Limitation, the obligation of the City to make the Installment Payments hereunder and to perform and observe the other covenants of this Agreement shall be absolute and unconditional, and the City will pay without abatement, diminution or deduction all such amounts regardless of any cause or circumstance whatsoever, including, without limitation, any defense, set-off, recoupment or counterclaim that the City may have against the Bank.

ARTICLE V

INSURANCE

SECTION 5.1. Comprehensive General Liability. The City shall at its own expense, acquire, carry and maintain or cause to be maintained throughout the term of this Agreement, a comprehensive general liability policy or policies in an amount not less \$2,000,000 for personal injury or death and \$2,000,000 for property damage in protection of the City, its officers, agents and employees. Said policy shall cover such losses and for such amounts (equal to or in excess of the amounts set forth above) and shall have such deductible amounts as shall be satisfactory to the City Council and, in the judgment of the City Council, shall protect the City against losses not protected under the principles of sovereign immunity. The net proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid. Such policies shall include the Bank as an additional insured with respect to occurrences at the Mortgaged Property.

SECTION 5.2. Workers' Compensation. The City shall maintain workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure its employees against liability for compensation under the laws now in force in the State, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof. The proceeds of such workers' compensation insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

SECTION 5.3. Insurance. (a) The City shall procure and maintain, or cause to be procured and maintained, throughout the term of this Agreement, insurance against loss or damage to any portion of the Mortgaged Property by fire and lightning, with extended coverage, and vandalism, theft and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke, broken windows and other structural glass, falling objects, water damage and such other hazards as are normally covered by such insurance. Such insurance policies shall name the Bank as a mortgagee.

(b) If any buildings, fixtures or other improvements are located on any portion of the Mortgaged Property that is located in a special flood hazard area according to the Federal Emergency Management Agency ("FEMA"), then the City must maintain a flood insurance policy on the Mortgaged Property. If at any time during the term of the Agreement, such portion of the Mortgaged Property is classified by FEMA as being located in a special flood hazard area, flood insurance will be mandatory. Should this occur, federal law requires the Bank to notify the City of the reclassification. If, within forty-five (45) days of receipt of notification from the Bank that any portion of the Mortgaged Property has been reclassified by the FEMA as being located in a special flood hazard area, the City has not provided sufficient evidence of flood insurance, the Bank is mandated under federal law to purchase flood insurance on behalf of the City, and any amounts so expended shall, subject to Section 4.2 and the Enforcement Limitation, immediately become debts of the City, shall bear interest at the rate specified in the Agreement, and payment thereof shall be secured by the Deed of Trust.

(c) Such insurance required by this Section shall be in an amount equal to 100% of the replacement cost of the Mortgaged Property (except that such insurance may be subject to a reasonable and customary deductible clause for any one loss); provided, however, that in no event shall such insurance be maintained in an amount less than the aggregate Installment Payments designated as principal.

(d) The Net Proceeds of such insurance required by this Section shall be applied as provided in Section 6.1 or Section 6.2.

SECTION 5.4. General Insurance Provisions. (a) The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Agreement.

(b) All insurance policies required by this Article shall be issued by a responsible carrier authorized to do business under the laws of the State.

(c) The Bank shall not be responsible for the sufficiency or adequacy of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Bank.

(d) In lieu of obtaining the policies of insurance required by Section 5.1, Section 5.2 and Section 5.3, the City may, upon the consent of the Bank, adopt alternative risk management programs which the City determines to be reasonable, including, without limitation, to self-insure in whole or in part, individually or in connection with other units of local government or other institutions, to participate in programs of captive insurance companies, to participate with other units of local government or other institutions in mutual or other cooperative insurance or other risk management programs, to participate in State or federal insurance programs, to take advantage of State or federal laws now or hereafter in existence limiting liability, or to establish or participate in other alternative risk management programs, all as may be reasonable and appropriate risk management by the City.

(e) The insurance coverage required under Section 5.3 may be maintained under a blanket policy covering other properties of the City.

(f) The City shall cause to be delivered to the Bank annually on or about July 1 of each year a certificate stating that the insurance policies or alternative risk management programs required or permitted by this Agreement are in full force and effect.

(g) The City shall cooperate fully with the Bank in filing any proof of loss with respect to any insurance policy maintained pursuant to this Article and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Mortgaged Property or any portion thereof.

(h) No City agent or employee shall have the power to adjust or settle any property damage loss greater than \$50,000 with respect to the Mortgaged Property, whether or not covered by insurance, without the Bank's prior written consent.

ARTICLE VI

DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS; CONDEMNATION; DUE ON SALE

SECTION 6.1. Obligation of the City to Repair and Replace the Mortgaged Property. Unless applied to the payment in full of the remaining Installment Payments pursuant to Section 6.2, in the event that the Net Proceeds arising from any single event, or any single substantially related sequence of events, is more than \$50,000, then the City shall cause such Net Proceeds to be paid to an escrow agent (which shall be a bank, trust company or similar entity exercising fiduciary responsibilities) for deposit in a special escrow fund to be held by such escrow agent. Except as set forth in Section 6.2, the City shall provide for the application of all Net Proceeds to the prompt completion, repair or restoration of the Mortgaged Property, as the case may be. Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be the property of the City, subject to the Deed of Trust and Permitted Encumbrances, and shall be included as part of the Mortgaged Property under this Agreement.

SECTION 6.2. Insufficiency of Net Proceeds; Discharge of the Obligation of the City to Repair the Mortgaged Property. (a) If the Net Proceeds shall be insufficient to pay in full the cost of repair, restoration or replacement of the Mortgaged Property, the City may elect to complete the work and pay any cost in excess of the amount of the Net Proceeds, and the City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this subsection, the City shall not be entitled to any reimbursement therefor from the Bank, nor shall the City be entitled to any diminution of the Installment Payments payable under Section 4.1.

(b) If the City elects not to apply the Net Proceeds to the repair, restoration or replacement of the Mortgaged Property, the City may apply the Net Proceeds of such insurance policies to the prepayment of the principal component of the Installment Payments but only in accordance with Section 10.1. In the event the amount of such Net Proceeds exceeds the amount necessary to prepay the principal component of all remaining Installment Payments, plus the interest component of the Installment Payments accrued to the date of prepayment, such excess shall be paid to or retained by the City.

Within 90 days following the receipt of Net Proceeds, unless a further extension is approved by the Bank, the City shall commence the repair, restoration or replacement of the Mortgaged Property, or shall elect, by written notice to the Bank, to apply the Net Proceeds to the prepayment of the Installment Payments under the provisions of Section 10.1. For purposes of this subsection, "commence" shall include the retention of an engineer in anticipation of the repair, restoration, modification, improvement or replacement of the Mortgaged Property. In the event that the City shall, after commencing the repair, restoration, modification, improvement or replacement of the Mortgaged Property, determine that the Net Proceeds (plus any amount withheld therefrom by reason of any deductible clause) shall be insufficient for the accomplishment thereof, the City may, subject to the proviso set forth above, elect to apply the

Net Proceeds to the prepayment of the Installment Payments under the provisions of Section 10.1.

SECTION 6.3. Cooperation of the Bank. The Bank shall cooperate fully with the City in filing any proof of loss with respect to any insurance policy covering the events specified in Section 5.1. In no event shall the Bank or the City voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim with respect to the Mortgaged Property without the written consent of the other.

SECTION 6.4. Condemnation. (a) The City shall immediately notify the Bank if any governmental authority shall institute, or shall notify the City of any intent to institute, any action or proceeding for the taking of, or damages to, all or any part of the Mortgaged Property or any interest therein under the power of eminent domain, or if there shall be any damage to the Mortgaged Property due to governmental action, but not resulting in a taking of any portion of the Mortgaged Property. The City shall file and prosecute its claims for any such awards or payments in good faith and with due diligence and cause the same to be collected and paid over to the Bank, and to the extent permitted by law hereby irrevocably authorizes and empowers the Bank or the Deed of Trust Trustee, in the City's name or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claims. If the City receives any Net Proceeds arising from any such action, the City shall apply such Net Proceeds in the same manner as provided in Section 6.1.

(b) If any of the real or personal property acquired or improved by the City (in whole or in part) using any portion of the Advancement consists of or is located on any real property acquired by the City through the exercise of the power of eminent domain, or through the threat of the exercise of the power of eminent domain, then during the term of this Agreement the City may not transfer any interest in such real property to any entity other than a local governmental unit without the Bank's prior express written consent.

SECTION 6.5. Due on Sale Provision; Acceleration. The Bank may, at its option, require the immediate payment in full of the Installment Payments and all other sums secured by this Agreement upon the sale, transfer, conveyance or encumbrance of all or any part of the Mortgaged Property, or any legal or beneficial interest in the Mortgaged Property, without the Bank's prior written consent. This option applies whether the sale, transfer, conveyance or encumbrance is voluntary, involuntary, by operation of law or otherwise, and includes (i) any creation of lien or encumbrance, whether or not subordinate to the lien created pursuant to this Agreement and the Deed of Trust, (ii) the creation of any easement, right-of-way or similar interest other than such as would constitute a Permitted Encumbrance, or (iii) the grant to any leasehold or similar interest of any option to purchase, right of first refusal or similar interest.

ARTICLE VII
COVENANTS OF THE CITY

SECTION 7.1. Installation of Additional Improvements. The City may at any time and from time to time, in the sole discretion of the City, and at its own expense, construct real property improvements and install items of equipment or other personal property in or upon any portion of the Mortgaged Property that do not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property; provided, however, that the City shall repair and restore any and all damage resulting from the construction, installation, modification or removal of any such items. All such items provided by the City shall be subject to the lien of the Deed of Trust.

SECTION 7.2. Access to the Mortgaged Property. The City agrees that the Bank and its agents and employees, shall have the right, at all reasonable times during normal business hours of the City upon the furnishing of reasonable notice to the City under the circumstances, to enter upon the Mortgaged Property or any portion thereof to examine and inspect the same. The City further agrees that the Bank and the Bank's successors, assigns or designees shall have such rights of access to the Mortgaged Property as may be reasonably necessary to cause the proper maintenance of the Mortgaged Property in the event of failure by the City to perform its obligations hereunder. No right of inspection shall be deemed to impose on the Bank any duty or obligation whatsoever to undertake any inspection, and no inspection made by the Bank shall be deemed to impose upon the Bank any duty or obligation to identify any defects in the Mortgaged Property or to notify any person with respect thereto.

No right of inspection or approval granted in this Section shall be deemed to impose upon the Bank any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by the Bank shall be deemed to impose upon the Bank any duty or obligation whatsoever to identify or correct any defects in the Mortgaged Property or to notify any person with respect thereto, and no liability shall be imposed upon the Bank, and no warranties (either express or implied) are made by the Bank as to the quality or fitness of any improvement, any such inspection and approval being made solely for the Bank's benefit.

SECTION 7.3. Maintenance, Utilities, Taxes and Assessments. (a) Subject to the Enforcement Limitation, the City shall provide for the repair and replacement of any portion of the Mortgaged Property required on account of ordinary wear and tear or want of care.

(b) Subject to the Enforcement Limitation, the City shall also pay, or provide for the payment of, all taxes and assessments, including, but not limited to, utility charges of any type or nature levied, assessed or charged against any portion of the Mortgaged Property; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid as and when the same become due.

(c) The City may, at the City's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such

contest and any appeal therefrom; provided, however, that prior to such nonpayment, the City shall furnish to the Bank an opinion of counsel acceptable to the Bank to the effect that, by nonpayment of any such items, the interest of the Bank in the Mortgaged Property will not be materially endangered and that all or any portion of the Mortgaged Property will not be subject to loss or forfeiture. Otherwise, subject to the Enforcement Limitation, the City shall promptly pay such taxes, assessments or charges or make provisions for the payment thereof.

SECTION 7.4. Modification of the Mortgaged Property. The City shall, in its sole discretion and at its own expense, have the right to make additions, modifications and improvements to any portion of the Mortgaged Property if such additions, modifications or improvements are necessary or beneficial for the use of the Mortgaged Property. Such additions, modifications and improvements shall not in any way damage any of the Mortgaged Property (unless such damage is to be repaired as provided in Section 6.1) or cause the Mortgaged Property to be used for purposes other than those authorized under the provisions of law and which will not cause an adverse effect as to the exclusion of the interest components of the installment payments from gross income for federal income tax purposes, and the Mortgaged Property, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is not less than the value of the Mortgaged Property immediately prior to the making of such additions, modifications and improvements. Such modification to the Mortgaged Property shall be subject to the lien of the Deed of Trust.

Except for Permitted Encumbrances, the City shall not permit any lien to be established or remain against the Mortgaged Property for labor or materials furnished in connection with any additions, modifications or improvements made by the City pursuant to this Section; provided, however, that if any such lien is established, the City may, at its own expense and in its name, in good faith contest any lien filed or established against the Mortgaged Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, provided that the City shall furnish to the Bank full security against any loss or forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Bank.

SECTION 7.5. Encumbrances. Except as provided in this Article (including, without limitation, Section 7.4 and this Section), the City shall not, directly or indirectly, create, incur, assume or suffer to exist any pledge, lien, charge, encumbrance or claim, as applicable, on or with respect to the Mortgaged Property, other than Permitted Encumbrances. Except as expressly provided in this Article and subject to the Enforcement Limitation, the City shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such pledge, lien, charge, encumbrance or claim for which it is responsible if the same shall arise at any time; provided, however, that the City may contest any such lien, charge, encumbrance or claim if it desires to do so and if it provides the Bank with full security against any loss or forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Bank.

SECTION 7.6. Financial Statements. The City agrees that it will furnish the Bank, when the same become available, but in no event later than 270 days after the end of the Fiscal Year, its annual audited financial statements and, at the Bank's request, will furnish the Bank information regarding its annual budget as submitted or approved.

