

GREENVILLE REDEVELOPMENT COMMISSION MINUTES

September 4, 2007
Greenville, NC

The Greenville Redevelopment Commission held a meeting on the above date at 5:30 p.m. in the third floor conference room of the City Hall Building located at 200 West Fifth Street.

COMMISSION MEMBERS PRESENT:

Don Edwards, Vice-Chair
Max R. Joyner, Jr.

Britt Laughinghouse
Dennis Mitchell

Robert Thompson

COMMISSION MEMBERS ABSENT:

Minnie Anderson, Chair

Melissa Hill

STAFF MEMBERS PRESENT: Sandra Anderson, Senior Planner; Sandy Gale Edmundson, Secretary; Merrill Flood, Director of Community Development; Carl Rees, Urban Development Planner; and Tom Wisemiller, Planner

OTHERS PRESENT: Mildred Council, City Council Member and Rose Glover, City Council Member

APPROVAL OF SEPTEMBER 4, 2007 AGENDA: APPROVED

Motion was made by Mr. Robert Thompson and seconded by Mr. Max Joyner to approve the September 4, 2007 agenda. Motion carried unanimously.

APPROVAL OF MINUTES OF AUGUST 7, 2007: APPROVED

Motion was made by Mr. Robert Thompson and seconded by Mr. Max Joyner to approve the August 7, 2007 minutes. Motion carried unanimously.

PUBLIC COMMENT PERIOD

Mr. Edwards asked if there was anyone present to speak during the public comment period.

Discussion of West Greenville Business Plan Competition

Mr. Rees: Staff is bringing this information back to the Commission for adoption, so Staff can go ahead and get the program going. The area that there was a sticking point was with regard to the post grant award business counseling. Staff had recommended that that be with the local office of the small business technology development center

and our recommendation was primarily based on our knowledge of their expertise of doing that and their willingness to do that free of charge. There seems to be some concern that maybe we should not limit that way, but at the time, it seemed that we could not come up with a better idea. I made some phone calls since the last meeting, and one in particular that was helpful was the Pitt Community College Small Business Center. The Director of that program actually worked with the local office of the Small Business and Technology Development Center (SBTDC). We talked about this issue, and his suggestion that we should ask the Redevelopment Commission to pre-approve any firm or any entity that wishes to do this sort of counseling and provided that the Commission or your successors have approved them then they would be eligible to provide that service for a period of time, so I have made the change in the program outline.

Post grant business counseling by a counseling center approved by the Redevelopment Commission is required during the three (3) year grant compliance period.

Mr. Rees: Some of you who have sat on these panels before where we have people send in their qualifications and various firms who are interested in doing this would send in a letter of interest along with their qualifications and what experience they have in doing this kind of work. Any qualifications and any sort of certification that a particular agency or entity had would be brought before the Commission for consideration, approval or denial. Other than that the Commission was in agreement on the program. With the Commission's approval tonight, Staff would actually go ahead and put the program guidelines together and begin getting the information out. There are classes offered by Pitt Community College and the Small Business and Technology Development Center this fall. We hope to receive the business plans by December 1st provide those to you in the packets and ask that the Commission makes some awards in January. I have several people who are waiting for this to be approved, because they have business plans. Merrill and I said an outstanding business plan just like week and that particular plan is to put a restaurant into West Greenville.

Mr. Edwards: Is there a motion?

Motion was made by Mr. Max Joyner and seconded by Mr. Robert Thompson to approve the West Greenville Redevelopment Area Business Plan Competition Program Outline.

Mr. Edwards: Is there discussion?

City Council Member Rose Glover: Carl, are you going ahead with the Small Business and Technology Development Center here or are you going to open this up for other Small Business Technology Development Centers?

Mr. Rees: There are two ends to this that people could get help potentially from the Small Business and Technology Development Center or some other entity. On the front end, it is actually developing the business plan although they do not have to get help if they do not want to. There are parameters for business plans and a format that they need to provide. On the back end, it strongly suggests that the small businesses get counseling after they get started, because they often run into problems that they are not sure how to overcome. We had recommended the Small Business and Technology Development Center do that. What we have done now is to open it up between now and award. We will take applications from anybody who wants to do that and let the Redevelopment Commission approve those. It is possible that somewhere, sometime next year a new organization might come into town and start up and they might decide that they want to get involved in this and turn their information into the Redevelopment Commission.

City Council Member Rose Glover: The problem I see with small businesses starting up in West Greenville is that they do not have the support to stay there. What we want to do really is to have businesses that can sustain. I think that the bank has redlined the African American community within the City of Greenville, and they have targeted working class African Americans. I have seen bureaucrats steering them to sub prime members. The Redevelopment Commission needs to take a look at this. Before we jump into the Small Business and Technology Development Center without more knowledge after what is happening with the loaning institutions in the City of Greenville, I do not want to see people set up businesses and fail. I do not want to see people's dreams stepped on within the City. Why do we not have businesses there? We have got to ask a lot questions. We want sustainable communities and we want sustainable businesses.

