



City of Greensboro

Melvin Municipal Building
300 W. Washington Street
Greensboro, NC 27401

Meeting Minutes - Final City Council

Tuesday, December 8, 2015

5:30 PM

Council Chamber

ORGANIZATIONAL AND SPECIAL MEETING

This City Council meeting of the City of Greensboro was called to order at 5:30 p.m. on the above date in the Council Chamber of the Melvin Municipal Office Building with the following members present:

Call to Order

Present: 9 - Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne J. Johnson, Councilmember Mike Barber, Councilmember Marikay Abuzuaite, Councilmember Jamal T. Fox, Councilmember Sharon M. Hightower, Councilmember Nancy Hoffmann, Councilmember Justin Outling and Councilmember Tony Wilkins

Also present were City Manager Jim Westmoreland, City Attorney Tom Carruthers, and City Clerk Elizabeth H. Richardson.

Moment of Silence

The meeting opened with a moment of silence.

Pledge of Allegiance to the Flag

Mayor Vaughan invited Representative John Blust to lead the Pledge of Allegiance to the Flag.

Mayor Vaughan recognized elected officials in the audience; and thanked everyone for attending.

Recognition of Courier

City Manager Jim Westmoreland recognized Scott Baillargeon of the Legislative Department who served as Courier for the meeting.

I. CEREMONIAL AND/OR PRESENTATION ITEMS

1. [ID 15-0959](#) Oath of Office Administered to Mayor

City Clerk Betsey Richardson administered the Mayor's Oath of Office to Nancy Vaughan. Mayor Vaughan assumed the Chair and instructed the City Clerk to administer the oath of office to newly-elected Council members.

2. [ID 15-0960](#) Oath of Office Administered to Members of Council

City Clerk Betsey Richardson thereupon administered the Oath of Office to Councilmembers Wilkins, Abuzuaite, Barber, Hightower, Fox, Hoffmann, Johnson, Outling, and Wilkins.

3. [ID 15-0961](#) Nominations for Position of Mayor Pro-Tempore

Mayor Vaughan spoke to the importance and responsibilities of the Mayor Pro-Tem and asked for a nomination for Mayor Pro-Tem. Moved by Councilmember Barber, seconded by Councilmember Abuzuaite for the nomination of Councilmember Johnson for the position of Mayor Pro-Tem. The motion carried by unanimous voice vote.

4. [ID 15-0962](#) Oath of Office Administered to Mayor Pro-Tempore

City Clerk Betsey Richardson administered the Mayor Pro-Tem's Oath of Office to Yvonne J. Johnson.

5. [ID 15-0963](#) Motion to Adopt the 2016 City Council Meeting and Committee Meeting Schedule

Mayor Vaughan stated that Council would now consider adoption of the 2016 City Council meeting and City Council Committee schedule.

Moved by Mayor Pro-Tem Johnson, seconded by Councilmember Fox, to adopt the 2016 meeting schedule. The motion carried on the following roll call vote:

Ayes, 9 - Nancy Vaughan, Yvonne J. Johnson, Mike Barber, Marikay Abuzuaiter, Jamal T. Fox, Sharon M. Hightower, Nancy Hoffmann, Justin Outling and Tony Wilkins

2016 COUNCIL MEETING DATES

January 19
 January 22 - City Council Annual Goal/Priority Setting Session 9 a.m. – 4 p.m.
 January 29 - City Council Annual Goal/Priority Setting Session 9 a.m. – 4 p.m. (if needed)
 February 2
 February 16
 March 1
 March 15
 April 5
 April 19
 May 3
 May 17
 June 7
 June 21
 July 5 CANCELLED
 July 19
 August 1 (Monday) Changed from August 2 in observance of Police National Night Out
 August 16
 September 6
 September 20
 October 4
 October 18
 November 1
 November 15
 December 6
 December 20
 January 3, 2017

Council Meetings are held at 5:30 p.m. in the Council Chamber in the Melvin Municipal Office Building, 300 West Washington Street, Greensboro, unless otherwise noted.

2016 COUNCIL COMMITTEE DATES

January 11 GG and PS
 January 12 IS and CS
 February 8 GG and PS
 February 9 IS and CS
 March 7 GG and PS
 March 8 IS and CS
 April 11 GG an PS
 April 12 IS and CS

May 9	GG and PS
May 10	IS and CS
June 13	GG and PS
June 14	IS and CS
July 11	GG and PS
July 12	IS and CS
August 8	GG and PS
August 9	IS and CS
September 12	GG and PS
September 13	IS and CS
October 10	GG and PS
October 11	IS and CS
November 7	GG and PS
November 8	IS and CS
December 12	GG and PS
December 13	IS and CS

KEY

GG – General Government

PS – Public Safety

IS – Infrastructure

CS – Community Services

Council committee meetings are held at 4:30 p.m. and 5:30 p.m. on the 2nd Monday and Tuesday unless otherwise indicated in the Council Chamber of the Melvin Municipal office Building, 300 West Washington Street, Greensboro, NC. The date or time of the Council meetings and committee meetings may be changed if deemed necessary by the City Council.