The City shall furnish the Bank, at such reasonable times as the Bank shall request, all other financial information as the Bank may reasonably request. The City shall permit the Bank or its agents and representatives to inspect the City's books and records and make extracts therefrom.

ARTICLE VIII

ASSIGNMENT, LEASING AND AMENDMENT

SECTION 8.1. Assignment by the Bank. The Bank may, at any time and from time to time, assign to any bank, insurance company or similar financial institution all or any part of its interest in the Mortgaged Property or this Agreement, including, without limitation, the Bank's rights to receive the Installment Payments and any Additional Payments due and to become due hereunder. Reassignment by any assignee may also only be to a bank, insurance company or similar financial institution. The City agrees that this Agreement may become part of a pool of obligations at the Bank's or its assignee's option. The Bank or its assignees may assign or reassign either the entire pool or any partial interest herein to any bank, insurance company or similar financial institution. The Bank or its assignees may assign or reassign all or any part of this Agreement, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Agreement, or making this Agreement part of a pool of obligations without the consent of the LGC, so long as such assignment or reassignment is to (a) a bank, insurance company or similar institution or any other entity approved by the LGC; or (b) a trustee for the purpose of issuing certificates of participation or other forms of certificates evidencing an undivided interest in this Agreement, provided such certificates are sold only to a bank, insurance company or similar financial institution or other entity approved by the LGC. In addition, such assignment or reassignment shall only be to a "qualified institutional buyer" as such term is set forth in Rule 144A of the Securities and Exchange Commission. The City further agrees that the Bank's interest in this Agreement may be assigned in whole or in part (subject to the limitations on assignment contained in this Section 8.1) upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Agreement, provided the City receives notice of such assignment and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Agreement a written record of each assignment and reassignment of such certificates of participation. Notwithstanding the foregoing, no assignment or reassignment of the Bank's interest in the Mortgaged Property or this Agreement shall be effective unless and until the City shall receive a duplicate original counterpart of the document by which such assignment or reassignment is made disclosing the name and address of each assignee. The City covenants and agrees with the Bank and each subsequent assignee of the Bank to maintain for the full term of this Agreement a written record of each such assignment or reassignment. The City agrees to execute any document reasonably required by the Bank in connection with any assignment. Notwithstanding any assignment by the Bank of its interest in this Agreement, the City shall not be obligated to provide any financial or other information to any assignee of the Bank except as set forth in Section 7.6.

After the giving of notice described above to the City, the City shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgement shall in no way be deemed to make the assignment effective.

[The Bank covenants that any disclosure document circulated by it or an assignee in connection with the sale of the Bank's rights in this Agreement will contain a statement to the

effect that the City has not reviewed and is not responsible for the disclosure document. The Bank covenants to defend, indemnify and hold harmless the City and its officers, employees and agents against any and all losses, claims, damages or liabilities, joint or several, including fees and expenses incurred in connection therewith, to which such Indemnified Party may become subject on account of any statement included in a disclosure document, or failure to include a statement in a disclosure document, unless the City shall have expressly approved the use of such disclosure document.]

SECTION 8.2. Assignment by the City. (a) This Agreement may not be assigned by the City.

(b) The City may lease all or any portion of the Mortgaged Property, subject to each of the following conditions:

(i) the obligation of the City to make Installment Payments hereunder shall remain obligations of the City;

(ii) the City shall within thirty (30) days prior to the execution and delivery of any such lease, furnish or cause to be furnished to the Bank, a true and complete copy of the form of such lease; and

(iii) the lease by the City shall not cause the Mortgaged Property to be used for a purpose other than a governmental or proprietary function of the City authorized under the provisions of the Constitution and laws of the State and shall not cause the interest component in the Installment Payments to be includable in gross income of the Bank for federal income tax purposes (as evidenced by an opinion of bond counsel reasonably acceptable to the Bank).

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1. Events of Default Defined. The following shall be “events of default” under this Agreement and the terms “events of default” and “default” shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) The failure by the City to pay any Installment Payment required to be paid hereunder within ten (10) days of when due.

(b) The occurrence of an Event of Nonappropriation.

(c) Failure by the City to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto other than as referred to in clause (a) or (b) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Bank; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period and if corrective action is instituted by the City within the applicable period and diligently pursued, upon the consent of the Bank, the City shall have such additional period of time to correct the failure as shall be necessary to correct such failure so long as such correction is diligently pursued.

(d) The City becomes insolvent or the subject of insolvency proceedings; or is unable, or admits in writing its inability, to pay its debts as they mature; or makes a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its property; or files a petition or other pleading seeking reorganization, composition, readjustment or liquidation of assets, or requesting similar relief; or applies to a court for the appointment of a receiver for it or for the whole or any part of its property; or has a receiver or liquidator appointed for it or for the whole or any part of its property (with or without the consent of the City) and such receiver is not discharged within ninety (90) consecutive days after his appointment; or becomes the subject of an “order for relief” within the meaning of the United States Bankruptcy Code; or files an answer to a creditor’s petition admitting the material allegations thereof for liquidation, reorganization, readjustment or composition or to effect a plan or other arrangement with creditors or fail to have such petition dismissed within sixty (60) consecutive days after the same is filed against the City.

(e) The occurrence of an “Event of Default” under the Deed of Trust as defined therein.

(f) The City shall fail to pay the principal of or the interest or any redemption premium on any general obligation bonds or notes of the City as required by such bonds or notes or the documents providing for the issuance thereof.

(g) Any warranty, representation or statement made by the City herein or in the Deed of Trust or any other document executed and delivered by the City in connection herewith is found to be incorrect or misleading in any material respect as of the date made.

SECTION 9.2. Remedies on Default. Upon the occurrence of any event of default under Section 9.1, the Bank may, without any further demand or notice, exercise any one or more of the following remedies:

(a) declare the entire amount of the principal component of the Installment Payments and the accrued and unpaid interest component to the date of declaration to be immediately due and payable;

(b) exercise all remedies available at law or in equity or under the Deed of Trust, including sale of the Mortgaged Property, and apply the proceeds of any such sale or other disposition, after deducting all costs and expenses, including court costs and reasonable attorneys' fees incurred with the recovery, repair, storage and other sale or other disposition costs, toward the principal component and accrued and unpaid interest of the balance of Installment Payments due; and

(d) subject to the Enforcement Limitation, proceed by appropriate court action to enforce performance by the City of the applicable covenants of this Agreement or to recover for the breach thereof.

NOTWITHSTANDING ANY OTHER PROVISIONS HEREIN, IT IS THE INTENT OF THE PARTIES HERETO TO COMPLY WITH SECTION 160A-20 OF THE GENERAL STATUTES OF NORTH CAROLINA, AS AMENDED. NO DEFICIENCY JUDGMENT MAY BE ENTERED AGAINST THE CITY IN FAVOR OF THE BANK OR ANY OTHER PERSON IN VIOLATION OF SAID SECTION 160A-20, INCLUDING, WITHOUT LIMITATION, ANY DEFICIENCY JUDGMENT FOR AMOUNTS THAT MAY BE OWED HEREUNDER WHEN THE SALE OF ALL OR ANY PORTION OF THE MORTGAGED PROPERTY IS INSUFFICIENT TO PRODUCE ENOUGH MONEYS TO PAY IN FULL ALL REMAINING OBLIGATIONS HEREUNDER.

SECTION 9.3. No Remedy Exclusive. No remedy conferred herein upon or reserved to the Bank is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. To the extent permitted by law, any delay or omission to exercise any right or power accruing upon any default shall not impair any such right or power nor shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bank to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be required in this Article or by law.

SECTION 9.4. Agreement to Pay Attorneys' Fees and Expenses. In the event the City should default under any of the provisions hereof and the Bank should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the City contained herein, the City agrees that it will pay on demand to the Bank, subject to the limitations and provisions of Section 6-21.2 of the General Statutes of North Carolina, as amended, the reasonable fees of such attorneys and such other expenses so incurred by the Bank. For purposes of this Section, the reasonable fees of attorneys shall mean attorneys' fees actually incurred at such attorneys'

standard hourly rate for such services and shall not be based on any percentage of the outstanding amount due; provided, however that such attorneys' fees shall not exceed the maximum amount permitted by law.

SECTION 9.5. No Additional Waiver Implied by One Waiver. In the event any provision contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder except as may be provided by law.

ARTICLE X

PREPAYMENT OF INSTALLMENT PAYMENTS

SECTION 10.1. [Prepayment of Installment Payments. The principal component of the Installment Payments may be prepaid in whole only, on any Installment Payment Date upon thirty days written notice. For prepayment occurring on or before _____, 20__, such prepayment to be made by payment of an amount equal to the principal amount to be prepaid, plus accrued interest to the prepayment date, plus a prepayment fee of 103% of the principal amount to be prepaid. For prepayment occurring between _____ and _____, such prepayment to be made by payment of an amount equal to the principal amount to be prepaid, plus accrued interest to the prepayment date, plus a prepayment fee of 102% of the principal amount to be prepaid. For prepayment occurring after _____, such prepayment to be made by payment of an amount equal to the principal amount to be prepaid, plus accrued interest to the prepayment date.]

ARTICLE XI
MISCELLANEOUS

SECTION 11.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received upon the earlier of actual receipt or three days after deposit in the United States first-class, registered or certified mail (unless otherwise provided herein), postage prepaid, at the following addresses:

If to the City:

City of Greenville, North Carolina
200 West 5th Street
Greenville, North Carolina 27858-1824
Attention: Director of Financial Services

If to the Bank:

Capital One Public Funding, LLC

The City and the Bank, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

SECTION 11.2. Further Instruments. Upon the Bank's request, the City shall execute, acknowledge and deliver such further instruments reasonably necessary or desired by the Bank to carry out more effectively the purposes of this Agreement or any other document related to the transactions contemplated hereby, and subject to the liens and security interests hereof and thereof all or any part of the Mortgaged Property intended to be given or conveyed hereunder or thereunder, whether now given or conveyed or acquired and conveyed subsequent to the date of this Agreement.

SECTION 11.3. Bank's Performance of City's Obligations. If the City fails to perform any of its obligations under this Agreement, the Bank is hereby authorized, but not obligated, to perform such obligation or cause it to be performed. All expenditures incurred by the Bank (including any advancement of funds for payment of taxes, insurance premiums or other costs of maintaining the Mortgaged Property, and any associated legal or other expenses), together with interest thereon, shall be secured as Additional Payments under this Agreement. The City promises to pay all such amounts to the Bank immediately upon demand.

SECTION 11.4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the City and the Bank and their respective successors and assigns. Whenever in this Agreement either the City or the Bank is named or referred to, such reference shall be deemed to include the successors or assigns thereof and all the covenants and agreements in this Agreement contained by or on behalf of the City or the Bank shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 11.5. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 11.6. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11.7. Commitment Letter. The terms of this Agreement shall supersede the terms of any commitment letter, proposal or other term sheet provided by the Bank. To the extent of any conflict between this Agreement and such other documents, this Agreement shall take priority.

SECTION 11.8. Applicable Law. This Agreement shall be construed and governed in accordance with the laws of the State of North Carolina.

SECTION 11.9 No Advisory Services. The City acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the City and the Bank in which the Bank is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the City; (ii) Bank has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Bank has provided other services or is currently providing other services to the City on other matters); (iii) the only obligations Bank has to the City with respect to the transaction contemplated hereby expressly are set forth in this Contract; and (iv) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

[signatures to follow]

IN WITNESS WHEREOF, the City and the Bank have caused this Agreement to be executed in their respective names by their respective duly authorized officers as of the date first above written.

CITY OF GREENVILLE, NORTH CAROLINA

[SEAL]

By: _____
Barbara Lipscomb
City Manager

Attest:

Carol L. Barwick
City Clerk

By: _____

[signature page to Installment Financing Agreement dated as of _____, 2014]

Local Government Commission
Signature Page for Installment Financing Agreement
between the City of Greenville, North Carolina and _____ dated as of May __, 2014

This Agreement has been approved under the provisions of Article 8, Chapter 159 of the General Statutes of North Carolina.

By: _____
T. Vance Holloman, Secretary
Local Government Commission

EXHIBIT A

INSTALLMENT PAYMENT SCHEDULE

| <u>Installment Payment Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------------------|------------------|-----------------|--------------|
| | \$ | \$ | \$ |

City of Greenville, North Carolina
Parking Deck - Level Principal
Delivery Date - June 1, 2014
Project Amounts - \$5,500,000

| 15 Year Installment Purch. - 3.25% Int. | | | |
|--|---------------------|---------------------|---------------------|
| Level Principal | | | |
| Fiscal Year | Principal | Interest | Debt Service |
| 30-Jun | | | |
| 2015 | \$ 366,667 | \$ 178,750 | \$ 545,417 |
| 2016 | 366,667 | 166,833 | 533,500 |
| 2017 | 366,667 | 154,917 | 521,584 |
| 2018 | 366,667 | 143,000 | 509,667 |
| 2019 | 366,667 | 131,083 | 497,750 |
| 2020 | 366,667 | 119,167 | 485,834 |
| 2021 | 366,667 | 107,250 | 473,917 |
| 2022 | 366,667 | 95,333 | 462,000 |
| 2023 | 366,667 | 83,417 | 450,084 |
| 2024 | 366,667 | 71,500 | 438,167 |
| 2025 | 366,667 | 59,583 | 426,250 |
| 2026 | 366,667 | 47,667 | 414,334 |
| 2027 | 366,667 | 35,750 | 402,417 |
| 2028 | 366,667 | 23,833 | 390,500 |
| 2029 | 366,667 | 11,917 | 378,584 |
| 2030 | | | |
| 2031 | | | |
| 2032 | | | |
| 2033 | | | |
| 2034 | | | |
| Total | \$ 5,500,000 | \$ 1,430,000 | \$ 6,930,000 |



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Presentations by Boards and Commissions

- a. Affordable Housing Loan Committee
- b. Community Appearance Commission

Explanation: The Affordable Housing Loan Committee and the Community Appearance Commission will make their annual presentations to City Council at the April 7, 2014, City Council meeting.