Mr. Thompson: With no disrespect, I cannot figure out what you want us to do with this proposal.

City Council Member Rose Glover: I don't think you understand what I was saying. I think if you limit it to Greenville's Small Business and Technology Development Center that to me is already a failure. I think it needs to be opened up to other Technology Centers before making this decision.

Mr. Mitchell: At first we had it only open for the SBTDC and then we changed it so that if someone had a different nonprofit group to do business counseling, the information would then be brought before the Commission for approval.

Mr. Edwards: This would open the counseling criteria to anyone.

City Council Member Rose Glover: This does not say that.

It is recommended that applicants enroll in the three-session small business seminar provided free of charge by the Greenville office of the North Carolina Small Business and Technology Development Center (SBTDC). The SBTDC also offers free counseling to start up's and other small businesses and can assist them with preparation of a business plan that will meet the specifications of this program.

Mr. Rees: It says recommended not required. Maybe we need to put some information in there that it is not required. SBTDC is a state agency. They are housed in the Willis Building at East Carolina University, but they are a state government entity. What they do is small business counseling. They work with the Small Business Administration. They work with the Department of Agriculture and rural development loans, but the main thing they do that is of help to us is all year round they offer a series of three classes free of charge, and those classes are designed to help people understand what it takes to start a small business. What we know about them and I have talked with Pitt Community College and have talked over time with others that there are other entities that can certainly help and anybody can go there, and for that matter, somebody who already had a great business plan would not need to go to anybody to help them. It is not required for anybody to go there, but we do want to let people know that this is offered and it is free and it is regular. A big plus to this program even working with the banks in the loan pool this money could actually be spent as working capital to have some money just keep going while you are getting the business started. You need to have some cash that you could put with some other money that the bank is going to require on a loan this money can go to that. Based on my investigations, one is very hard for new businesses to come up with that working capital and two fairly rare for a program to actually provide that. It could be a helpful program to try to get businesses started.

City Council Member Rose Glover: Something tells me that our Small Business and Technology Development Center is not up to standard.

Mr. Thompson: I think the odds on small businesses period is not good. What this can do is help leverage some money, so that they can go to the bank. It would be a starting point in terms of leveraging loans capital from banks. We want people to get quality advice.

Mr. Mitchell: I actually went through those classes, and I thought they were informative and insightful. I would not say that I was satisfied with the SBTDC, because they still operate within the confines and the regulations as most banks do. If you do not meet a certain criteria, they do not want to go any further than the banks do. The classes are a reality check, because the classes talk about the failure rate of first year businesses, but I do think that we should offer a broad base of other Self-Help institutions that might be willing to help that person.

Mr. Thompson: Somewhere along the line, they are going to have to deal with banking institutions.

Mr. Joyner: Please call for the question.

Mr. Edwards: Is there any other discussion? If not, motion was made by Mr. Max Joyner and seconded by Mr. Robert Thompson to approve the West Greenville Redevelopment Area Business Plan Competition Program Outline. Motion carried unanimously.

**West Greenville Redevelopment Area
Business Plan Competition
Program Outline**

- ✧ Application eligibility limited to existing or start-up small businesses that are primarily located, or intend to locate within the boundaries of the West Greenville Certified Redevelopment Area.
- ✧ Applicants must be a for-profit business entity whose tangible net worth is not in excess of \$7.5 million, and whose average net income after Federal income taxes (excluding any carry-over losses) for the preceding two completed fiscal years is not in excess of \$2.5 million. (SBA small business definition)
- ✧ Entries for the competition received two times per year, in the spring and in the fall. (First competition to commence in September 2007)
- ✧ Up to two (2) awards made each round in the amount of \$15,000 each
- ✧ Funds are distributed as a zero interest loan forgivable over a three (3) year period at \$5,000 per year for each year that the business operates within the West Greenville Redevelopment Area.
- ✧ Post grant business counseling by a counseling center **approved by the Redevelopment Commission** required during the three (3) year grant compliance period.
- ✧ Business must start up or expand operations according to business plan within nine (9) months of grant award.
- ✧ Grant funds may be used for:
 - Working capital or operating funds

- Purchase of equipment, commercial use vehicles or machinery
 - Improvements to owner occupied commercial property
 - Leasehold improvements
 - Expansion of business services or products
- ✧ All applicants will be required to submit a business plan that meets the specifications of the program. (See attachment)
 - ✧ It is recommended that applicants enroll in the three-session small business seminar provided free of charge by the Greenville office of the North Carolina Small Business and Technology Development Center (SBTDC). The SBTDC also offers free counseling to start up's and other small businesses and can assist them with preparation of a business plan that will meet the specifications of this program.
 - ✧ In addition to developing a business plan, applicants will be required to complete an application, make certain financial certifications, and to provide personal and or business credit information. (See attached)
 - ✧ Scoring criteria for the program can include:
 - Quality/viability of the business plan (see attached)
 - Credit worthiness of applicants
 - Personal equity devoted to business
 - Number of low/moderate employees to be hired by the business enterprise
 - ✧ Staff completes basic review of submission to ensure completeness and basic eligibility; Redevelopment Commission judges submissions and makes awards.
 - ✧ Awards made to highest scoring submissions, but there is no guarantee that awards will be made each competition cycle.