6. [ID 15-0964](#) Introduction by Council Members of Family and Friends

The Mayor and Members of Council introduced and expressed appreciation to members of his or her family, friends, supporters, campaign managers/workers and other associates. Individual council members offered their personal thoughts; they all expressed appreciation for the opportunity to serve the community; and pledged to work for all citizens of Greensboro.

Mayor Vaughan thanked the citizens for electing her as Mayor again; voiced that she enjoyed being Mayor and serving the people of Greensboro: compared Greensboro's Mayoral race to those of Charlotte and Raleigh; stated she hoped citizens would become engaged and involved to let their voices be heard; thanked the economic development partners; her colleagues for their service during the past two years; and spoke to working together well over the next two years.

Mayor Vaughan declared a recess at 6:20 p.m. Council reconvened at 6:40 p.m. with all members in attendance.

II. PUBLIC HEARING ITEMS

10. [ID 15-1002](#) Resolution Authorizing an Economic Development Incentive Grant to Tyco Electronics Corporation, not to exceed \$430,302.00 for New Capital Investment in Machinery and Equipment and New Jobs

Moved by Councilmember Wilkins, seconded by Mayor Pro-Tem Johnson to postpone the item to the January 19th meeting of Council without further advertising. The motion carried by voice vote.

7. [ID 15-1001](#) Resolution Authorizing an Economic Development Incentive Grant to Natty Greene's Brewing Co., LLC not to exceed \$387,500.00 for New Capital Investment in Real Property, Machinery and Equipment, and

New Jobs

Mayor Vaughan stated there were three speakers to the item.

Nathan Duggins, 1815 Dalton Road, stated he was in support of the economic development request; recognized Nattie Greene's (Natties) staff in the audience; spoke to the founders and growth of the company; stated this would be a major step forward for a 100,000 barrel brewery; referenced the impact Nattie Greene's had on the City; added that Natties would look closely at the three location options; emphasized that this would provide the opportunity to thank Natties for what they had done in Greensboro; and emphasized that Nattie Greene's beer was Greensboro's brewery and beer and should not leave Greensboro.

Brent Christianson with the Greensboro Partnership Economic Development provided a PowerPoint Presentation that outlined the growth and history of Nattie Greene's; an overview of investment by the company; outlined the economic impact and jobs created as a result of the project; and clarified that the request was for the production facility only. Mr. Christianson recognized owner Cain Fischer in the audience.

Councilmember Wilkins asked if the incentive, if awarded, would cement the company to Greensboro and eliminate Charlotte and Danville for future expansion.

Cain Fischer referenced the history of the expansion project; verified that other cities had tried to recruit the company which had two expansions since 2007; verified the company wanted to weigh all of its options prior to making a decision; outlined the plans for growth, which would take the company to 109,000 barrels, and would allow for expansion of its footprint in the Southeast; spoke to the development of Revolution Mill; emphasized the company had been part of the community for 25 years; referenced the partnerships that had been built throughout the community; and added that the owners wanted a permanent home for their business.

Councilmember Wilkins asked for clarification as to whether the incentive would cement Greensboro as the company's final destination; and if Mr. Cain could commit that this would be the final ask for the project.

Mr. Cain responded that it would put all vision for the future in Greensboro; would be the first step of concrete; and verified it would be the final ask for the project.

Councilmember Hightower stated the project would take advantage of the 8/80; spoke to the impact on East Greensboro; asked how much relied on the incentive; how many jobs would be created at the beginning; and asked about construction.

Mr. Cain stated the project would be a huge investment for the company; would be part of the area revitalization; stated this would be a bigger project than the Downtown location eleven years ago; that there would be 27 jobs created over three years; and confirmed that the project would include construction jobs.

Councilmember Hightower inquired about the M/WBE compliance.

City Manager Jim Westmoreland responded that should Council award the incentive, the next step would be to enter into a performance based incentive agreement in which the company would need to adhere to the M/WBE programs; spoke to the compliance process; and what might be eligible for future expansion.

Councilmember Hightower asked if the company would be willing to go beyond the requirements; voiced the need to hire minorities and local contractors; and stated the City needed to do a bit more.