Fiscal Note: No direct cost related to the presentations.

Recommendation: Hear the presentations from the Affordable Housing Loan Committee and the Community Appearance Commission.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / [click to download](#)



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Resolution to execute and deliver the Installment Financing Agreement for the initial borrowing on a three-year plan for the acquisition of Sanitation equipment

Explanation: **Abstract:** Approve the financing details for the Installment Financing Agreement for the Sanitation equipment to purchase recycling and rollout carts.

Explanation: At the March 17, 2014, City Council meeting, the City Council approved the reimbursement resolution for financing the purchase of the recycling and rollout carts. Attached is the resolution that approves the proposed Installment Financing Agreement and permits the City Council to approve the documents attached relating to the transactions, in preparation of the April 10, 2014, closing date.


The Installment Financing Agreement will authorize the transaction between the City of Greenville and First Tennessee Bank. The First Tennessee Bank was awarded the bid at an interest rate of 2.53%.

Fiscal Note: Annual debt service payment amounts are included in the Sanitation Fund 2014-2015 operating budget and 2015-2016 financial operating plan. The current debt service on this issuance is attached.

Recommendation: Adopt the attached resolution approving a proposed Installment Financing Agreement and certain other documents for the Sanitation equipment purchase.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Resolution for the Rollout and Recycle Carts 976438](#)

 [Debt Service Rollout Carts Recycling 976437](#)

 [Installment Financing Agreement Rollout Carts 976439](#)

A regular meeting of the City Council of the City of Greenville, North Carolina was held in the City Council Chamber at the City Hall in Greenville, North Carolina, the regular place of meeting, on April 7, 2014 at 6:00 p.m.

Present: Mayor Allen M. Thomas, presiding, and Council members _____

Absent: _____

* * * * *

Mayor Thomas introduced the following resolution, a copy of which had been provided to each Council member, and which was read by its title:

RESOLUTION NO. 2014 - __

RESOLUTION APPROVING A PROPOSED INSTALLMENT FINANCING AGREEMENT TO PROVIDE FOR THE FINANCING OF THE PURCHASE OF RECYCLING AND ROLL OUT CARTS FOR CITY SANITATION SERVICE PURPOSES BETWEEN THE CITY OF GREENVILLE AND FIRST TENNESSEE BANK AND OTHER ACTIONS RELATING THERETO AND AUTHORIZING OTHER OFFICIAL ACTION IN CONNECTION THEREWITH

WHEREAS, the City of Greenville, North Carolina (the “City”) has determined that it is necessary and expedient to finance the purchase of Recycling and Roll Out Carts for purposes of improving City Sanitation services (the “Project”); and

WHEREAS, in order to effectuate the financing of the Project, the City and First Tennessee Bank (the “Bank”) propose to enter into an Installment Financing Agreement (as hereinafter defined) substantially in accordance with the terms proposed by the Bank in its term sheet provided by the Bank, pursuant to the authority granted to the City under Section 160A-20 of the General Statutes of North Carolina; and

WHEREAS, in connection with such financing, it is necessary for the City to approve certain other documents relating thereto and to authorize certain action in connection therewith; and

WHEREAS, there have been presented at this meeting a copy of the following document relating to the financing of the Project:

(a) a draft of the proposed Installment Financing Agreement, to be dated as of April 10, 2014 or another mutually agreeable date (the "Installment Financing Agreement"), between the City and the Bank, pursuant to which the Bank will make available to the City with which to finance the Project and costs relating to the execution and delivery of the Installment Financing Agreement, and the City will, among other requirements, be obligated to make Installment Payments (as defined in the Installment Financing Agreement) and certain other payments; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENVILLE:

Section 1. Capitalized words and terms used in this resolution and not defined herein shall have the same meanings in this resolution as such words and terms are given in the Installment Financing Agreement.

Section 2. There is hereby approved the transaction with First Tennessee Bank set forth in the Installment Financing Agreement to finance the cost of construction of the Project.

Section 3. The forms, terms and provisions of the Installment Financing Agreement are hereby approved in all respects, and the Mayor, the City Manager, the Director of Financial Services, the City Attorney and the City Clerk (or any one of them) are hereby authorized and directed to execute and deliver the Installment Financing Agreement in an aggregate principal amount not to exceed \$340,000, in substantially the form presented at this meeting, together with any changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the City.

Section 4. The Mayor, the City Manager, the Director of Financial Services, the City Attorney and the City Clerk (or any one of them) are authorized and directed to take such action and to execute and deliver such documents, certificates, undertakings, agreements and other instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the Installment Financing Agreement.

Section 5. This resolution shall take effect immediately upon its passage.

Adopted this the 7th day of April, 2014.

Allen M. Thomas
Mayor

ATTEST:

Carol L. Barwick

City Clerk

After consideration of the foregoing resolution, Council member _____ moved for the passage thereof, which motion was duly seconded by Council member _____, and the foregoing resolution was passed by the following vote:

Ayes: _____
_____.

Noes: _____.

* * * * *

I, Carol L. Barwick, City Clerk of the City of Greenville, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the recorded minutes of the City Council of said City at a meeting held on April 7, 2014, said record having been made in Minute Book No. ___ of the minutes of said City Council, beginning at page ___ and ending at page ___, and is a true copy of so much of said proceedings of said City Council as relates in any way to the passage of the resolution described in said proceedings.

WITNESS my hand and the official seal of said City, this ___ day of April, 2014.

City Clerk

[SEAL]

| Fiscal Year | First Tennessee |
|--------------------|------------------------|
| 6/30/2014 | \$ - |
| 6/30/2015 | 53,456.53 |
| 6/30/2016 | 51,831.00 |
| 6/30/2017 | 50,692.50 |
| 6/30/2018 | 49,554.00 |
| 6/30/2019 | 48,415.50 |
| 6/30/2020 | 47,277.00 |
| 6/30/2021 | 46,138.50 |
| Total | \$ 347,365.03 |

Sidley Austin LLP draft 03/26/14

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

Bernita W. Demery
Director of Financial Services

INSTALLMENT FINANCING AND SECURITY AGREEMENT

Dated as of _____, 2014

between

CITY OF GREENVILLE, NORTH CAROLINA

and

[FIRST TENNESSEE BANK]

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INSTALLMENT FINANCING AND SECURITY AGREEMENT

This INSTALLMENT FINANCING AND SECURITY AGREEMENT, dated as of _____, 2014 (the "Agreement"), between CITY OF GREENVILLE, a municipal corporation organized and existing under the laws of the State of North Carolina (the "Purchaser"), and FIRST TENNESSEE BANK., a national banking association duly organized and existing under the laws of the United States of America (the "Bank");

WITNESSETH:

WHEREAS, the Purchaser is a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of North Carolina;

WHEREAS, in accordance with the laws governing the actions of the Purchaser, the Purchaser is permitted to finance the acquisition of certain equipment by contracts that create in the equipment a security interest to secure repayment of the advance of moneys made available to purchase such equipment;

WHEREAS, after due consideration, the governing body for the Purchaser has determined to acquire the equipment as more particularly described in Exhibit A attached hereto (the "Equipment");

WHEREAS, in order for the Purchaser to obtain the funds to pay the costs of the Equipment, the Purchaser has determined to enter into this Agreement whereby the Bank will advance funds to the Purchaser to pay the costs of the Equipment, and the Purchaser will repay such advancement with interest in installments pursuant to the terms of this Agreement;

WHEREAS, the obligation of the Purchaser to make Installment Payments (as hereinafter defined) and other payments required under Article IV hereof shall constitute a limited obligation payable from appropriations made by the City Council of the Purchaser and shall not constitute a pledge of the faith and credit of the Purchaser within the meaning of any constitutional debt limitation or as otherwise prohibited by the North Carolina Constitution;

WHEREAS, as security for the performance of its obligation under this Agreement, including the payment of the installment payments hereunder, [Purchaser has further agreed to grant the Bank a security interest in the Equipment];

WHEREAS, the Purchaser and the Bank have each duly authorized the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

SECTION 1.1 **Definitions and Rules of Construction.** Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The words “hereby”, “herein”, “hereof”, “hereto”, “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof. All references herein to “Articles”, “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement unless some other reference is indicated.

“Advancement” means the advance being made by the Bank to the Purchaser pursuant to Section 3.1 of this Agreement.

“Agreement” means this Installment Financing Agreement, including any amendment or supplement hereto permitted herein.

“Bank” means First Tennessee Bank, a national banking association organized and existing under the laws of the United States of America, and any successor thereto.

“Closing” means the date on which the Purchaser executes and delivers this Agreement, and the Bank makes the Advancement to the Purchaser.

“Closing Costs” means and further includes all items of expense directly or indirectly payable by or reimbursable to the Purchaser relating to the financing of the Equipment, including, but not limited to, filing and recording costs, settlement costs, printing costs, word processing costs, reproduction and binding costs, legal fees and charges and financing and other professional consultant fees.

“Enforcement Limitation” means any laws that provide that no deficiency judgment may be rendered against the Purchaser in any action for breach of a contractual obligation and that the taxing power of the Purchaser is not and may not be pledged directly or indirectly to secure any moneys due under this Agreement.

“Equipment” means the equipment identified in Exhibit A attached hereto, as supplemented and amended from time to time, the cost of which is being paid by the Purchaser from the Advancement.

[“Equipment Fund” means the account created pursuant to Section 3.1 in which the proceeds of the Advancement are deposited.]

“Event of Nonappropriation” means (a) the failure by the Purchaser or Purchaser’s governing body to budget and appropriate in its budget for the ensuing Fiscal Year adopted on or about June 30 of each year an amount sufficient to pay all Installment Payments and any reasonably estimated additional payments under this Agreement coming due in the next ensuing Fiscal Year or (b) the deletion from Purchaser’s duly adopted budget of any appropriation for the

purposes specified in clause (a). In the event that during any Fiscal Year, any additional payments shall become due that were not included in the Purchaser's current budget, and if there are no moneys available to pay such additional payments prior to the date upon which such additional payments are due, an Event of Nonappropriation shall be deemed to have occurred upon notice by the Bank to the Purchaser to such effect.

"Fiscal Year" means the period beginning on July 1 of any year and ending on June 30 of the following year.

"Installment Payment Date" means each of the dates set forth on the Installment Payment Schedule attached hereto as Exhibit B.

"Installment Payments" means the payments required to be paid by the Purchaser pursuant to Section 4.1 in order to repay the Advancement, as specified in Exhibit B.

"Investment Obligation" means any security or investment authorized by the law governing Purchaser, as may be amended from time to time, or any substitute or successor laws.

"Net Proceeds" means any proceeds of insurance paid with respect to the Equipment remaining after payment therefrom of any expenses (including attorneys' fees) incurred in the collection thereof.

"Permitted Encumbrances" means, and includes (a) liens for taxes, assessments and other governmental charges due but not yet payable; (b) landlord's, warehouseman's, carrier's, worker's, vendor's, mechanic's and materialmen's liens and similar liens incurred in the ordinary course of business remaining undischarged for not longer than 60 days from the filing thereof; (c) attachments remaining undischarged for not longer than 60 days from the making thereof; (d) the lien created by the security interest of the Bank in the Equipment; (e) this Agreement and (f) any lease of the Equipment permitted by Section 8.2(b).

"Purchaser" means the City of Greenville, North Carolina, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of North Carolina, and any successor entity.

"Scheduled Due Date" means the date the principal components of the Installment Payments would, but for acceleration, have become due and payable.

"State" means the State of North Carolina.

SECTION 1.2 **Exhibits.** The following exhibits are attached to, and by reference made a part of, this Agreement:

- Exhibit A: Description of the Equipment
- Exhibit B: Installment Payment Schedule
- Exhibit C: [Form of Requisition]

ARTICLE II

REPRESENTATIONS OF THE PURCHASER AND BANK

SECTION 2.1 Representations, Covenants and Warranties of the Purchaser.

The Purchaser represents, covenants and warrants to the Bank as follows:

(a) The Purchaser is a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of North Carolina.

(b) The Constitution and laws of the State authorize the Purchaser to execute and deliver this Agreement and to enter into the transactions contemplated by and to carry out its obligations under this Agreement.

(c) The Purchaser has duly authorized and executed this Agreement in accordance with the Constitution and laws of the State.

(d) Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any charter provision, restriction, agreement or instrument to which the Purchaser is now a party or by which the Purchaser is bound, or constitutes a default under any of the foregoing.

(e) No approval or consent is required from any governmental authority with respect to the entering into or performance by the Purchaser of this Agreement, and all other documents related thereto and the transactions contemplated hereby and thereby, or if such approval is required, it has been duly obtained.

(f) There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against or affecting the Purchaser challenging the validity or enforceability of this Agreement, or any other documents relating hereto and the performance of the Purchaser's obligations hereunder and thereunder.

(g) The Purchaser will obtain or cause to be obtained all licenses, permits and other approvals of any other governmental entity having jurisdiction over the Purchaser or the Equipment that are necessary for the acquisition and operation of the Equipment.

SECTION 2.2 Representations, Covenants and Warranties of the Bank. The Bank represents, covenants and warrants to the Purchaser as follows:

(a) The Bank is a national banking association organized, existing and in good standing under and by virtue of the laws of the United States of America and has the power and authority to enter into this Agreement.