Update on West Fifth Street Consultant Selection

Mr. Rees: Several months ago, we indicated to the Commission that we sent out a Request for Proposals to Design and Engineering Firms who are interested in doing final design and construction documents assisting the City with bidding for the First Phase of our Streetscape work that would take us from Memorial Drive, West Fifth Street down to about Nash or Cadillac Street basically to about where the City built the

new homes along West Fifth Street in that general area. We had five firms to respond and we had a subcommittee made up of City Staff and in that case, Britt Laughinghouse sat in with us about the responses we had received. One of those we did not feel had done an adequate job and did not deserve an interview. We had four remaining: Urban Resource Group (URG), PBS&J, Rivers and Associates and Arcadus. On August 22, 2007, structured interviews were scheduled with those four firms. Everyone came in and did a nice job with their presentations and we had a group of City Staff and Missy Hill sat in with City Council Member Rose Glover attending one of those presentations. At the structured interviews, consultants are given about twenty minutes to give a presentation and we then ask structured questions and we have a give and take follow-up and come back and let them close. It takes about 65 minutes for each interview. We then score each consultant and then once we have the scores there is discussion. The scores in this case with the four firms were fairly close with Rivers and Associates scoring one, Urban Resource Group scoring two, PBS&J scoring three and Arcadus scoring four. I think the general sense was that everyone was comfortable with Rivers and Associates, Urban Resource Group and PBS&J; however, there was some discomfort with Arcadus, because they did not seem to be a good fit for Greenville, because they did not seem very interested in Greenville. They came in talking about what they did multi-national and that they are a multi-billion dollar firm. They said if they got the million dollar job in Greenville it would be number one to us. They as well as some of the other firms did not have a very detailed project understanding. When it came to project understanding, the two were clearly the Urban Resource Group and Rivers. URG did well because they had done the Master Plan, and they had a very good understanding. Rivers probably for a couple of reasons because their main branch is in town and they work in this area everyday, but they also had taken a lot of time to research the area. The three main issues to deal with are keeping the West Greenville community involved, dealing with the overhead utilities lines, and dealing with the Department of Transportation (DOT), since West Fifth Street is a DOT road. I think everyone was impressed with that. I wrote down some of the comments on Rivers and Associates from the scoring sheets: strong understanding of project scope; availability; sensitive to communication issues with West Greenville; and strong relationships with DOT and Greenville Utilities. Normally, it is possible for some reason to go away from numerical scoring and bump somebody up, but there really was not a reason. Rivers gave a solid presentation and gave a solid idea of the project understanding for that reason the recommendation of the Selection Committee was go with the scoring as it stood and recommends Rivers for the job. From here if the Redevelopment Commission accepts that recommendation, we would work as we have previously and that is to develop a scope of work in a contract with Rivers by the October meeting. If for some reason, Staff was unable to do that then the procedure would be to move to the Urban Resource Group. Obviously, that would not meet the October 2nd deadline. Hopefully, Staff can work this out with Rivers and have an approved contract in October. From there, the first thing that would happen is to set up a meeting in West Greenville and go back out and say we want to refresh your memory we went through this ten month planning process here is what we thought we heard from you and is this what you are still thinking about and explain what the next steps would be. There was no

actual survey work done for a Master Plan, so survey work will need to be done. They will try to match up what they find in the survey work with the Master Plan to see if it still works. If we need to deviate from it they will come up with a plan as to how to do that. All of that goes back to the community again if everything looks good we will bid it and hope to be under construction in the spring to early summer next year.

Mr. Edwards: Carl, excuse me, I should have brought this up earlier, but Minnie called me this afternoon and seemed concerned. Was there a situation where three members of the Redevelopment Commission were supposed to be present and nobody was here?

Mr. Rees: It has been fairly typical throughout this process that we have invited members of the Redevelopment Commission to work with Staff on these issues whether it be selecting various consultants to work with or going to the incubators. Frankly, it has also been quite typical that the Redevelopment Commission members cannot make it just like tonight. What we have done in the past is we have proceeded. You have to remember that we schedule with these firms well in advance, as much as a month, to come in for interviews so we did not hear from Max Joyner that he was not coming, so we had no reason to cancel.

Mr. Laughinghouse: I will say this Don, in the meeting that I was in and it sounds like the follow-up meeting that everybody was pretty much on the same page. There was hardly any variance and everybody ranked the people about the same and everybody felt like the fifth proposal was not worthy of coming in for an interview. As much as they need our input, they will really be working with Staff on an ongoing basis. When I look at what I look at not knowing the relationship part, it seemed like Staff was comfortable with everybody on there. I agree I would like to have had everyone involved but in this case, I do not think it would make a difference.