Mr. Cain responded that they were open to going beyond the requirements.

City Manager Westmoreland interjected that the M/WBE office would work with the company; and provided information regarding the data base that the City had.

Councilmember Wilkins asked to review the giving back slide; and stated the slide information would weigh heavy in his decision.

Councilmember Fox voiced appreciation on behalf of Northeast Greensboro for considering a location at

Revolution Mill; emphasized the company was open and committed to M/WBE; spoke to the \$40,000 annual salary for jobs; stated the adjoining property owners were excited; and thanked the Mr. Cain.

Mayor Vaughan thanked the company for the investment in the community; reminded the audience that Nattie Greene's had invested in Downtown before it was cool to do so; stated that it was interesting when Anheuser Busch had looked at one of Greensboro's home breweries; that it would not make sense for them to locate somewhere else; that she appreciated the company's faith in the City; and hoped this would seal the deal.

Bill Heroy, 320 South Elm Street stated he owned property in Downtown; stated he would not opposed to the agenda item but to awarding incentives; voiced concern for the homelessness in Downtown; and asked if the City could invest in a solution for homelessness.

City Attorney Tom Carruthers instructed Mr. Heroy to stay on topic for the item.

Mr. Heroy spoke to the responsibility of the City to take some of the incentive money and give to the homeless; and reiterated the vast homeless problem in the City, especially in the Downtown area.

City Manager Westmoreland stated staff would meet with Mr. Heroy.

Mayor Vaughn provided an overview of what the City did for the homeless; and explained that the incentives would be performance based.

Ron Tuck, 1500 West Vandalia Road spoke in opposition to the incentives; voiced concern with the racial representation to the employees present; provided the history of the current facility for Nattie Greene's; requested that minorities be hired for the jobs; and asked about an apprenticeship program.

Councilmember Hightower asked that the employees be hired from the community where the work was done; voiced the need to look at the diversity of employees; added that the Restoration Academy could be another partner; the need to create diversity; and that all of the citizens should benefit from City partners.

Moved by Mayor Pro-Tem Johnson, seconded by Councilmember Barber to close the public hearing. The motion carried by voice vote.

(A copy of the PowerPoint Presentation is filed in Exhibit Drawer X, Exhibit No. 36, which is hereby referred to and made a part of these minutes.)

Moved by Councilmember Fox, seconded by Mayor Pro-Tem Johnson, to adopt the resolution. The motion carried on the following roll call vote:

Ayes, 9 - Nancy Vaughan, Yvonne J. Johnson, Mike Barber, Marikay Abuzwaiter, Jamal T. Fox, Sharon M. Hightower, Nancy Hoffmann, Justin Outling and Tony Wilkins

0373-15 RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR NATTY GREENE'S BREWING CO., LLC NOT TO EXCEED \$387,500.00

WHEREAS, on May 17, 2005, the City Council adopted New Economic Development Guidelines whereby the City may participate financially in the development of certain private improvements to promote economic development in accordance with the Guidelines and NCGS Section 158-7.1;

WHEREAS, on July 21, 2015, the City Council revised the Economic Development Programs (Financial Assistance Guidelines) to create new program guidelines for projects located in two incentive zones;

WHEREAS, Natty Greene's Brewing Co., LLC ("the Company") is evaluating an investment in new real property improvements on a new site in Greensboro and investment in new machinery and equipment;

WHEREAS, the Company has requested that the City provide for a grant reimbursement to expand manufacturing and distribution operations, significantly increase production capacity and to potentially expand future distribution to the entirety of the east coast which amount of participation is presently estimated at no more than \$387,500.00 based on a portion of anticipated new taxes to be derived by the City and new employment

upon completion of the project;

WHEREAS, it is further anticipated that the Company will invest at least \$14,250,000.00 by December 31, 2018 in capital, and create 27 new jobs by December 31, 2020.