(b) Neither the execution and delivery of this Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the

transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of the organizational documents of the Bank or any restriction or any agreement or instrument to which the Bank is now a party or by which the Bank is bound.

ARTICLE III

EQUIPMENT FUND

SECTION 3.1 **Creation of Equipment Fund.** In consideration of the covenants, warranties and representations contained herein, and in consideration of the Purchaser's agreement to repay the advance of moneys hereunder and interest thereon, the Bank hereby agrees to advance to the Purchaser at Closing moneys in the aggregate amount of \$ _____ (the "Advancement"). [The Purchaser shall deposit the Advancement in a separate account established with the Bank designated the "City of Greenville Equipment Fund" (the "Equipment Fund"). The proceeds of the Advancement shall be deposited in the Equipment Fund at Closing and shall be applied, together with any investment earnings thereon, in accordance with the provisions of this Article.]

SECTION 3.2 **Acquisition of Equipment.** The Purchaser shall enter into one or more contracts or purchase orders providing for the acquisition of the Equipment. Upon acquisition of all Equipment financed with the Advancement the City shall supplement and amend Exhibit A hereto in order to provide a complete description of all Equipment so financed.

SECTION 3.3 **Investment.** The Purchaser shall invest and reinvest the Equipment Fund solely in Investment Obligations, and investment earnings on the Equipment Fund shall be retained in the Equipment Fund pending disbursement in accordance with Section 3.4. Unless otherwise agreed between Bank and Purchaser, the Equipment Fund shall be invested in a _____. The Purchaser shall be solely responsible for ascertaining that all proposed investments and reinvestments comply with federal, state and local laws, regulations and ordinances governing investment of funds held pursuant to an arrangement similar in substance to the arrangement contemplated by this Agreement. Accordingly, the Bank shall not be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to investment or reinvestment of all or a portion of the moneys held in the Equipment Fund, and the Purchaser hereby agrees, to the extent permitted by law, to release and indemnify and hold harmless the Bank from any such liability, cost, expense, loss or claim.

SECTION 3.4 **Disbursements.** Unless the Equipment Fund is earlier terminated in accordance with the provisions of Section 3.5, the moneys held in the Equipment Fund shall be used to pay the Closing Costs and the costs of the Equipment upon the prior written consent of the Bank to a written requisition of the Purchaser signed by an officer of Purchaser, or their designee, substantially in the form set forth in Exhibit C, together with any documents or other items of evidence as the Bank may determine to be necessary to determine the appropriateness of such requisition. A fee of \$___ per wire transfer will be applied to all disbursements. This fee will be deducted directly from moneys held in the Equipment Fund unless the Purchaser directs the Bank to invoice the Purchaser directly for any such fees. If the moneys held in the Equipment Fund and any other moneys provided by the Purchaser are insufficient to pay all of

the Closing Costs and the costs of the Equipment, [the Purchaser shall provide any balance of the funds needed to pay such Closing Costs and the costs of the Equipment.] Any moneys remaining in the Equipment Fund (a) after the acquisition of the Equipment, as evidenced by a written certificate of completion executed by an officer of the Purchaser and delivered to the Bank stating that the Equipment has been acquired and that there are no liens against the Equipment other than the lien created by this Agreement, or (b) upon termination of this Agreement prior to such acquisition, shall be used to pay the interest component of the next scheduled Installment Payment.

SECTION 3.5 **Termination.** The Equipment Fund shall be terminated at the earliest of (a) the final distribution of moneys from the Equipment Fund, (b) written notice given by the Bank of an event of default by the Purchaser under this Agreement and (c) the termination of this Agreement.

SECTION 3.6 **Reliance of Bank on Documents.** The Bank may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Bank shall not be liable in any manner for the sufficiency or correctness as to the form, manner of execution, or validity of any instrument or as to the identity, authority, or right of any person executing the same; and the Bank's duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Bank, and for the disposition of the same in accordance herewith.

SECTION 3.7 **Disclaimer of Bank.** The Purchaser acknowledges and agrees that the design and specifications of the Equipment has not been made by the Bank, and the Bank has not supplied any plans or specifications with respect thereto and that the Bank (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Equipment or similar Equipment, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Equipment or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Equipment or any component part thereof or any property or rights relating thereto at any stage of the acquisition thereof, (c) has not at any time had physical possession of the Equipment or any component part thereof or made any inspection thereof or any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Equipment or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the Purchaser or the Commission intends therefor, or (iii) is safe in any manner or respect.

THE BANK MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT OR ANY COMPONENT PART THEREOF TO THE PURCHASER OR ANY OTHER CIRCUMSTANCE WHATSOEVER WITH RESPECT THERETO, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE; THE DESIGN OR CONDITION THEREOF; THE SAFETY, WORKMANSHIP,

QUALITY OR CAPACITY THEREOF; COMPLIANCE THEREOF WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; ANY LATENT DEFECT; THE TITLE TO OR INTEREST OF THE BANK THEREIN BEYOND THAT TITLE OR INTEREST WHICH THE PURCHASER OBTAINS FROM THE BANK PURSUANT HERETO; THE ABILITY THEREOF TO PERFORM ANY FUNCTION; THAT THE PROCEEDS DERIVED FROM THE ADVANCEMENT WILL BE SUFFICIENT, TOGETHER WITH ANY OTHER AVAILABLE FUNDS OF THE PURCHASER OR COMMISSION, TO PAY THE COST OF ACQUIRING THE EQUIPMENT; OR ANY OTHER CHARACTERISTICS OF THE EQUIPMENT, IT BEING AGREED THAT ALL RISKS RELATING TO THE EQUIPMENT, THE ACQUISITION THEREOF OR THE TRANSACTIONS CONTEMPLATED HEREBY ARE TO BE BORNE BY THE PURCHASER, AND THE BENEFITS OF ANY AND ALL IMPLIED WARRANTIES AND REPRESENTATIONS OF THE BANK ARE HEREBY WAIVED BY THE PURCHASER.

ARTICLE IV

REPAYMENT OF THE ADVANCEMENT; SECURITY FOR REPAYMENT

SECTION 4.1 **Repayment of the Advancement.** (a) Subject to the provisions of subsection (c) of this Section, the Purchaser shall repay the Advancement, with interest, computed at the rate of [2.53%] per annum, calculated on a 30/360 basis, in installments due at the times and in the amounts set forth in Exhibit B.

(b) All payments required to be made to the Bank hereunder shall be made at the Bank's principal office at the address set forth in Section 11.1 or as may otherwise be directed by the Bank.

SECTION 4.2 **Budget and Appropriation.** (a) The officer of the Purchaser at any time charged with the responsibility for formulating budget proposals shall include in the budget proposals for review and consideration by the governing body of the Purchaser in any Fiscal Year in which this Agreement shall be in effect, items setting forth appropriations for all Installment Payments and any additional payments required for such Fiscal Year under this Agreement. Any budget item referred to in this Section shall be deleted from the applicable budget by the Purchaser only by the adoption of a resolution to such effect containing a statement of its reasons therefor, which resolution shall be adopted by and spread upon the minutes of the governing body of the Purchaser. The Purchaser shall furnish the Bank with copies of its annual budget promptly after its adoption and copies of any amended budget affecting appropriations for Installment Payments or additional payments required under this Agreement. The Purchaser shall promptly provide notice of any Event of Nonappropriation to the Bank. This Agreement shall not directly or indirectly or contingently obligate the Purchaser to make payments beyond the amount appropriated for such purpose.

(b) NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE PURCHASER WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT

LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A DELEGATION OF GOVERNMENTAL POWERS NOR AS A DONATION BY OR A LENDING OF THE CREDIT OF THE PURCHASER WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE. THIS AGREEMENT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE PURCHASER TO MAKE ANY PAYMENTS BEYOND THOSE MADE FROM THE NET RECEIPTS OF THE COMMISSION APPROPRIATED FOR ANY FISCAL YEAR IN WHICH THIS AGREEMENT IS IN EFFECT; PROVIDED, HOWEVER, THAT ANY FAILURE OR REFUSAL BY THE PURCHASER TO APPROPRIATE FUNDS WHICH RESULTS IN THE FAILURE BY THE PURCHASER TO MAKE ANY PAYMENT COMING DUE HEREUNDER WILL IN NO WAY OBTIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE PURCHASER IN ANY ACTION FOR BREACH OF A CONTRACTUAL OBLIGATION UNDER THIS AGREEMENT IN VIOLATION OF APPLICABLE LAW AND THE TAXING POWER OF THE PURCHASER IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS DUE UNDER THIS AGREEMENT.

No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the Purchaser's moneys, nor shall any provision of this Agreement restrict the future issuance of any of the Purchaser's bonds or moneys. To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

SECTION 4.3 Security Agreement. Title to the Equipment and any and all additions, repairs, replacements or modifications thereto shall be in the Purchaser from and after the date of execution and delivery of this Agreement so long as the Purchaser shall not be in default hereunder and shall vest permanently in the Purchaser on the payment of all Installment Payments, free and clear of any lien or security interest of the Bank therein.

To secure all obligations of the Purchaser hereunder, the Purchaser hereby grants to the Bank a security interest in any and all of the Purchaser's right, title and interest in and to the Equipment, all additions, attachments, accessions, substitutions and replacements thereto, and any and all proceeds thereof, including without limitation, proceeds of insurance thereon. The Purchaser agrees to execute and deliver all documents, instruments and financing statements requested by the Bank as are necessary or appropriate to perfect or maintain the security interest granted hereby and to maintain the Bank's security interest in the items of personal property constituting the Equipment purchased pursuant to Section 3.2 hereof.

The Equipment is, and shall at all times be and remain, personal property notwithstanding that the Equipment or any part thereof may now be, or hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building thereon or any fixtures, or attached in any manner to what is permanent by any means of cement, plaster, nails, bolts, screws or otherwise. [Upon request of the Bank, the Purchaser shall obtain, as to any place where the Equipment is located, a waiver from the landlord and mortgagee thereof with respect to any rights they may have in and to the Equipment or the rights of levy or seizure thereon.]

SECTION 4.4 **No Set-Off; Recoupment, Etc.** Subject to Section 4.2 and the Enforcement Limitation, the obligation of the Purchaser to make the Installment Payments hereunder and to perform and observe the other covenants of this Agreement shall be absolute and unconditional, and the Purchaser will pay without abatement, diminution or deduction all such amounts regardless of any cause or circumstance whatsoever, including, without limitation, any defense, set-off, recoupment or counterclaim that the Purchaser may have against the Bank.

ARTICLE V

INSURANCE

SECTION 5.1 **Insurance.** (a) The Purchaser shall, during the term of this Agreement and at all times before all Installment Payments have been paid, continuously insure the Equipment, or cause the Equipment to be insured, against loss or damage to any portion of the Equipment in an amount equal to 100% of the actual cash value of such Equipment (subject to a deductible clause not to exceed \$100,000 for any one loss), paying as the same become due all premiums in respect thereof. The policy providing for such insurance shall name the Bank as loss payee. In addition the Purchaser shall (i) maintain a comprehensive general liability policy or policies in protection of the Purchaser, its officers, agents and employees, which policy or policies shall cover such losses and shall have such deductible amounts as shall be satisfactory to the Bank and (ii) maintain workers' compensation insurance to insure its employees against liability for workers' compensation under the laws of the State.

(b) The insurance coverage required under this Section may be maintained under a blanket policy covering other properties of the Purchaser.

(c) The Purchaser shall cause to be delivered to the Bank annually on or about July 1 of each year a certificate or other evidence showing that the insurance policies required or permitted by this Agreement are in full force and effect.

(d) The Purchaser shall cooperate fully with the Bank in filing any proof of loss with respect to any insurance policy maintained pursuant to this Section.

ARTICLE VI

DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS

SECTION 6.1 **Obligation of the Purchaser to Repair and Replace the Equipment.** [Unless applied to the payment in full of the remaining Installment Payments pursuant to Section 6.2, the Purchaser shall cause the Net Proceeds of any insurance policies to be deposited in a separate fund maintained by the Purchaser with the Bank or its designee. Except as set forth in Section 6.2, all Net Proceeds so deposited shall be applied to the prompt repair, restoration or replacement of the Equipment and shall be disbursed upon receipt of requisitions of the Purchaser approved by the Bank, stating, with respect to each payment to be made, (a) the requisition number; (b) the name and address of the person, firm or corporation to whom payment is due; (c) the amount to be paid; and (d) that each obligation mentioned therein

has been properly incurred, is a proper charge against the separate trust fund, and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. The Bank shall cooperate with the Purchaser in the administration of such fund and shall not unreasonably withhold its approval of requisitions under this Section. Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be the property of the Purchaser, subject to the Bank's security interest and free and clear of all liens and encumbrances other than Permitted Encumbrances, and shall become part of the Equipment subject to the security interest under this Agreement. The Purchaser shall promptly notify the Bank of the receipt of any Net Proceeds by the City relating to the Equipment.]

SECTION 6.2 **Insufficiency of Net Proceeds; Discharge of the Obligation of the Purchaser to Repair the Equipment.** (a) If the Net Proceeds shall be insufficient to pay in full the cost of repair, restoration or replacement of the Equipment, the Purchaser may elect to complete the work and pay any cost in excess of the amount of the Net Proceeds, and the Purchaser agrees that, if by reason of any such insufficiency of the Net Proceeds, the Purchaser shall make any payments pursuant to the provisions of this subsection (a), the Purchaser shall not be entitled to any reimbursement therefor from the Bank, nor shall the Purchaser be entitled to any abatement or diminution of the Installment Payments payable under Section 4.1.