Mr. Edwards: Haven't there been two different criteria? One is where we have been invited and the other one is we have actually been the group to make the decision.

Mr. Rees: You are tonight supposed to make the decision.

Mr. Edwards: But were these committees supposed to make a recommendation?

Mr. Rees: Right....

Mr. Joyner: There may be Commissioners present, but it is input from everybody there including Staff.

Mr. Rees: Staff cannot make Commissioners show up.

Mr. Laughinghouse: With Missy being there, my feelings were shared with Staff and I have a feeling that Missy's were too, so I do not think that would change with more of us there.

Mr. Edwards: Minnie was very concerned about this that the Redevelopment Commission members were not there and that our input was not in this process like she felt it ought to be, and she feels like that we might ought not do this now and table it until the next meeting. I think those are her sentiments.

Mr. Laughinghouse: I don't see what tabling it is going to do.

Mr. Thompson: I was not on the committee, and I can't tell whether or not there is concern about anytime you have a subcommittee there are a smaller number of people there so one or two not being there makes a big difference or whether there is concern about how to handle the process in the future.

Mr. Laughinghouse: What happens is if there are more than three of us there, it becomes a public meeting, so we have to invite three and then they do not show up.

Mr. Edwards: Was the case that we were supposed to have three, but each time one showed up?

Mr. Laughinghouse: Right.....

Mr. Edwards: I just wanted to convey that that was a big concern of hers.

Mr. Rees: One thing that the Commission can do in the future and you are still going to have members missing, you can choose to do those interviews as part of your regular business. It is a little bit different format. With the subcommittee, I assumed that everybody wanted to be there, but something just came up.

Mr. Edwards: Carl, with your conversation that you had with Minnie, do you feel the same way that I do right now?

Mr. Rees: Minnie's concerns were twofold: procedurally and she had not been involved and she wanted to know details about Rivers' submission particularly who was going to be handling public involvement. She felt that was a very critical issue and I do not disagree with her. It got to the point where she asked me are there going to be any African American employees working on behalf of Rivers as part of that submission. I told her that in fact the lead individual that will be handling the front end of the public participation for Rivers is an African American architect out of the Rivers office in Raleigh. She said well that is good, but you should know that it is an issue.

Mr. Edwards: Are there any other questions?

City Council Member Mildred Council: Is there criteria to be met by these consultants?

Mr. Laughinghouse: The consultants passed out books on themselves and each one of them were nice proposals and we ranked those. Everybody had pretty much the same concerns and the same praises. I was present at that meeting. Missy had the same book, but she was not able to attend the same meeting that I went to. There were three of us who had all of the information, but we just weren't able to share at the same time. We were able to share in an equal way.

City Council Member Mildred Council: How many people were on the Committee?

Mr. Laughinghouse: There were three Commission members along with City Staff.

Mr. Mitchell: Carl asked us do you want to do it with all of the Redevelopment Commission or do you want to break down into groups. There were two different groups. One was for the Incubator and one was for this, and Commission members decided which one to be on.

City Council Member Mildred Council: Are the three people making decisions for the whole Board?

Mr. Laughinghouse: Making recommendations.....

Mr. Joyner: The decision has not been made yet.

City Council Member Mildred Council: I know you are going to vote tonight, but three people had input to make the recommendation.

Mr. Laughinghouse: And the City Staff.....

Mr. Edwards: I just want to clearly say that Minnie did call me and was concerned that there were committees of three picked and each time only one person showed up. She feels that we should wait.

City Council Member Rose Glover: One person was present each time. Britt attended one and Missy attended one.

Mr. Rees: Let me be clear. Britt attended at the stage where we reviewed these and then subsequently reduced it to four firms and Missy attended the all day interviews that we had and made our rankings and recommendations.

Mr. Joyner: We discussed it last meeting.

City Council Member Rose Glover: If three people were chosen, I do not like the way this is going, because this is serious stuff. I am committed to be at that City Council unless I am sick, dead or whatever. I am committed to my people to be there.

Mr. Laughinghouse: My brother had surgery that day.

City Council Member Rose Glover: I think the people from the Commission who have been selected need to be there. The consultants do not care about coming back, so that all of the people are here, because they want a job. This is too serious. This is Ms. Council's and my district. Ms. Council and I are very concerned and I think that the process should be done over again. If you want to appoint the same people or if you want to appoint different people, just allow Commission members to be here, because this is very serious to us. This is not something to play with. I am not being angry with anybody. The Commission has taken on a very, very serious responsibility as the Redevelopment Commission.

Mr. Edwards: I understand.

Mr. Mitchell: I agree with you on that point too. For so long, West Greenville has done without, but the further along we start pushing back this process, we are not going to have anything. We had City Staff at that meeting. We had Redevelopment Commissioners either one or the other at that meeting. There have been other cases where situations like this happen. The Redevelopment Commission does not get paid.