WHEREAS, the site where the Company will be adding capacity is located at 1601 Yanceyville Street in the City limits of Greensboro, which located in Incentive Zone I;

WHEREAS, the Company will comply with the City's Minority/Women Business Enterprise Program Plan as it pertains to economic development projects;

WHEREAS, the addition of 27 new jobs paying an average wage of at least \$40,000.00 per year with benefits, including but not limited to medical benefits, are expected to generate public benefit by positively impacting the City's ad valorem, use, and sales tax revenues in addition to increasing business prospects for the City and surrounding area, and therefore the City Council authorizes an Economic Development Incentive Grant of up to \$387,500.00 if the company chooses to expand in the City of Greensboro;

WHEREAS, it is deemed in the best interest of the City to enter into a participatory agreement with the Company to share the cost of the above mentioned improvements whereby the City shall reimburse the company up to a maximum of \$387,500.00 to be paid in eight equal payments of \$48,437.50 based on a portion of new anticipated taxes to be received from the new project and upon the creation of new employment. The Company will be eligible to begin receiving annual payments after it has invested at least \$14,250,000.00;

WHEREAS, a public hearing was held in accordance with N.C.G.S. 158-7.1 setting out the particulars of the request and the public benefits to be derived from said improvements;

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

That in accordance with the City's Economic Development Incentive Guidelines and pursuant to N.C.G.S. 158-7.1, a grant agreement between the City of Greensboro and Natty Greene's Brewing Co., LLC not to exceed \$387,500.00 for \$14,250,000.00 of new capital investment by December 31, 2018, and the creation of 27 new jobs by December 31, 2020 is hereby approved, and the City Manager and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.

(Signed) Jamal Fox

8. [ID 15-1003](#) Resolution Authorizing an Economic Development Incentive Grant to Ecolab, Inc., Not to Exceed \$193,768.00 for New Capital Investment in Real Property, Machinery and Equipment, and New Jobs

City Manager Westmoreland stated staff was present for questions.

Councilmember Hightower requested that the presentations be made.

Mr. Christianson made a PowerPoint Presentation that outlined the incentive request for EcoLab; referenced the company's prior expansion; stated that the key component would be the addition of rail to the proposed site; spoke to the difference between the Greensboro and Texas sites; emphasized that the company was a good corporate citizen that wanted to make a decision in the next sixty days; and spoke to the diversity of the company.

Moved by Councilmember Barber, seconded by Mayor Pro-Tem Johnson to close the public hearing. The motion carried by voice vote.

Councilmember Hightower requested that the company work to increase salaries.

(A copy of the PowerPoint Presentation is filed in Exhibit Drawer X, Exhibit No.36, which is hereby referred to and made a part of these minutes.)

Moved by Councilmember Barber, seconded by Councilmember Hoffmann, to

adopt the resolution. The motion carried on the following roll call vote:

Ayes, 9 - Nancy Vaughan, Yvonne J. Johnson, Mike Barber, Marikay Abuzuaiter, Jamal T. Fox, Sharon M. Hightower, Nancy Hoffmann, Justin Outling and Tony Wilkins

0374-15 RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT INVESTMENT GRANT NOT TO EXCEED \$193,768.00 TO ECOLAB, INC.

WHEREAS, on May 17, 2005, the City Council adopted New Economic Development Guidelines whereby the City may participate financially in the development of certain private improvements to promote economic development in accordance with the Guidelines and NCGS Section 158-7.1;

WHEREAS, Ecolab, Inc. "the Company" through its Kay Chemical division is evaluating an investment in new real property improvements on an existing site in Greensboro and investment in new machinery and equipment;

WHEREAS, the Company has requested that the City provide for a grant reimbursement for upfit construction, site improvements, and purchase of new manufacturing machinery and equipment to expand its cleaning and sanitizing products manufacturing which amount of participation is presently estimated at no more than \$193,768.00 based on a portion of anticipated new taxes to be derived by the City and new employment upon completion of the project;

WHEREAS, it is further anticipated that the Company will invest at least \$27,000,000. 00 in capital, and create 35 new jobs by December 31, 2018;

WHEREAS, the site where the Company will be adding capacity is located at 8300 Capital Drive in the City limits of Greensboro;

WHEREAS, the Company will comply with the City's Minority/Women Business Enterprise Program Plan as it pertains to economic development projects;

WHEREAS, the addition of 35 new jobs paying an average wage of at least \$38,840.00 per year with benefits, including but not limited to medical benefits, are expected to generate public benefit by positively impacting the City's ad valorem, use, and sales tax revenues in addition to increasing business prospects for the City and surrounding area, and therefore the City Council authorizes an Economic Development Incentive Grant of up to \$193,768.00 if the company chooses to expand in the City of Greensboro;

WHEREAS, it is deemed in the best interest of the City to enter into a participatory agreement with the Company to share the cost of the above mentioned improvements whereby the City shall reimburse the company up to a maximum of \$193,768.00 to be paid in three equal payments of \$64,589.50 based on a portion of new anticipated taxes to be received from the new project and upon the creation of new employment;

WHEREAS, the grant shall be paid after the jobs are created, the capital investment has been made and all has been confirmed with the City;

WHEREAS, a public hearing was held in accordance with N.C.G.S. 158-7.1 setting out the particulars of the request and the public benefits to be derived from said improvements;

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

That in accordance with the City's Economic Development Incentive Guidelines and pursuant to N.C.G.S. 158-7.1, a grant agreement between the City of Greensboro and Ecolab, Inc. not to exceed \$193,768.00 for \$27,000,000.00 of new capital investment and the creation of 35 new jobs by December 31, 2018 is hereby approved, and the City Manager and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.