(b) If the Purchaser elects not to apply the Net Proceeds to the repair, restoration or replacement of the Equipment, the Purchaser may transfer such Net Proceeds to or at the direction of the Bank to be held in escrow to be used for the payment of the scheduled Installment Payments as they come due. In the event the amount of such Net Proceeds exceeds the amount necessary to pay the remaining Installment Payments as they come due, such excess shall be paid to or retained by the Purchaser.

Within 90 days following the receipt of Net Proceeds, unless a further extension is approved by the Bank, the Purchaser shall commence the repair, restoration or replacement of the Equipment, or shall elect, by written notice to the Bank, to apply the Net Proceeds to the payment of the Installment Payments as they come due and transfer such Net Proceeds to the Bank to be held in escrow for such purpose. For purposes of this subsection, "commence" shall include the retention of an engineer in anticipation of the repair, restoration, modification, improvement or replacement of the Equipment. In the event that the Purchaser shall, after commencing the repair, restoration, modification, improvement or replacement of the Equipment, determine that the Net Proceeds (plus any amount withheld therefrom by reason of any deductible clause) shall be insufficient for the accomplishment thereof, the Purchaser may, subject to the provisions set forth above, elect to apply the Net Proceeds to the payment of the Installment Payments as they come due.

SECTION 6.3 **Cooperation of the Bank.** The Bank shall cooperate fully with the Purchaser in filing any proof of loss with respect to any insurance policy covering the events specified in Section 5.1. In no event shall the Bank or the Purchaser voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim with respect to the Equipment without the written consent of the other.

ARTICLE VII

COVENANTS OF THE PURCHASER

SECTION 7.1 **Access to the Equipment and Inspection.** [The Bank and its agents and employees shall have the right, at all reasonable times during normal business hours of the Purchaser upon the furnishing of reasonable notice to the Purchaser under the circumstances, to examine and inspect the Equipment and to examine and copy the books and records of the Purchaser insofar as such books and records relate to the Equipment. No right of inspection shall be deemed to impose on the Bank any duty or obligation whatsoever to undertake any inspection, and no inspection made by the Bank shall be deemed to impose upon the Bank any duty or obligation to identify any defects in the Equipment or to notify any person with respect thereto.]

SECTION 7.2 **Maintenance, Utilities, Taxes and Assessments.**

(a) Subject to the Enforcement Limitation, the Purchaser shall provide for the repair and replacement of the Equipment required on account of ordinary wear and tear or want of care.

(b) Subject to the Enforcement Limitation, the Purchaser shall also pay, or provide for the payment of, all taxes and assessments, including, but not limited to, utility charges of any type or nature levied, assessed or charged against the Equipment; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Purchaser shall be obligated to pay only such installments as are required to be paid as and when the same become due.

(c) The Purchaser may, at the Purchaser's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided, however, that prior to such nonpayment, the Purchaser shall furnish to the Bank an opinion of counsel acceptable to the Bank to the effect that, by nonpayment of any such items, the interest of the Bank in the Equipment will not be materially endangered and that the Equipment will not be subject to loss or forfeiture. Otherwise, subject to the Enforcement Limitation, the Purchaser shall promptly pay such taxes, assessments or charges or make provisions for the payment thereof.

SECTION 7.3 **Modification of the Equipment.** The Purchaser shall, in its sole discretion and at its own expense, have the right to make additions, modifications and improvements to the Equipment if such additions, modifications or improvements are necessary or beneficial for the use of the Equipment. Such additions, modifications and improvements shall not in any way damage the Equipment (unless such damage is to be repaired as provided in Section 6.1) or cause the Equipment to be used for purposes other than those authorized under the provisions of law, and the Equipment, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is not less than the value of the Equipment immediately prior to the making of such additions, modifications and

improvements. The Equipment, as so modified, shall be subject to the lien of Bank's security interest as set forth herein.

SECTION 7.4 **Encumbrances.** Except for Permitted Encumbrances, Purchaser shall not, directly or indirectly, create, incur, assume, suffer or permit to exist any mortgage, pledge, lien, charge, security interest, encumbrance or claim, as applicable, on or with respect to the Equipment, including, without limitation, labor or materials furnished in connection with any additions, modifications or improvements made to the Equipment by Purchaser pursuant to Section 7.3. Except as expressly provided in this Article and subject to the Enforcement Limitation, the Purchaser shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such pledge, lien, charge, encumbrance or claim for which it is responsible if the same shall arise at any time; provided, however, that the Purchaser may contest any such lien, charge, encumbrance or claim if it desires to do so and if it provides the Bank with full security against any loss or forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Bank. Purchaser shall reimburse Bank for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, security interest, encumbrance or claim.

SECTION 7.5 **Indemnification of the Bank.** To the extent permitted by law, the Purchaser covenants to defend, indemnify and hold harmless the Bank and its officers, directors, members, employees and agents (collectively, the "Indemnified Party") against any and all losses, claims, damages or liabilities, joint or several, including fees and expenses incurred in connection therewith, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise in connection with the transactions contemplated by this Agreement and shall reimburse any such Indemnified Party for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of the transactions contemplated by this Agreement. In particular, without limitation, the Purchaser shall and hereby agrees to indemnify and save the Indemnified Party harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of any breach or default on the part of the Purchaser in the performance of any of its obligations under this Agreement.

SECTION 7.6 **Financial Statements.** The Purchaser agrees that it will furnish the Bank, when the same become available, but in no event later than 180 days after the end of the Fiscal Year, its annual audited financial statements and information regarding its annual budget as submitted or approved.

ARTICLE VIII

ASSIGNMENT, LEASING AND AMENDMENT

SECTION 8.1 **Assignment by the Bank.** The Bank may assign all or any part of its security interest in the Equipment or its interest in this Agreement, including, without limitation, the Bank's rights to receive the Installment Payments and any additional payments due and to become due hereunder, without the prior written consent of the Purchaser.

SECTION 8.2 **Assignment by the Purchaser.** (a) This Agreement may not be assigned by the Purchaser, without the prior written consent of Bank.

(b) The Purchaser may lease the Equipment, subject to all of the following conditions:

(i) the obligation of the Purchaser to make Installment Payments hereunder shall remain obligations of the Purchaser;

(ii) the Purchaser shall within thirty (30) days prior to the execution and delivery of any such lease, furnish or cause to be furnished to the Bank, a true and complete copy of the form of such lease; and

(iii) the lease by the Purchaser shall not cause the Equipment to be used for a purpose other than a governmental or proprietary function of the Purchaser authorized under the provisions of the Constitution and laws of the State and shall not cause the interest component of the Installment Payments to be includable in gross income of the Bank for federal income tax purposes.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1 **Events of Default Defined.** The following shall be “events of default” under this Agreement and the terms “events of default” and “default” shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) The failure by the Purchaser to pay any Installment Payment required to be paid hereunder when due.

(b) The occurrence of an Event of Nonappropriation.

(c) Failure by the Purchaser to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto other than as referred to in clause (b) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the Purchaser by the Bank; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period and if corrective action is instituted by the Purchaser within the applicable period and diligently pursued, the Purchaser shall have such additional period of time to correct the failure as shall be necessary to correct such failure so long as such correction is diligently pursued.

(d) The Purchaser becomes insolvent or the subject of insolvency proceedings; or is unable, or admits in writing its inability, to pay its debts as they mature; or makes a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its property; or files a petition or other pleading seeking reorganization, composition, readjustment or liquidation of assets, or requesting similar relief; or applies to a court for the

appointment of a receiver for it or for the whole or any part of its property; or has a receiver or liquidator appointed for it or for the whole or any part of its property (with or without the consent of the Purchaser) and such receiver is not discharged within ninety (90) consecutive days after his appointment; or becomes the subject of an “order for relief” within the meaning of the United States Bankruptcy Code; or files an answer to a creditor’s petition admitting the material allegations thereof for liquidation, reorganization, readjustment or composition or to effect a plan or other arrangement with creditors or fails to have such petition dismissed within sixty (60) consecutive days after the same is filed against the Purchaser.

(e) Any warranty, representation or statement made by the Purchaser herein or any other document executed and delivered by the Purchaser in connection herewith is found to be incorrect or misleading in any material respect as of the date made.

SECTION 9.2 Remedies on Default. Upon the occurrence of any event of default under Section 9.1, the Bank may, without any further demand or notice, exercise any one or more of the following remedies:

(a) declare the entire amount of the principal component of the Installment Payments and the accrued and unpaid interest component to the date of declaration to be immediately due and payable;

(b) exercise all remedies available at law or in equity and/or in connection with Bank’s security interest, including sale of the Equipment, and apply the proceeds of any such sale or other disposition, after deducting all costs and expenses, including court costs and reasonable attorneys’ fees incurred with the recovery, repair, storage and other sale or other disposition costs, toward the principal component and accrued and unpaid interest of the balance of Installment Payments due; and

(c) subject to the Enforcement Limitation, proceed by appropriate court action to enforce performance by the Purchaser of the applicable covenants of this Agreement or to recover for the breach thereof.

NOTWITHSTANDING ANY OTHER PROVISIONS HEREIN, IT IS THE INTENT OF THE PARTIES HERETO TO COMPLY WITH THE LAWS OF THE STATE OF NORTH CAROLINA, AS AMENDED. NO DEFICIENCY JUDGMENT MAY BE ENTERED AGAINST THE PURCHASER IN FAVOR OF THE BANK OR ANY OTHER PERSON IN VIOLATION OF SAID LAWS, INCLUDING, WITHOUT LIMITATION, ANY DEFICIENCY JUDGMENT FOR AMOUNTS THAT MAY BE OWED HEREUNDER WHEN THE SALE OF ALL OR ANY PORTION OF THE EQUIPMENT IS INSUFFICIENT TO PRODUCE ENOUGH MONEYS TO PAY IN FULL ALL REMAINING OBLIGATIONS HEREUNDER.

SECTION 9.3 No Remedy Exclusive. No remedy conferred herein upon or reserved to the Bank is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. To the extent permitted by law, any delay or omission to exercise any right or power

accruing upon any default shall not impair any such right or power nor shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bank to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be required in this Article or by law.

SECTION 9.4 **Agreement to Pay Attorneys' Fees and Expenses.** In the event the Purchaser should default under any of the provisions hereof and the Bank should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the Purchaser contained herein, the Purchaser agrees that it will pay on demand to the Bank, subject to the limitations and provisions of the laws of the State of North Carolina, as amended, the reasonable fees of such attorneys and such other expenses so incurred by the Bank. For purposes of this Section, the reasonable fees of attorneys shall mean attorneys' fees actually incurred at such attorneys' standard hourly rate for such services and shall not be based on any percentage of the outstanding amount due; provided, however that such attorneys' fees shall not exceed the maximum amount permitted by law.

SECTION 9.5 **No Additional Waiver Implied by One Waiver.** In the event any provision contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder except as may be provided by law.

ARTICLE X

PREPAYMENT OF INSTALLMENT PAYMENTS

SECTION 10.1 **Prepayment of Installment Payments.** The Purchaser may not prepay, in whole or in part, the outstanding principal component of the Installment Payments.

ARTICLE XI

MISCELLANEOUS

SECTION 11.1 **Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received upon the earlier of actual receipt or five days after deposit in the United States certified mail (or other mail method providing written confirmation of receipt), postage prepaid, at the following addresses:

| | |
|----------------------|---|
| If to the Purchaser: | City of Greenville, North Carolina 200 West 5 th Street Greenville, North Carolina 27858-1824 Attention: Director of Financial Services |
|----------------------|---|

If to the Bank: First Tennessee Bank

The Purchaser and the Bank, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

SECTION 11.2 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Purchaser and the Bank and their respective successors and assigns. Whenever in this Agreement either the Purchaser or the Bank is named or referred to, such reference shall be deemed to include the successors or assigns thereof and all the covenants and agreements in this Agreement contained by or on behalf of the Purchaser or the Bank shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 11.3 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 11.4 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11.5 Commitment Letter. The terms of this Agreement shall supersede the terms of the Commitment Letter. To the extent of any conflict between this Agreement and the Commitment Letter, this Agreement shall take priority.

SECTION 11.6 Applicable Law. This Agreement shall be construed and governed in accordance with the laws of the State of North Carolina.

SECTION 11.7 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY APPLICABLE LAW, PURCHASER BY EXECUTION HEREOF AND BANK BY ACCEPTANCE HERE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY WITH RESPECT HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO ACCEPT THIS AGREEMENT.

PURCHASER AND BANK AGREE THAT THEY SHALL NOT HAVE A REMEDY OF PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER IN ANY DISPUTE AND

HEREBY WAIVE ANY RIGHT OR CLAIM TO PUNITIVE OR EXEMPLARY DAMAGES THEY HAVE NOW OR WHICH MAY ARISE IN THE FUTURE IN CONNECTION WITH ANY DISPUTE WHETHER THE DISPUTE IS RESOLVED BY ARBITRATION OR JUDICIALLY.

IN WITNESS WHEREOF, the Purchaser and the Bank have caused this Agreement to be executed in their respective names by their respective duly authorized officers as of the date first above written.

PURCHASER:

CITY OF GREENVILLE, NORTH CAROLINA

[Seal]

By: _____
Name: Barbara Lipscomb
Title: City Manager

Attest:

Carol L. Barwick
City Clerk

BANK:

FIRST TENNESSEE BANK

By: _____
Name:
Title:

EXHIBIT A

DESCRIPTION OF THE EQUIPMENT

Installment Purchase Contract Date: April __, 2014

Issuer: City of Greenville

Purchase Price: \$347,365

The following is the equipment being purchased as such list may be amended from time to time pursuant to the terms of the Agreement.

Recycle and Rollout Carts –

Sanitation Equipment – City Council approved a plan to provide more efficient and cost effective sanitation service. To that end, the City is in the process of discontinuing back yard service. In order to implement a full “front yard” service, new automated trucks will be used. As such, new carts will be purchased to assist in the transition. It is expected that \$1.15 million will satisfy a three-year phase-in period for new carts. Sanitation fees in the Sanitation Fund are expected to be used to repay the debt on this financing.