City Council Member Rose Glover: Melissa Hill is not present to tell the Commission what her feelings are about the consultants.

Mr. Laughinghouse: We have her scores.

City Council Member Rose Glover: Melissa Hill does have some concerns about how it went. Mildred Council is her City Council representative.

Mr. Edwards: Bob, did you have a comment?

Mr. Thompson: I feel a good deal of resentment being lectured to, because everyone on this Commission has taken their jobs quite seriously and devoted a good deal of time to this. I feel that the individuals who sat at the table last month did not raise these issues at that time when nothing has changed. I move the approval of Rivers and Associates as being selected as the West Fifth Street Consultant.

Mr. Joyner: I second it.

Mr. Edwards: Is there any discussion?

Mr. Mitchell: I have some discussion. I agree with the things you said Bob. For the most part, this Commission has worked very well together. I hate for something like this to ruin the cohesiveness we have going. For some reason, Minnie could not be here, and for some reason, Missy could not be here. What sort of time constraint would it put on us if we did table it until next month?

Mr. Rees: If you table it until next month, it puts the selection off a month. It could slightly change availabilities of your consultants, but not too much. It is less than perfectly professional to do this, because we set out a schedule for them and told them what we would be doing. It is not ideal, but it would not be terribly out of the ordinary.

Mr. Edwards: Do I have a vote in this?

Mr. Rees: The Chair always votes.

Mr. Mitchell: I wanted the Commission to take into consideration that it is not going to have any bearing on timeframe. We know Minnie has concerns and Missy has concerns, so we do have two Redevelopment Commission members who have concerns. We have worked together so good thus far. If there are no time constraints, I just hate for us to put something through when we do have Commission members who have concerns about it.

Mr. Joyner: I think the comments I got follow Bob's line. When we talked about it last month, there were no concerns about it. We talked about all of the firms that had come up and what we have done. When we did the streetscaping, three people were appointed to that, and not all three people showed up for that. It was the same process, and that went along fine.

Mr. Thompson: Missy and Minnie were here last time. Tell us what the issues are.

City Council Member Rose Glover: I think they would like to tell you themselves. I have talked to both of them. They are the two representatives for West Greenville.

Mr. Thompson: We are all representatives of West Greenville.

City Council Member Rose Glover: What I am saying is that they were appointed by the representatives of West Greenville. I am sorry you are getting upset over this. You are talking about our constituents. I did not come here to start anything or to argue with you. I came here to represent my constituents.

Mr. Edwards: Mr. Robert Thompson made a motion and Mr. Max Joyner seconded it to approve the recommendation of Rivers and Associates.

Mr. Rees: If we cannot come to a contract agreement with Rivers and Associates, then we move to the Urban Resource Group (URG) and then potentially to PBS&J.

Mr. Mitchell: I spoke to Minnie earlier, but it looks like the vote is going to go through. I want you to hear the concerns that she had. With the Rivers and Associates group, their plan seemed like it would somehow take away from the things that are going to happen in West Greenville and put more emphasis on the things in the Center City.

Mr. Rees: May I address this? First of all, Rivers and Associates is not working on any Center City projects right now. This is strictly West Greenville. This work gets extremely expensive. It basically gets down to \$500,000.00 per block. One of the things that we asked for is to please talk about cost saving measures. We have got to find some ways to make streetscape jobs affordable. Rivers gave an example of some work they have done in Elizabeth City. Apparently, that work they thought it would come in at \$1,000,000.00 I forgot the exact figure, but it came in at \$1,500,000.00, so the choices were you can either go ask City Council to come up with another \$500,000.00 or you can find a way to shoehorn this thing into your \$1,000,000.00 budget. Well City Council was not going to come up with \$500,000.00 more dollars, so that is where the cost saving measures came in. What they ended up doing is they began making choices about what they were installing. We were going to put in the \$30,000.00 bus stop, but we are going to have to go with the \$10,000.00 bus stop, and we were going to put in actual brick pavers, but we can't afford it, so we are going to put in stamped asphalt. That was the example. Afterwards, we had a conversation with our group and Missy was thinking that she heard them say that they were going to use cheaper materials in West Greenville. We were not asking about cost saving measures because we want to short change West Greenville or because we want take money from there to put somewhere else. We were asking because the cost of construction has gone through the roof. It is quite likely that the estimate that URG gave us in the Master Plan for what it would take just to do that couple of blocks have gone up by 20% could be even 80%. We needed a firm who could sit down and number one give a tight cost estimate as part of this process, but number two when we bid it and it probably comes in too high can sit down with us and the community and figure out how in the world we will get this in the budget that we have.

Mr. Joyner: That is a question that we ask at every interview: What can you do to save money?

Mr. Laughinghouse: That was in their proposal and a couple of them were very vague about it and Rivers was very specific as to what they had done in the past.