(Signed) Mike Barber

9. [ID 15-1004](#) Resolution Authorizing an Economic Development Incentive Grant to

National Distribution Centers, LLC not to exceed \$102,549.00 for new capital investment in real property, machinery and equipment, and new jobs

Mayor Vaughan stated there were no speakers for the item.

Moved by Councilmember Barber, seconded by Councilmember Fox to close the public hearing. The motion carried by voice vote.

Councilmember Hightower inquired about the diversity of the company; and inquired if the company hired veterans.

Mr. Christianson made a PowerPoint Presentation that provided a breakdown of diversity numbers; and verified the company hired veterans.

Mayor Vaughan clarified the jobs that would be brought to District 2.

Discussion ensued about the utilization of warehouse space that had been vacant for several years; this being a good project for East Greensboro; clarification that the project would qualify for the 8/80 incentive; and the number of jobs created as a result of the project.

(A copy of the PowerPoint Presentation is filed in Exhibit Drawer X, Exhibit No. 36, which is hereby referred to and made a part of these minutes.)

Moved by Councilmember Fox, seconded by Councilmember Barber, to adopt the resolution. The motion carried on the following roll call vote:

Ayes, 9 - Nancy Vaughan, Yvonne J. Johnson, Mike Barber, Marikay Abuzuaiter, Jamal T. Fox, Sharon M. Hightower, Nancy Hoffmann, Justin Outling and Tony Wilkins

0375-15 RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR NATIONAL DISTRIBUTION CENTERS, LLC NOT TO EXCEED \$102,549.00

WHEREAS, on May 17, 2005, the City Council adopted New Economic Development Guidelines whereby the City may participate financially in the development of certain private improvements to promote economic development in accordance with the Guidelines and NCGS Section 158-7.1;

WHEREAS, on July 21, 2015, the City Council revised the Economic Development Programs (Financial Assistance Guidelines) to create new program guidelines for projects located in two incentive zones;

WHEREAS, National Distribution Centers, LLC ("the Company") is evaluating an investment in new real property improvements on an existing site in Greensboro and investment in new machinery and equipment;

WHEREAS, the Company has requested that the City provide for a grant reimbursement to establish distribution operations and to potentially expand future distribution which amount of participation is presently estimated at no more than \$102,549.00 based on a portion of anticipated new taxes to be derived by the City and new employment upon completion of the project;

WHEREAS, it is further anticipated that the Company will invest at least \$4,050,000.00 in capital, and create 80 new jobs by December 31, 2018;

WHEREAS, the site where the Company will be adding capacity is located at 300 Penry Road in the City limits of Greensboro, which is located within Incentive Zone II;

WHEREAS, the Company will comply with the City's Minority/Women Business Enterprise Program Plan as it pertains to economic development projects;

WHEREAS, the addition of 80 new jobs paying an average wage of at least \$42,199.00 per year with benefits,

including but not limited to medical benefits, are expected to generate public benefit by positively impacting the City's ad valorem, use, and sales tax revenues in addition to increasing business prospects for the City and surrounding area, and therefore the City Council authorizes an Economic Development Incentive Grant of up to \$102,549.00 if the company chooses to expand in the City of Greensboro;

WHEREAS, it is deemed in the best interest of the City to enter into a participatory agreement with the Company to share the cost of the above mentioned improvements whereby the City shall reimburse the company up to a maximum of \$102,549.00 to be paid in six equal payments of \$17,091.50 based on a portion of new anticipated taxes to be received from the new project and upon the creation of new employment. The Company will be eligible to begin receiving annual payments after it has invested at least \$4,050,000.00 and new jobs have been created;

WHEREAS, a public hearing was held in accordance with N.C.G.S. 158-7.1 setting out the particulars of the request and the public benefits to be derived from said improvements;

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

That in accordance with the City's Economic Development Incentive Guidelines and pursuant to N.C.G.S. 158-7.1, a grant agreement between the City of Greensboro and National Distribution Centers, LLC not to exceed \$102,549.00 for \$4,050,000.00 of new capital investment and the creation of 80 new jobs by December 31, 2018 is hereby approved, and the City Manager and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.