EXHIBIT B

PAYMENT SCHEDULE

Installment Purchase Contract Date: April __, 2014

Issuer: City of Greenville, North Carolina

Purchase Price: \$_____

The interest rate is 2.53% per annum. Interest is calculated and imposed on the unpaid balance of the Purchase Price, based on the payment schedule described herein. The Purchase Price plus interest shall be repaid by Issuer to Bank in 7 annual payments of \$_____, beginning on June 30, 2015 and continuing on the same day every May 1st thereafter, until paid in full.

Amount \$347,365

Rate 2.53%

Term (Years) 7

| [Payment Number | Payment Date | Payment | Principal | Interest | Balance |
|-----------------|--------------|---------|-----------|----------|---------|
| 1 | | \$ | \$ | \$ | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| Totals | | \$ | \$ | \$ | |

EXHIBIT C

FORM OF REQUISITION

Re: Disbursement from the Equipment Fund pursuant to Section 3.4 of the Installment Financing Agreement, dated as of April __, 2014 (the "Agreement"), between the CITY OF GREENVILLE (the "Purchaser") and First Tennessee Bank (the "Bank")

REQUISITION NO. _____

Amount; Payee. The Purchaser intends to reimburse itself or to pay to _____ for _____, \$ _____ as an [Equipment cost/Closing Cost] from the Equipment Fund as provided in Section 3.4 of the Agreement [by wire transfer] [by check]. This [Equipment cost/Closing Cost] has been properly incurred, is a proper charge against the Equipment Fund and has not been the basis of any previous disbursements.

Sufficiency of Remaining Moneys. The amount remaining in the Equipment Fund, together with interest earnings thereon and any other available funds of the Purchaser, will, after payment of the amount set forth in this requisition, be sufficient to pay all remaining Equipment costs and Closing Costs as presently estimated.

Very truly yours,

Title: _____
Date: _____

The Bank hereby agrees to payment of the foregoing amounts from the Equipment Fund.

By: _____
Title: _____
Date: _____



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Preview of the City's proposed operating budget for fiscal year 2014-2015 and financial plan for fiscal year 2015-2016

Explanation: **Abstract:** Staff will provide a preview of the City's operating budget for the 2014-2015 fiscal year and the financial plan for the 2015-2016 fiscal year.

Explanation: As provided in the approved budget schedule, City staff will present a preview of the proposed operating budget for fiscal year 2014-2015 and financial plan for fiscal year 2015-2016. This presentation will highlight budgetary issues such as major revenue sources, major expense items, and the impact of potential legislative changes or economic conditions on City finances.


A proposed budget and financial plan summary will be distributed to the City Council on April 30, 2014, and presented at the May 5, 2014, City Council meeting. Section 160A-148(5) of the North Carolina General Statutes requires the City Council to adopt a balanced budget before July 1. A public hearing on the proposed 2014-2015 budget will be held on June 9, 2014, with City Council adoption scheduled for the June 12, 2014, City Council meeting.

Fiscal Note: The amount of the budget will be determined by City Council action in June 2014.

Recommendation: Receive a staff preview of the proposed operating budget for fiscal year 2014-2015 and financial plan for fiscal year 2015-2016.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

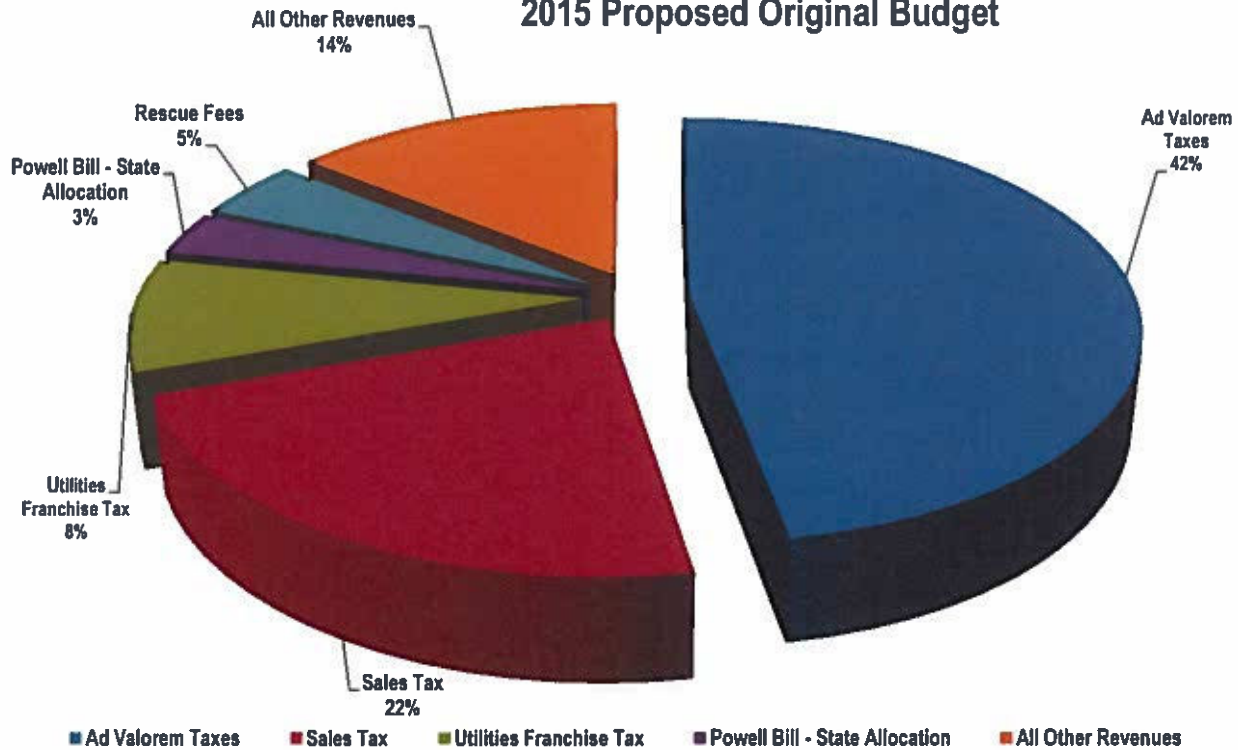
 [Budget Revenues and Expenses](#)

GENERAL FUND REVENUE SUMMARY

Draft for Budget Preview

| | 2012 Actual | 2013 Actual | inc/ (Dec) | 2014 Original Plan | Inc/ (Dec) | 2015 Proposed Original | Inc/ (Dec) | 2016 Proposed Plan |
|----------------------------------|----------------------|----------------------|---------------|-----------------------|---------------|------------------------------|---------------|--------------------------|
| Ad Valorem Taxes | \$ 30,624,236 | \$ 29,342,420 | 5% | \$ 30,725,377 | 4% | \$ 32,044,836 | 2% | \$ 32,676,243 |
| Sales Tax | 14,694,475 | 14,672,441 | 2% | 14,910,654 | 1% | 15,059,761 | 1% | 15,210,358 |
| Utilities Franchise Tax | 5,488,817 | 5,441,125 | 4% | 5,650,969 | 2% | 5,763,988 | 2% | 5,879,268 |
| GUC Transfers In | 5,763,630 | 5,761,460 | 13% | 6,482,380 | 0% | 6,485,183 | -4% | 6,210,609 |
| Powell Bill - State Allocation | 2,125,754 | 2,171,367 | 1% | 2,190,005 | 1% | 2,215,848 | 4% | 2,305,369 |
| Rescue Fees | 2,875,125 | 3,237,867 | -4% | 3,109,570 | -2% | 3,055,250 | 1% | 3,085,803 |
| Investment Earnings | 951,911 | 62,362 | >100% | 1,416,062 | -61% | 551,012 | 0% | 553,767 |
| Motor Vehicle Fee | 943,082 | 933,412 | 2% | 947,925 | 12% | 1,062,379 | 2% | 1,083,458 |
| All Other Revenues | 11,262,460 | 8,684,398 | 29% | 11,237,908 | -15% | 9,598,268 | -8% | 8,848,376 |
| Subtotal | \$ 74,729,490 | \$ 70,306,852 | 9% | \$ 76,670,850 | -1% | \$ 75,836,525 | 0% | \$ 75,853,251 |
| Appropriated Fund Balance | | | | | | | | |
| General Fund | | | | 7,047,025 | | 150,000 | | 250,000 |
| Powell Bill | | | | 1,085,720 | | | | 246,121 |
| Total | \$ 74,729,490 | \$ 70,306,852 | 21% | \$ 84,803,595 | -10% | \$ 75,986,525 | 0% | \$ 76,349,372 |

2015 Proposed Original Budget

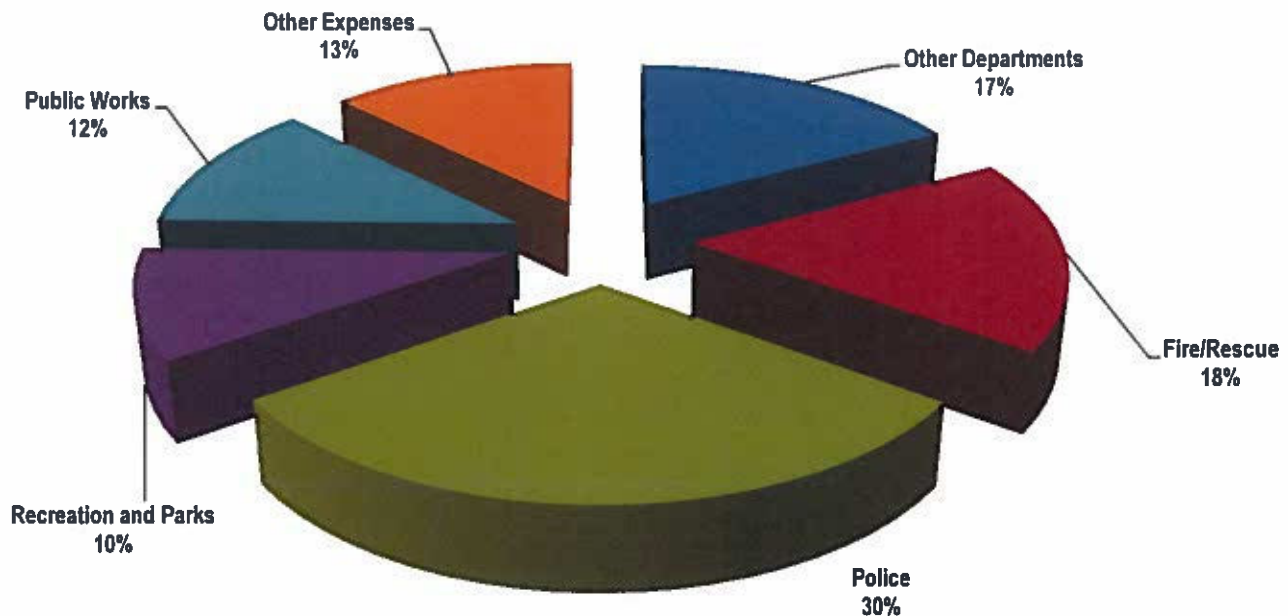


GENERAL FUND EXPENSE SUMMARY BY DEPARTMENT

Draft for Budget Preview

| | 2012 Actual | 2013 Actual | 2014 Original | 2015 Proposed Original | 2016 Proposed Plan |
|-------------------------------------|----------------------|----------------------|----------------------|------------------------------|--------------------------|
| Mayor & City Council | \$ 366,777 | \$ 297,960 | \$ 388,957 | \$ 319,837 | \$ 397,661 |
| City Manager | 1,004,025 | 1,003,757 | 1,305,183 | 1,169,010 | 1,176,827 |
| City Clerk | 230,830 | 232,301 | 273,769 | 253,606 | 256,078 |
| City Attorney | 431,687 | 444,252 | 453,843 | 450,131 | 458,510 |
| Human Resources | 2,153,506 | 2,147,256 | 2,629,432 | 2,777,855 | 2,881,919 |
| Information Technology | 2,758,250 | 2,781,371 | 2,904,800 | 2,899,424 | 2,965,149 |
| Fire/Rescue | 12,791,728 | 12,518,984 | 13,404,759 | 13,368,470 | 13,575,005 |
| Financial Services | 2,154,877 | 2,228,036 | 2,388,772 | 2,566,879 | 2,570,580 |
| Police | 21,649,549 | 22,226,337 | 22,912,155 | 23,169,455 | 23,469,650 |
| Recreation and Parks | 6,572,707 | 7,111,553 | 7,483,635 | 7,554,205 | 7,510,965 |
| Public Works | 8,562,137 | 8,380,468 | 9,970,627 | 9,062,461 | 9,264,928 |
| Community Development | 1,668,323 | 1,633,906 | 1,902,446 | 2,615,167 | 2,721,907 |
| Allocation of 1% Market | - | - | - | 346,815 | 350,283 |
| Total by Department | \$ 60,344,396 | \$ 61,006,181 | \$ 66,018,378 | \$ 66,553,315 | \$ 67,599,462 |
| in-Direct Cost Reimbursement | \$ (601,354) | \$ (1,014,572) | \$ (1,014,572) | \$ (1,268,214) | \$ (1,268,214) |
| Other Post Employment Benefits | 250,000 | 300,000 | 350,000 | 400,000 | 450,000 |
| Contingency | - | - | 200,000 | 170,395 | 200,000 |
| Total Expenses by Department | \$ 59,993,042 | \$ 60,291,609 | \$ 65,553,806 | \$ 65,855,496 | \$ 66,981,248 |
| Transfers to Other Funds | \$ 7,364,789 | \$ 7,649,833 | \$ 13,283,400 | \$ 6,910,926 | \$ 6,715,721 |
| Total Capital Improvements | 3,626,076 | 3,765,906 | 5,966,389 | 3,040,331 | 2,403,476 |
| Total General Fund | \$ 70,983,907 | \$ 71,707,348 | \$ 84,803,595 | \$ 75,806,753 | \$ 76,100,445 |

FY 2015 Proposed Budget





City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: Ordinances Amending the City's Privilege License Fees

Explanation: **Abstract:** At its March 17, 2014, meeting, City Council received a report on the City's Privilege License Fee structure including alternative fee structure approaches and comparative information from other cities. City Council directed that an ordinance be prepared for its consideration which increased the maximum cap for a privilege license based upon gross receipts from \$2,000 to \$10,000. City Council further requested that options be provided for its consideration relating to privilege license fees for sweepstakes businesses.