City Council Member Rose Glover: When you talk about cost saving, I was impressed with one of the other ones that said they would turn stormwater into plant water. They would plant plants there and turn the stormwater into water for the plants. I talked to Minnie and Missy. This is going to be a sensitive issue.

Mr. Flood: As an option, the Commission may consider a special call meeting where the absent members are present to express their concerns, since it has been raised by

the Commission and by Council members that there is a concern. The special call meeting would have only this issue on the agenda.

Mr. Mitchell: I was unaware that the Redevelopment Commission members represent certain segments of the community. I thought one person appointed everybody on the Commission. Each Council person appointed a Redevelopment Commission member.

Mr. Thompson: On the other hand, we are all charged with representing the public.

Mr. Mitchell: I thought I was up here looking for every single person in both communities whether in the Center City or West Greenville. Ms. Glover, I took a little offense to it too for saying that anytime we are talking about West Greenville, Missy or Minnie have to be present. I fight hard to make sure the citizens of West Greenville....

City Council Member Rose Glover: No that is not what I said. Mrs. Council and I represent the whole City. Just like every other City Council member, they are going to talk about what is going on in their district. I know this happens all of the time, because I get it all of the time. All Council members have that right to say that I am concerned about this. I am not trying to offend anyone.

Mr. Mitchell: I guess what I am saying is maybe if more City Council members would come to the Redevelopment Commission and listen to some of the meetings instead of waiting for an issue that is contentious to bring those issues up at the meeting. They will get a better understanding of what is going on with the Redevelopment Commission.

City Council Member Rose Glover: I think the Redevelopment Commission has done a good job and lived up to the plan. I am not here just because it is a hot issue. When I look at something and it is involved in my community, yes I am going to come and address it. It is not that I come to start anything.

Mr. Edwards: We understand that Rose and we appreciate you being here. We need to call the question. All in favor of the motion made by Mr. Robert Thompson and seconded by Mr. Max Joyner for accepting the recommendation of the selection committee. Britt voted for it. Dennis, I did not hear anything from you. I am voting against it.

Mr. Thompson: I am bothered by a couple of things . I think there are hidden agendas that I am not getting. I am not sure what they are. Dennis made a very good point about how we have tried to work through a variety of things to maintain a good working relationship. The idea of special call session has some appeal to me.

Mr. Rees: Under Section 6 of the Bylaws indicate all members of the Commission shall vote on all matters before the Commission and on all matters, the majority vote of those members present shall be necessary to pass any motion.

Mr. Edwards: What does that mean?

Mr. Rees: There is no option to abstain.

Mr. Joyner: The Commission has done this the whole year and a half to two years that I have been here. We are using this same procedure. What I like about it is that Rivers and Associates is local. I'd rather do business with local businesses.

Mr. Thompson: I have been on subcommittees where I have been able to participate at times and not with others, people have always been trying to do a good job.

Mr. Edwards: I think we need to vote.

Mr. Mitchell: I want to say something first because it is a contentious issue I am torn between should I vote no because Minnie and Missy are concerned, or should I vote like we said that this is the process that has always been done. With the incubators, only one person went, and the Commission voted then. Britt went to the meeting and I have never seen him make a bad decision and the City Staff has been great to work with. He said that Rivers does not have anything to do with the Center City. I vote for the recommendation of Rivers as the consultant.

The vote passed with a vote of 4:1. Thompson, Joyner, Laughinghouse and Mitchell voted for Rivers and Associates that was the recommendation of the selection committee. Edwards voted against the recommendation. Motion carried.

Update on Small Business Incubator

Mr. Wisemiller: A quick recap on what has happened so far. The Redevelopment Commission had a subcommittee that toured some incubator sites that were case study models that we could look at for information gathering. We visited incubator sites in Chapel Hill, Durham, and Raleigh and also an arts incubator in Siler City. There is another site in Kinston that we are going to look at, because it was not up and running when the previous sites were visited. We have done some background visioning. Thinking about what type of incubator it would be and where in West Greenville the incubator would be located. Should we do a renovation on an existing facility or secure a new facility. We have thought about some possible funding sources. We have started to meet with potential partners. We have met with Self-Help and some potential partners that we can work with in the future. We have scored options for incorporating the West Greenville Business Incubator into the Brownfield Program and Funding Sources and some other redevelopment initiatives. At this stage to move forward, we are sort of at a crossroads where the incubator is the strategy that people recognize as