(Signed) Jamal Fox

11. [ID 15-1005](#) Resolution Authorizing an Urban Development Investment Grant, Not to Exceed \$1,000,000.00, to Self-Help Venture Fund for Renovation and Revitalization of the Revolution Mill Property at 1200 Revolution Mill Drive

Mayor Vaughan stated there was one speaker for the item.

City Manager Westmoreland recognized Tucker Bartlett with Self-Help.

Mayor Pro-Tem Johnson requested Mr. Bartlett inform the audience what Self-Help would do; and how the community would benefit from the project

Mr. Bartlett made a PowerPoint Presentation that outlined the history of the item ; stated that the project would become a destination campus for people to live, work and play; provided an overview and renderings of what would be located there on the campus; outlined the proposed brew pub; connection to the Greenway; emphasized the campus would be open to the entire City; spoke to the renovation of the Old Olympic Mill connection to the 50 acres campus; explained the new welcoming front door from Textile Drive; what the \$2.5 million incentive would go towards; added that Self-Help would invest \$84 million into the project which did not include future investments; provided an overview of the incentive payment structure; and outlined the number of jobs created as a result of the project.

Gerry McCants, 301 North Elm Street voiced support for economic development; concern that there were no front end conversations regarding the M/WBE process; the need for dialogue now regarding M/WBE; stated he would assist in organizing a meeting; and spoke to investment in East Greensboro.

Councilmember Hightower asked about the role of the M/WBE coordinator; if staff had the M/WBE numbers; if staff was included in meetings with the Economic Development office; and how staff could address Mr. McCants' concerns.

City Manager Westmoreland stated that there would be a requirement for the company to bring forward their plans to the M/WBE office to determine what elements qualified; stated there was the likelihood that goals would be based on the incentive tonight; reminded Council that Self-Help had an established track record with M/WBE

contracts; stated he did not have Self-Help's current numbers this evening; explained the process and goal setting for the incentive; and confirmed Mr. McCants' concerns would be addressed through the performance based agreement.

Councilmember Barber voiced concern with the amount of time and the circular conversation that took place at the Council meetings regarding M/WBE participation; reminded Council their meetings were business meetings; emphasized that the City did incredible front end work with M/WBE; stated Council had been supportive of the M/WBE process; suggested Council not have repetitive discussions; voiced the need to move the process forward; and commended staff for their effective work on the issue.

Councilmember Hightower emphasized she would not stop asking the questions she needed to ask regarding the business of M/WBEs; stated there was a problem which was not over; that she would not back down from discussing M/WBE concerns; and voiced the need for all persons to be involved in the process regarding economic incentives.

Mayor Vaughan suggested that Council be provided an overview of the M/WBE process to ensure it was followed with each item.

Moved by Councilmember Barber, seconded by Councilmember Fox to close the public hearing. The motion carried by voice vote.

Councilmember Outling thanked Self-Help for answering his questions; and asked the City Attorney to provide some guidance regarding the 'but for' requirement of the incentives.

City Attorney Carruthers outlined the first set of the incentives Council considered that were required by the statute; provided the classic example of case law with regard to competition where a project could not move forward without incentives; spoke to the necessary components of a 'but for' incentive; explained that the Revolution Mill payment was of a different type in that the area suffered from unemployment; was blighted and underdeveloped; outlined the process in which developers and redevelopment projects qualified for a 'but for' incentive; and confirmed that Self-Help would provide jobs for people.

Councilmember Outling stated that most incentive requests were clear on the front end; that it appeared the company was already in the project; that the discussion was about infrastructure that might be built anyway; that he was struggling to see how the 'but for' incentive was met; and asked for clarification if the City was providing money to incentivize the company to do something that they otherwise might not do.

City Attorney Carruthers indicated a \$2.5 million wedge of difference between the original 25 acres mill project and the now 50 acre project; stated that Self-Help had no plans to redevelop the Olympic property which it owned; verified Self-Help was asking for the necessary incentives to make the project work; and that the incentive was a component as the project would not go forward without the 'but for' incentive.

Councilmember Fox thanked Self-Help for investing in East Greensboro which was blighted and lacked employment; referenced the affordable housing that would be available in the heart of District 2 which would be excellent for the community; voiced that District 2 should be a destination district; spoke to the history of Cone Mills in the community; and importance in teaching the heritage of the community through the museum.

Councilmember Abuzuaiter thanked Self-Help; welcomed them with open arms; and emphasized the citizens were excited about the opportunity,

Councilmember Hoffmann thanked Self-Help for the preservation of the mill; and spoke to the importance in preserving turn of the century facilities.