Explanation: At its March 17, 2014, meeting, City Council received a report on the City's Privilege License Fee structure including alternative fee structure approaches and comparative information from other cities. City Council directed that an ordinance be prepared for its consideration which increased the maximum cap for a privilege license based upon gross receipts from \$2,000 to \$10,000. City Council further requested that options be provided for its consideration relating to privilege license fees for sweepstakes businesses.

Gross Receipts Cap. The ordinance which raises the maximum cap for a privilege license based upon gross receipts from \$2,000 to \$10,000 is attached. The ordinance provides that it is effective for privilege licenses covering periods commencing on or after July 1, 2014.

Internet Sweepstakes Businesses. A separate provision relating to privilege licenses for internet sweepstakes businesses is necessary as a result of the federal Internet Tax Freedom Act which prohibits state and local taxes on the sale of internet access.

North Carolina cities have the authority to levy privilege licenses on internet sweepstakes businesses. However, there is a limitation on the amount of the tax as a result of the North Carolina Constitution requirement that all local taxes be "just and equitable." In 2013, the privilege license taxes levied on internet sweepstakes businesses by Lumberton and Fayetteville were determined to

violate this constitutional provision. The evaluation of constitutionality occurs on a case-by-case basis with consideration being given to the percentage increase in the amount of tax previously levied and the disparity between the tax levied when compared to those levied on different businesses.

In the Lumberton case, the previous tax was \$12.50 and was raised, at a minimum, to \$7,500 (\$5,000 per location and \$2,500 per computer terminal). The Court determined that this tax was unconstitutional. The Court stated that the minimum tax involved a 59,900% increase from the previous tax. Since businesses operated multiple computer terminals, the Court noted that the actual tax and percentage increase would be larger citing a business which had a 1,100,000% increase. The Court also noted that the second highest license tax in Lumberton was \$500 for circuses.

In the Fayetteville case, the previous tax was \$50 and was raised, at a minimum, to \$4,500 (\$2,000 per location and \$2,500 per computer terminal). The Court determined that this tax was unconstitutional. The Court stated that the minimum tax involved an 8,900% increase from the previous tax. Since businesses operated multiple computer terminals, the Court noted that the actual tax and percentage increase would be larger citing a business which had a 64,000% increase. The decision in the Fayetteville case did not mention how other privilege license taxes in Fayetteville compared. However, Fayetteville does base its privilege licenses on a gross receipts basis without a maximum cap.

To address the disparity between the tax levied when compared to the tax levied on other businesses factor, it is recommended that the maximum cap for a privilege license for an internet sweepstakes business equal the maximum cap for a privilege license based upon gross receipts (\$10,000). Additionally, it is recommended that there be a gradation of the tax so that it increases based on the number of computer or gaming terminals. This means that there will be a lower tax for a business with less business activity (as measured by the number of computer or gaming terminals) which will increase as the business activity increases.

A gradation of the tax based upon the number of computer or gaming terminals would also assist in a review of the second factor, since the minimum tax would be lower. For example, if the minimum is \$1,000 (\$750 per location and \$250 per computer or gaming terminal), the percentage increase over the previous tax of \$250 would be 300%. A business having a sufficient number of terminals (at least 37) to reach the maximum cap of \$10,000 would experience a 3,900% increase.

Attached is a listing of the sweepstakes businesses and the number of computer or gaming terminals for each as of March 27, 2014. There are 12 such businesses and, if the tax is established at \$750 per location and \$250 per computer or gaming terminal, 9 of the sweepstakes businesses would pay the maximum cap of \$10,000.

The alternatives for City Council would be to modify the per location charge or the per computer terminal charge or have a lower maximum charge such as:

| Per Location Tax | Per Computer | % Increase in Min Tax | Maximum Cap | % Increase In Max |
|------------------|--------------|-----------------------|-------------|-------------------|
| \$750 | \$250 | 300% | \$10,000 | 3,900% |
| \$750 | \$500 | 400% | \$10,000 | 3,900% |
| \$1,000 | \$250 | 400% | \$10,000 | 3,900% |
| \$1,000 | \$500 | 500% | \$10,000 | 3,900% |
| \$500 | \$500 | 300% | \$10,000 | 3,900% |
| \$750 | \$250 | 300% | \$ 5,000 | 1,900% |

Fiscal Note:

If the maximum cap for privilege licenses based on gross receipts is increased from \$2,000 to \$10,000, it is estimated that this will result in an increase of \$193,083 of revenue. If the privilege license for internet sweepstakes businesses is increased with a maximum cap of \$10,000, the revenue from this source will increase by a maximum of \$9,750 per privilege license.

Recommendation:

If Council determines to increase the maximum cap for privilege licenses based on gross receipts to \$10,000, adoption of the attached ordinance will accomplish this result. If Council determines to increase the privilege license fee to \$750 per location and \$250 per computer or gaming terminal with a maximum cap of \$10,000, adoption of the attached ordinance will accomplish this result.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

- [Amending the Manual of Fees relating to Privilege License Fees 975813](#)
- [Amending the Manual of Fees relating to Internet Sweepstakes Businesses 976260](#)
- [Internet Sweepstakes Survey 976755](#)

ORDINANCE NO. 14-

AN ORDINANCE AMENDING THE MANUAL OF FEES
RELATING TO THE MAXIMUM FEE FOR PRIVILEGE LICENSE FEES
DETERMINED ON A GROSS RECEIPTS BASIS

THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA, DOES HEREBY ORDAIN:

Section 1. That the Manual of Fees of the City of Greenville, North Carolina, be and is hereby amended by rewriting the Privilege License Fees section relating to the tax for business activity not otherwise set forth in the schedule of fees or by state statute to read as follows:

| Account Number | Code | Service | Fee |
|--------------------|------|---|--|
| 010-0000-330-01-00 | | The annual privilege license tax for business activity not otherwise set forth in the schedule of fees or by state statute shall be as follows: | |
| | | Annual gross receipts not exceeding \$25,000 | 50.00 |
| | | Annual gross receipts exceeding \$25,000 annually | 50.00 |
| | | | Plus \$.50 for each additional \$1,000 or fraction thereof of gross receipts, provided the maximum tax for each separate license shall be \$10,000. |
| | | A schedule of privilege license taxes shall be maintained in the office of the Collections Supervisor and shall be open for public inspection | |

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 3. Any part or provision of this ordinance found by a court of competent jurisdiction to be in violation of the Constitution or laws of the United States or North Carolina is hereby deemed severable and shall not affect the validity of the remaining provisions of the ordinance.

Section 4. This ordinance shall be effective for privilege licenses covering periods commencing on or after July 1, 2014.

Adopted this 7th day of April, 2014.

Allen M. Thomas, Mayor

ATTEST:

Carol L. Barwick, City Clerk

ORDINANCE NO. 14-

AN ORDINANCE AMENDING THE MANUAL OF FEES
RELATING TO PRIVILEGE LICENSE FEES FOR
INTERNET SWEEPSTAKES BUSINESSES

THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA, DOES HEREBY
ORDAIN:

Section 1. That the Manual of Fees of the City of Greenville, North Carolina, be and is hereby amended by the addition to the Privilege License Fees section of a provision relating to the tax for an internet sweepstakes business, as defined by Section 9-4-22 of the Greenville City Code, as follows:

| Account Number | Code | Service | Fee |
|--------------------|------|--|---|
| 010-0000-330-01-00 | | The annual privilege license tax for an internet sweepstakes business as defined in Section 9-4-22 of the Greenville City Code | \$750 per location plus \$250 per computer or gaming terminal provided the maximum tax for each separate license shall be \$10,000. |

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 3. Any part or provision of this ordinance found by a court of competent jurisdiction to be in violation of the Constitution or laws of the United States or North Carolina is hereby deemed severable and shall not affect the validity of the remaining provisions of the ordinance.

Section 4. This ordinance shall be effective for privilege licenses covering periods commencing on or after July 1, 2014.

Adopted this 7th day of April, 2014.

Allen M. Thomas, Mayor

ATTEST:

Carol L. Barwick, City Clerk

**Survey of
Internet Sweepstakes Businesses**

27-Mar-14

| Business | Computer Terminal | Games Terminals | TOTAL |
|---|--------------------------|------------------------|--------------|
| 1 Carolina Cyber III 4125 Old Tar Rd. D Winterville 843-858-0021 | 48 | 1 | 49 |
| 2 Emerald City Bus. #1 703 SE Greenville Blvd. B | 43 | 1 | 44 |
| 3 GVL Games & Business Center 240 SW Greenville Blvd B 252-756-6666 | 37 | 1 | 38 |
| 4 H & L Business Centre 1501 Evans St. 102 336-318-5101 | 54 | | 54 |
| 5 Pirate's Loot, Inc. 4052 S. Memorial Dr. C Winterville 252-321-1502 | 31 | 1 | 32 |
| 6 Express Net 2400 S. Memorial Dr D3 252-714-6853 | 30 | 14 | 44 |
| 7 PNR Internet Café, LLC 250 Easy St. E 252-329-8772 | 29 | | 29 |
| 8 Purple & Gold Sweepstakes 3140 Mosely Dr. G Greenville 252-347-7088 | 56 | | 56 |
| 9 Sweepstakes Internet Café' 2462 Stantonsburg Rd 704-231-5352 | 48 | | 48 |
| 10 The Spins 4320 E 10th St J 252-378-5252 | 31 | | 31 |
| 11 Top Cat II 3700 S. Memorial Dr D 252-230-2630 | 60 | 1 | 61 |
| 12 Big Time Sweepstakes 703G Greenville Blvd. | 51 | | 51 |
| TOTAL | 518 | 19 | 537 |

976755 - March 27, 2014



City of Greenville, North Carolina

Meeting Date: 4/7/2014
Time: 6:00 PM

Title of Item: 2014 State Legislative Initiatives

Explanation: **Abstract:** City Council will identify potential legislative initiatives to pursue with the local legislative delegation during the 2014 Session of the North Carolina General Assembly. After the initiatives have been identified, resolutions relating to the identified legislative initiatives will be prepared and scheduled to be acted upon by City Council at the Thursday, April 10, 2014, meeting.

Explanation: The North Carolina General Assembly will reconvene at noon on May 14, 2014. The 2014 Session is the "short" session, and the matters that may be considered are limited.

In accordance with the Adjournment Resolution approved by the General Assembly, the following may be considered in the 2014 Session: (1) bills affecting the budget; (2) bills amending the NC Constitution; (3) bills and resolutions introduced in 2013 that passed the crossover deadline; (4) bills and resolutions implementing recommendations of study commissions and committees; (5) any noncontroversial local bill; (6) selection, appointment, or confirmation of state board and commission members; (7) any matter authorized by joint resolution; (8) a joint resolution authorizing the introduction of a bill; (9) any bill affecting state or local pension or retirement systems; (10) joint, House, or Senate resolutions authorized under Senate Rule 40(b) or House Rule 31; (11) bills concerning redistricting; (12) bills vetoed by the Governor, to consider overriding the veto; (13) election law bills; (14) bills to disapprove rules under GS 150B-21.3; and (15) a joint resolution adjourning the 2013 Regular Session, sine die.

Discussion by City Council of issues and local acts which it desires to pursue with our local legislative delegation during this Session should occur at this time so that the City's legislative initiatives can be developed and identified. Upon Council reaching a consensus, resolutions for Council's consideration will be presented at its Thursday, April 10, 2014, meeting which will request the City's

local legislative delegation support of identified initiatives during the Session.

The City is not alone in its efforts to secure legislation which will assist it in providing services to its citizens. The North Carolina League of Municipalities, in representing its more than 530 member cities, towns, and villages, promotes the common interests of municipalities in the General Assembly. Attached is a copy of the NCLM Core Municipal Principles 2013-2014.

Some potential legislative initiatives for Council to consider for this session are as follows:

Preservation of Municipal Revenue Sources

Support efforts to preserve the existing revenue sources of cities. Cities are reliant upon municipal revenue sources in order to provide services to their citizens. Any reduction of municipal revenue sources will result in budget problems for cities. Cities would then be required to either reduce services provided to citizens or increase revenues from other sources. It is important that existing municipal revenue sources be preserved. During this Session, the Joint House and Senate Revenue Laws Committee of the North Carolina General Assembly will be making a recommendation on the privilege license tax. This is a significant revenue source for the City of Greenville. Although reform to reduce the complexity of the privilege license tax by eliminating statutorily mandated exemptions and maximums for certain businesses is appropriate, the privilege license tax should continue to be a reliable and growing source of revenue for cities.