a possible resource for economic development to generate jobs. Is it feasible? It is a great idea if we can make it work in West Greenville. At this stage, we are looking at the feasibility study. We have done a lot of feasibility studies before. Some people might be inclined to say well why do you need to do a feasibility study. In this case, there are some practical reasons just beyond testing the model. You need to do a feasibility study in some cases to qualify for some of the funding sources or grants that we look to incorporate in this process. It can also gage that question should you do a renovation of the existing site or should you build a new facility. One of the aspects of the feasibility in this case is going to be a financial feasibility of how much would it cost to renovate a facility. If you add up all of those costs with debt service and everything and compared that against the total number of units you could get in that particular facility, how much income, how much rent and so forth you could insert through a bottom-line. Project out how much money gained or loss you would make over a five year period. You would evaluate it as you would any other real estate project. We can compare some existing sites or site versus building a new facility and kind of gage that financial feasibility, but also it is that sort of last chance to get off of the train. We are finding the model and saying what is the best model suitable for West Greenville. What entrepreneurs in the existing community want to be tenants in the incubator, what is the customer base and so forth and what kind of rents do we get. Is it something that is a good prospect before trying to commit yourself to a larger investment down the road? The feasibility study will make some recommendations for the steering committee and the leadership of the incubator in terms of best practices and how you can maximize the potential of whatever model you move forward with. It is also going to regulate some funding sources. At this stage for funding sources, we have sort of kicked around some thoughts. It looks pretty promising from what we hear that we could possibly get a Golden Leaf Grant maybe an EDA Grant. These are usually pretty good sized grants. If you do a renovation, you are probably looking to do historic tax credits and new market tax credits. If you do a new facility, then you are mainly relying on the Golden Leaf Grant and the EDA Grant and the City to fill in the gap. We started considering some of those funding sources and different models. In order to do a feasibility study, it is something pretty hard to do in-house. We started to work with the SBTDC on this one. The nice thing about them is that they will do a full feasibility study for a reasonable cost. They have done lots of small incubator feasibility studies across North Carolina. They have a lot of experience. As we started to work with them, they recommended that the Redevelopment Commission be the steering committee or the leadership group of the business leaders or the community leaders. We have created a working group of City Staff including Carl Rees, Sandra Anderson of the Housing Division, Stacey Gaskins, MWB Coordinator for Financial Services and myself. The Redevelopment Commission will serve as the steering committee and the working group will support the steering committee. I handed out an outline of the steps to complete the West Greenville Business Incubator Feasibility Study.

Provide SBTDC with community economic development planning documents, data, reports, or other strategic planning information. The target date is Friday, September 14, 2007. The working group is responsible.

Coordinate focus group consisting of 8-12 representatives from local small business community along with a few high level community leaders. The target date is Thursday, September 20, 2007. The working group is responsible.

Facilitate focus group meeting. The target date is Thursday, September 27, 2007. The invitees are the Redevelopment Commission and community stockholders. SBTDC is responsible.

Give initial presentation to RDC and the working group. The target date is Tuesday, October 2, 2007. The invitees are the Redevelopment Commission and the working group. The working group is responsible SBTDC

Provide SBTDC with real estate or a local real estate expert who can provide information regarding current office and retail space estimates for vacancy rates and average rental rates per square foot. The target date is Friday, October 5, 2007. The working group is responsible.

Identify 1-3 sites with estimated costs for developing and operating each. The target date is Wednesday, October 31, 2007. The working group is responsible.

Deliver final feasibility report including: a) local demographic and economic data; b) national trends and information on the incubator industry; c) potential funding sources; and d) recommendations. The target date is Friday, December 14, 2007. The SBTDC is responsible.

Create financial cash flow projections for the project (respective sites). The target date is Friday, December 14, 2007. The SBTDC is responsible.

Conduct final presentation to steering committee. The target date is Monday, December 17, 2007. The invitees are the Redevelopment Commission, the working group and the stakeholders. The SBTDC is responsible.

Mr. Joyner: On this Thursday, September 27, 2007 meeting, the Redevelopment Commission is one of the invitees if more than three members show up, is that an official meeting.

Mr. Rees: The Redevelopment Commission is the actual steering committee at this point. If we get beyond this feasibility stage, it is highly recommended that a larger steering committee that will probably eventually be the foundation for the executive board of the organization be formed. There could very well be people on the Redevelopment Commission and perhaps City Council typically they have the University president and that type of level. At the focus group actually what you are hoping to get are entrepreneurs who are considering starting a business who might potentially be a tenant. Some people who are already in business in the area who want

to come in and give their perspective. Probably some people from the business school community whether that be ECU, Pitt Community College that sort of group that is going to sit down and help staff and the consultant to get an idea of the lay of the land. What is out there and what businesses are working, who is out there that wants to start a business, so while we are not saying you should not attend that meeting what we have sort of laid out here is sort of two separate tracts there is a steering committee role and you all will be talking with the consultant group and getting regular meetings and then there is this more community oriented focus group that is business folks out there or people who want to be business folks.

Mr. Wisemiller: The intention there is to have small business owners forming the core of the focus group and you would also have a University leader and a business leader and maybe an individual from the Redevelopment Commission who would want to be on the Focus Group or even an executive level leadership for the City someone from City Council.

Mr. Thompson: The Redevelopment Commission's role would be in a participant's role. I am not sure why a University member is needed.

Mr. Rees: The one in Raleigh has representation from pretty much every university or college in Raleigh. Your hope would be that some people in business schools would eventually be involved whether it be teaching night classes.