Councilmember Barber thanked Self-Help; referenced the plan to utilize the creek and waterway; and spoke to areas throughout the City where waterway revitalization could take place.

Mayor Vaughan reminded the audience that three economic development incentives considered this evening were located in District 2 and that one was located in District 5.

Mayor Vaughan referenced the Quovo announcement last week, thanked the economic development partners for that, spoke to the investment, to the possibility of up to 500 jobs; referenced working with the State and County; and voiced appreciation for the support of the State.

Councilmember Fox thanked his colleagues for taking leadership; and moving the project forward.

(A copy of the PowerPoint Presentation is filed in Exhibit Drawer X, Exhibit No. 36, which is hereby referred to and made a part of these minutes.)

Moved by Councilmember Fox, seconded by Mayor Pro-Tem Johnson, to adopt the resolution. The motion carried on the following roll call vote:

Ayes, 9 - Nancy Vaughan, Yvonne J. Johnson, Mike Barber, Marikay Abuzuaiter, Jamal T. Fox, Sharon M. Hightower, Nancy Hoffmann, Justin Outling and Tony Wilkins

0376-15 RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR SELF HELP VENTURES FUND NOT TO EXCEED \$1,000,000.00

WHEREAS, pursuant to N.C.G.S. Section 158-7.1 and 160A-458.3 and other urban and economic development authority, the City is authorized to provide economic development incentive grants to approved projects;

WHEREAS, Self Help Ventures Fund ("the Company") is evaluating an investment in the rehabilitation and revitalization of a historic property in a redevelopment area in east Greensboro to make the historic Revolution Mill located at 1200 Revolution Mill Drive and other associated parcels ("the Revolution Project") a destination campus and economic development catalyst for northeast and greater Greensboro;

WHEREAS, it is further anticipated that the Company will invest at least \$85,000,000.00 in capital, and that the site will generate, by the Company or its tenants, at least 20 new jobs by December 31, 2018;

WHEREAS, the redevelopment of the historic site and development of the associated parcels as well as the addition of new jobs are expected to generate public benefit by positively impacting the City's ad valorem, use, and sales tax revenues in addition to increasing business prospects for the City and surrounding area;

WHEREAS, the Company will comply with the City's Minority/Women Business Enterprise Program Plan as it pertains to economic development projects;

WHEREAS, a public hearing was held in accordance with N.C.G.S. 158-7.1 setting out the particulars of the request and the public benefits to be derived from said improvements;

WHEREAS, the grant shall be paid in multiple installments, the first payment of \$500,000.00 will be paid from Economic Development Bond Fund when the company has invested \$25,000,000.00 in the Revolution Mill project, the next five payments of \$100,000.00 each on an annual basis will be paid from the increase in incremental ad valorem tax, after the company has invested a cumulative \$40,000,000.00 and the site generates 20 new full-time jobs.

WHEREAS, the Company will provide a guarantee in the form of a promissory note and repay the grant to the City in the event it fails to make the necessary investment or the site fails to generate the required jobs;

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

That in accordance with the City's Economic Development Incentive Guidelines, a grant agreement between the City of Greensboro and Self Help Ventures Fund not to exceed \$1,000,000.00 based on the investment schedule outlined above on or before December 31, 2018 is hereby approved, and the City Manager and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.

(Signed) Jamal Fox

III. GENERAL BUSINESS AGENDA

12. [ID 15-1013](#) Resolution approving changes to the current Memorandum of Understanding between the City of Greensboro and the Community Foundation of Greater Greensboro for the proposed Steven B. Tanger Center for the Performing Arts

City Manager Westmoreland recognized Coliseum Director Matt Brown to speak to the item; and stated the supplemental funding plan for the Center was consistent with the vision.

Mr. Brown made a PowerPoint Presentation that outlined the supplemental funding plan; provided the original premise of the donation by the City and private donors for the \$65 million project; provided the breakdown of the dedication of the donations; spoke to the City's contingency; efforts to identify other potential non-taxpayer funding; outlined sources for alternative funding; spoke to the role of the construction manager SKANSKA; provided the breakdown of the project costs; an explanation of how the \$65 million number had been determined; and spoke to the value engineering reduction by SKANSKA of that number down to \$61 million, which included \$1.5 million for design contingencies. Mr. Brown spoke to the difference of \$10.2 million that needed to be made up; stated that ideas had been explored with city staff and the donor committees; reviewed alternative non taxpayer options to generate revenue of approximately \$7.5 million through ticket charges; and added that the donor committee had been challenged to raise an additional \$3.5 million, which would recover approximately \$11 million to keep the project moving ahead as well as generate a reserve fund. Mr. Brown stated the parties had addressed the challenges as a group; identified creative solutions that had been found; provided examples of alternative products that could be used; outlined the impact on the Arts Stabilization organization for their funding; stated the ticket service fee would be increased to \$4.00; addressed parking revenue that would be generated; and outlined the changes Council was being asked to adopt.