Preservation of Municipal Authorities

Support efforts to preserve the existing authorities of cities. Cities are authorized to act based upon grants of authorities by the North Carolina General Assembly. Cities need flexibility in exercising these authorities to allow the local elected officials the opportunity to make decisions that effectively and efficiently meet the needs of their community. During this Session, there are several bills eligible for consideration which would limit or restrict the authorities of local elected officials to make decisions on significant issues which are unique to the community. These include HB 150 which eliminates cities' ability to impose any aesthetic controls over one and two family dwellings, at all density levels, unless agreed to by the homebuilder and HB 773 which places further restrictions on rental registration and inspection programs conducted by cities. Additionally, during this Session, the Environmental Review Commission of the North Carolina General Assembly will be making a recommendation on the circumstances under which cities should be authorized to enact environmental ordinances. It is important that each local government be allowed to take into account factors which are unique to the jurisdiction.

Retention of Greenville Water System

Support the retention of the ownership and management of the Greenville water system. During the 2013 Session, bills were filed which made the Greenville

water system subject to being transferred to a small metropolitan sewerage district. As a result of the action of the local legislative delegation, the bills were defeated or amended in a manner so that the transfer provisions do not apply to the Greenville water system. The Greenville water system is a tremendous asset to the City of Greenville and having a transfer of the system occur by operation of law would not be beneficial to the City of Greenville and its citizens and to all persons served by Greenville Utilities.

Funding for Southwest Bypass Project

Seek legislation which will result in the completion of the Southwest Bypass Project. The Southwest Bypass Project is a project which will provide local and regional benefits related to congestion management, health and safety, economic development, and quality of life. Due to the elimination of the funding source for this Project (Urban Loop Funds), this Project has been jeopardized. An alternative funding solution is required. A potential funding solution involves Grant Anticipation Notes, but action by the North Carolina General Assembly is required for this to be available for this Project. Grant Anticipation Notes for this Project would involve the issuance of the Notes by a local government (the City and/or a partner local government) to provide funding to NCDOT to construct the Project with NCDOT committing, by contract, to reimburse the local government the funds advanced to construct the Project. The reimbursement from NCDOT is the source of payment to the holders of the Notes. Pitt County and the Town of Ayden have partnered with the City in the effort to complete this Project.

Local Act for Disposition of Nonconforming Sized Residential Lots

Seek a local act which authorizes the City to dispose of lots in residential areas which are nonconforming due to the size of the lot being less than the minimum requirement by private sale to an adjacent property's owner. Local governments engaged in redevelopment activities often times become an owner of properties with less than the required minimum development characteristics prescribed by the jurisdiction's Zoning Ordinance. The City has experienced this particularly in residential areas with lots not having the minimum lot area required by the Zoning Ordinance. In most cases, these lots have no opportunity to be redeveloped, represent a loss of ad valorem tax base for the City, and result in a cost to the City to maintain. The most practical re-use is re-combination with adjacent properties because development is not feasible. This would allow the owner of the adjacent property to make use of the property and keep it maintained. This is a form of urban homesteading. Legislation to allow a private sale is necessary so that the sale can be made directly with the owner without the requirement to use one of the competitive sale methods.

Economic Development Incentives

Support enactment of legislation which will provide additional incentives which promote economic development including the extension of State Historic Rehabilitation Tax Credits and Mill Rehabilitation Tax Credits and the creation

of a fund to provide loans to local governments for the development of site infrastructure. The legislation which authorizes the State Historic Rehabilitation Tax Credit and Mill Rehabilitation Tax Credit is set to sunset on January 1, 2015. Extension of this credit will provide an additional tool to promote economic development projects. The State Historic Rehabilitation Tax Credit is available for qualified rehabilitation expenses of a certified historic structure. The Mill Rehabilitation Tax Credit is available to a site which (a) was used as a manufacturing facility or for purposes ancillary to manufacturing, as a warehouse for selling agricultural product or as a public or private utility; (b) is a certified historic structure or a State-certified historic structure; and (c) has been at least 80% vacant for a period of two (2) years. Additionally, a bill introduced during the 2013 Session, HB797, provides for a fund, to be administered by the Department of Commerce, for subsidized loans to local governments to finance site development for business to stimulate economic activity and create new jobs. The attraction of new and expanding business and industry projects is facilitated by having quality sites available.

Urban Search and Rescue Funding Source

Support legislation to establish a sustainable funding source for the Urban Search and Rescue Program. North Carolina has seven (7) regional Urban Search and Rescue (USAR) teams which provide disaster response and additional capabilities such as swift water rescue, confined space rescue, and aquatic rescue. One of the regional teams is located and provided personnel by the City of Greenville Fire and Rescue Department. The primary source of funding for the USAR program in North Carolina has been through Homeland Security Grants passed through North Carolina Emergency Management (NCEM). However, this grant funding is decreasing, and there is a need to establish a sustainable funding source. The North Carolina Coalition of Metropolitan Fire Chiefs has received a commitment from N.C. Public Safety Director Frank Perry to have the NCEM staff draft legislation to formally sustain the USAR program as an agency bill for consideration during this Session.

Fiscal Note: The development of the Legislative Initiatives will not have a fiscal impact.

Recommendation: Identify the initiatives which Council desires to include in its Legislative Initiatives so that resolutions for Council action at the April 10, 2014, meeting can be developed.

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Attachments / click to download

 [2013-2014 Municipal Core Principles](#)



NCLM Core Municipal Principles 2013–2014

The following principles provide a foundation for advocacy and strategic planning to ensure excellence in municipal government as our North Carolina cities and towns serve their citizens and promote a “hometown” quality of life unique to North Carolina communities:

Adequate Municipal Authority

Municipalities need a broad grant of authority and flexibility to allow elected officials to make decisions that effectively and efficiently meet the needs of their citizens.

Voters elect municipal officials to decide significant issues in the public interest, which varies within the unique context of each municipality. Accordingly, the League stands opposed to legislation preempting municipal authority and to measures designed to otherwise erode local control of significant municipal issues. Municipal grants of authority should be broadly construed to include supplemental powers reasonably necessary to carry out the functions.

Municipal Revenues

Sound municipal government requires both the preservation and enhancement of the existing local tax structure and revenue streams.

The property tax, state-collected local taxes and revenues, and various local option revenue sources are all integral components of a stable, reliable and balanced revenue stream for municipalities. State-collected revenues should be distributed reasonably and equitably, providing local elected officials autonomy to best determine their use. New revenues, including those that may be obtained through local option revenue sources, are essential to meet the future needs of municipal citizens, to provide the infrastructure necessary for vital public services, and to fairly apportion the costs of growth. It is also imperative that any lost or repealed revenues be replaced, retroactively if necessary.

Municipal Expenditures

Fiscal integrity and sound financial management require flexibility to borrow, invest and expend funds for public purposes.

Cities are challenged to use the funds entrusted to them in the most efficient and responsible manner possible. Flexibility in financing options and expansion of municipal investment authority provide basic tools to help meet that challenge. The capacity to determine the nature and amount of an expenditure, based upon the totality of factors involved within the unique context of each city, is essential to economic efficiency and management. Cities need discretion to fund investments in infrastructure and local improvements such as affordable housing, redevelopment projects, and business and economic incentives.

Mandates

The state and federal governments should not enact burdensome and expensive mandates without adequate local authority, flexibility and additional financial resources for implementation and continuation.

Mandates to perform functions or activities placed upon cities by the state or federal governments, either



directly or through agency or administrative action, should be accompanied by funds for their implementation and continuation. Cities should not be required to appropriate funds for particular programs or functions, or to contract with private companies for public services. Management and human resources decisions must remain in the sound discretion of the municipal governing body. The League opposes any changes to the current law, which prohibits local governments in North Carolina from entering into collective bargaining agreements with public employees.

Open Government and Ethical Conduct

All levels of government should adhere to principles of responsible open government and ethical conduct.

The League supports the principle of openness in government and endorses the concept that meetings of governmental bodies should be open to the public. There are reasonable exceptions that should permit closed sessions when such limitations are in the public interest. Public records should also be available to the public with reasonable exceptions for protection of confidentiality that are in the public interest. Elected and appointed officials should adhere to standards of conduct that promote public confidence in our system of governance. Additional requirements regarding openness, access to records, conflicts of interest and ethical conduct should not be applied to local governments only.

Municipal Liability

Fundamental rules pertaining to the liability of governmental entities should apply across all levels of government.

Municipalities continually seek to provide a wide range of services to meet the needs of their citizens in furtherance of the public health, safety, and welfare. Accordingly, the League stands opposed to proposals placing burdensome liability upon municipalities, including measures that seek to erode well-established principles of immunity or other defenses, and to proposals unfairly imposing cost-shifting upon municipal taxpayers.

Municipal Growth

Healthy municipal centers are essential to the economic viability of the state. Municipalities must maintain the ability to grow and provide the higher level of services demanded by the citizens.

Cities and towns are the economic engines of the state and must be permitted to grow in an orderly and reasonable manner that supports the continued economic development of the state. New growth in and around existing municipalities should utilize existing infrastructure for the most efficient use of public revenue. Annexation ensures that all those who benefit from a municipality through use of the infrastructure, municipal amenities, proximity to jobs, commerce, and cultural resources, bear a fair share of the cost of providing those services. The legislature should not permit a new incorporation whose primary purpose is to prevent a proposed annexation without evidence of its ability to provide the necessary services. Municipalities are encouraged to enter into agreements to foster inter-local cooperation and long-range planning.

Municipal Services

Municipalities require adequate authority and flexibility to finance, operate and manage essential services to protect public safety, promote sanitation, health and welfare, and improve the quality of life.

In order to serve growing urban populations with water, sewer, transportation, police protection, fire



protection, solid waste, stormwater, electricity, parks and recreation, public housing, and other services, municipalities need the autonomy to make appropriate management, human resources, financial, and operational decisions. With regard to enterprise services, municipalities must be free to determine appropriate rates and service areas, and free to determine when it is appropriate to enter into regional or multi-jurisdictional arrangements. State taxes or fees should not be imposed on municipal enterprise services. Furthermore, the power of eminent domain must be preserved as a means of acquiring property to provide municipal infrastructure, facilities, and services for the public benefit.

Planning and Land Use

Municipal planning authority must be maintained for sound growth, long-range planning and growth management.

Long range municipal planning is an essential aspect of municipal health and economic viability. Vibrant, well-planned cities are the economic engines of the state, attracting new businesses and industries, while providing the quality of life expected by residents in and around municipalities. Public participation and private property rights are key elements of growth management. For this reason, the government closest to the people is the best venue for making land use decisions. Municipal authority must be maintained and enhanced to allow for more flexibility and options. Necessary tools for planning include the ability to zone, to review and approve buildings and new development, exercise extraterritorial jurisdiction, urban redevelopment, and economic development strategies. Municipalities must have the capability to protect and plan for infrastructure, as well as ensure that the public health, safety and welfare of the citizens are preserved.

Environmental Protection

For municipalities to be successful partners in environmental protection, environmental laws, practices and regulations must be science-based, feasible, and equitable, with flexibility to comply in the most cost-effective manner.

Local governments are partners with state and federal agencies in protecting the environment and quality of life for our citizens, serving as both regulators and members of the regulated community. As such, cities and towns support sufficient state and federal agency allocation of personnel and funding to provide environmental data collection and analysis for evaluation of existing, revised, and new regulations. In turn, as regulators, municipalities need adequate authority to set standards, enforce requirements, and perform inspections. The discretion to impose more stringent requirements than the state when necessary to protect public health or the environment must not be impaired, and delegation of any state regulatory programs must be voluntary. The state should continue to provide technical assistance to local governments as well as its share of financial resources for the implementation of environmental programs. In supporting environmental programs, local governments as well as the state should maintain the ability to make reasonable, equitable, and justifiable adjustments in permitting and compliance fees to help recover the costs of regulatory programs.

As members of the regulated community, municipalities must be allowed full participation in the development of new environmental laws and regulations. Environmental laws, practices and regulations should allow localized solutions, account for compliance costs, eliminate duplicative regulations, and avoid layering with safety factors and conservative assumptions that are not based on a reasonable risk management approach. Regulatory actions should also maximize available resources by targeting the highest-priority environmental concerns, based on comparative environmental risk as well as social and economic impacts. In addition, they should be based on sound science, be technologically and economically feasible, apply equitably to all contributors of pollution, allow the flexibility to attain standards using those practices best suited to the topographical, hydrological, atmospheric, and other characteristics of the jurisdiction, and



provide incentives that recognize existing environmental programs. In particular, stormwater regulations should account for the challenges posed by pre-regulation development and allow implementation flexibility, adhere to the maximum extent practicable standard, and avoid requirements exceeding applicable federal and state laws. The state and federal governments should fully analyze costs associated with environmental requirements before adopting them.

Transportation

State support for all modes of transportation in urban, suburban and rural areas must be enhanced to improve our economic competitiveness.

The health of the economy of our State is dependent upon a transportation system that includes all modes of transportation, including highways, transit, aviation, ports, passenger rail, freight, bike and pedestrian. When businesses are looking to expand or relocate their operations in North Carolina, the ability of their employees to get to work and the company to distribute its products via highways, rail, and air are factors that inform their siting decisions. When cities and towns examine redevelopment of their downtowns or business corridors for the long term (50 years), the interaction of highways, transit, bike and pedestrian facilities is a critical factor in such redevelopment decisions. The State has had a long-standing partnership with cities and towns that enables municipalities to maintain their local streets and roads using State-provided Powell Bill funds. The State also provides capital and operational funding for transit, which improves air quality and removes traffic from our highways. The State has also been a leader in providing intra-State passenger rail along the NCRRT-owned corridor in conjunction with AMTRAK, and in implementing public-private partnerships where local support is provided. It is vitally important that the State enhance support for a comprehensive transportation system. Such a system will be a factor that ensures our economic competitiveness in the future.

This League endorses and supports the current National Municipal Policy and will actively support NLC efforts with respect to federal legislation and issues unless there is a clear conflict with the adopted policies of this League.