Mr. Wisemiller: There needs to be a good mix, but not too big.

Mr. Thompson: We would clearly want to start businesses and locate jobs in West Greenville. On the other hand, it is a comparatively small geographic area, so we need to phrase this in a way that it attracts people with business ideas from beyond the geographic area itself. How do you broaden it at the same time, you are trying to maintain the character?

Mr. Rees: Is there any concern Bob that just by the fact we are sort of just giving you this name of West Greenville Business Incubator that it could potentially exclude people or are you just saying that we need to be careful that we spread the word throughout the whole City.

Mr. Thompson: There is a possibility that some people might see it as directed to West Greenville and potential businesses may choose not to do it.

Mr. Rees: We need to get strong buy in and strong input.

Mr. Mitchell: It is Greenville's Business Incubator as long as we understand that it is going to be located in West Greenville.

Mr. Rees: If we put this physical structure in West Greenville, our hope is that some of these businesses will decide to stay in West Greenville.

City Council Member Rose Glover: There needs to be a meeting of the community first and maybe from that meeting the focus group can grow from that particular meeting. There are all grades of people who would like to start up a business but do not have the capital to start up a business. Make sure that these people sincerely want to be in business and employ people within that area and surrounding areas.

Mr. Wisemiller: Striking that balance is part of what will come out of the feasibility study. Some outside capital is needed.

Mr. Rees: What the Commission told Staff at the August meeting was that you all wanted to be the steering committee and you wanted to sort of stay very involved in the process? Staff will come back every month with an update.

Closed Session

Mr. Rees: The purpose of the Closed Session is to establish or instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease.

Approval of Closed Session Minutes for August 7, 2007

Motion was made by Mr. Dennis Mitchell and seconded by Mr. Don Edwards to move into closed session. Motion carried unanimously.

Motion was made by Mr. Robert Thompson and seconded by Mr. Max Joyner to approve the August 7, 2007 minutes. Motion carried unanimously.

Motion was made by Mr. Max Joyner and seconded by Mr. Dennis Mitchell to move into open session. Motion carried unanimously.

Consideration of Offer to Purchase Real Property

Mr. Rees: The Transmission Shop at 917 West Fifth Street could be acquired because of tax issues. Staff is checking with Pitt County as to when tax foreclosure could occur. Commission agreed to move forward with purchasing the property with price not to exceed \$72,768.00.

Motion was made by Mr. Max Joyner, seconded by Mr. Dennis Mitchell to approve Staff to try to purchase the Transmission Shop at 917 West Fifth Street not to exceed \$72,768.00. Motion carried unanimously.

Mr. Rees: Motion is needed to accept a contract for 234 Bonners Lane for \$65,000.00.

Motion was made by Mr. Max Joyner and seconded by Mr. Dennis Mitchell to accept the contract for 234 Bonners Lane for \$65,000.00 Motion carried unanimously.

Mr. Rees: Finally, a motion is needed for 802 West Fifth Street at a contract price of \$200,000.00.

Motion was made by Mr. Max Joyner and seconded by Mr. Dennis Mitchell to accept the contract for 802 West Fifth Street for \$200,000.00. Motion carried unanimously.

Report from Secretary

Expenditure Report

Mr. Rees distributed the Expenditure Reports for West Greenville and the Center City.

Community Development Block Grant (CDBG) Activities

Mrs. Anderson provided an update as to what the Housing Division has accomplished in West Greenville. This past year ending in June 30, 2006, we had rehabbed 18 homes at a cost of \$300,000.00 coming from CDBG funds. Some of them were smaller with urgent repairs and three were major conversions. Three duplexes were converted into single family homes. Down payment assistance was provided for four structures at a cost of \$94,025 with HOME and NCHFA Funds. There were a total of 25 clearance/demolitions that cost \$100,488.00 from bond funds. Four new homes were built on West Fifth Street at a cost of \$322,134.00 from bond funds. We have contributed to seven nonprofits in the area at cost of \$118,700.00 from CDBG funds. There were 49 acquisitions costing \$969,716.00 from bond funds. There are a total of 10 relocations with five being new relocations and five being previous relocations at a cost of \$3,971.00. There are fourteen pending relocations. We are proud to announce that one of our homeowners will be transferring from Greenville public housing.

Mrs. Anderson: The Housing Division's 2007 Work Plan includes acquiring 18 properties, clearing/demolishing 7 properties, completing 4 substantial rehabs, performing 10 owner occupied rehabs, completing 9 dispositions, starting 10 new construction of homes and assisting with down payment assistance for four in late September/October.

Mr. Edwards thanked Mrs. Anderson for her report.

Comments from Commission Members

There were no comments from Commission Members.

ADJOURNMENT

Motion was made by Mr. Max Joyner and seconded by Mr. Britt Laughinghouse to adjourn the September 4, 2007 meeting. Motion carried unanimously.

Respectfully submitted,

Carl Rees, Urban Development Planner
The City of Greenville Community Development Department