Mayor Pro-Tem Johnson voiced that she was a supporter of the Performing Arts Center; asked if the \$1.00 would deter or hurt the Arts Stabilization program.

Mr. Brown confirmed that the Arts Stabilization Fund would receive \$120,000 which had been vetted through the organization.

Mayor Vaughan stated she would like to appoint a Mayor's City of Greensboro Arts and Culture Task Force to review the art needs over 2016 and identify long term needs; would ask for a \$75,000 contribution in the next budget cycle to fund the task force; stated that this was not part of the Memorandum of Understanding (MOU); and would have no impact to what Council was being asked to consider tonight.

Discussion ensued regarding where the \$120,000 would come from; role of the suggested task force; allocations made by the Performing Arts Center Board; process for non-profit funding applications; and emergency funding for arts organizations.

City Manager Westmoreland stated it was envisioned that \$120,000 would be allocated directly to the Tanger Center Board under the MOU; outlined the process for allocation of said funds; referenced the creation of the task force to evaluate the need for arts organizations throughout the community; and verified that the task force would not be attached to the MOU.

Mayor Vaughan clarified the role of the task force.

Councilmember Hightower voiced concern that the ticket fee would increase to \$4.00; and asked if there had been discussions with the promoters regarding the fee increase.

Mr. Brown responded that they had not had conversations with promoters; referenced the ticket fee for the Durham Performing Arts Center (DPAC) since their inception; stated prices would be determined by the market depending on the type of show; and provided examples of the types of shows citizens would want to attend.

Councilmember Wilkins asked to go back to the first page of the presentation which referenced parking for VIP

spaces at the Chamber building; asked if this was already in the plan; and if there was an estimate on the average ticket price for events.

Mr. Brown responded that the Chamber rented the property from the City; outlined what the revenue from the existing structures provided to the City; spoke to the location and footprint of the VIP parking; and stated that ticket prices would fluctuate depending on the type of show which would allow citizens to determine where they wanted to sit in the venue based on price.

Councilmember Wilkins voiced concern with the \$4.00 ticket fee; asked how much the promoter would receive; if the increase would reduce the amount of ticket sales; and asked where the funding would come from if the proposed items did not materialize.

Mr. Brown spoke to the risks associated with entertainment events to promoters; to losing a show; and to the risk of an additional \$1.00 charge to the Coliseum in bringing shows.

Councilmember Barber left the meeting at 8:33 p.m. and returned at 8:38 p.m.

Finance Director Rick Lusk provided the history of success of having an auditorium at the coliseum; spoke to the programming; outlined what the projections were based on; spoke to the use of debt service reserves; allowances to deal with fluctuations; and stated it was unlikely the City would need to utilize general funds.

City Attorney Carruthers clarified that a vote on unallocated/unbudgeted funds would require a super majority; and spoke to the budgeting process.

Councilmember Abuzaiter voiced concerns with changing the MOU; asked if the projections for ticket sales was for 20 or 25 years; for clarification on the amount of funds the Arts Stabilization fund would receive; about the number of shows and attendance projection; and spoke to the amount if the MOU were divided by 25 years.

Mr. Brown clarified it would be 25 years; stated that the amount of \$120,000 was guaranteed; explained that not all of the events would be service chargeable events; spoke to the elements the figure was based on; and providing a conservative number. Mr. Brown added that there would be approximately 150 events which would have between 1,600 and 2,200 attendees; spoke to the average number of performances that had taken place at the War Memorial Auditorium; stated staff had been conservative in their estimates; addressed fluctuation in the market place; and ticket service fee applicable events.

Mayor Vaughan voiced appreciation for the work on the project; stated it would be an iconic building Downtown; spoke to features the facility would have that would connect to LeBauer Park; referenced what DPAC had done for the City of Durham; the City having the benefit of DPAC's 20/20 hindsight; the need to minimize the exposure to the taxpayer; emphasized that a \$38 million contribution in private funding was phenomenal; emphasized the people that used the facility would pay for it; outlined the source of funding for the City's portion of the project; spoke to the unique public/private partnership; the legacy Council was leaving Greensboro; referenced conversations with area businesses; and stated the Center would change the way people looked at Greensboro.

Councilmember Hightower asked if the fee would be \$4.00 or 'up to' \$4.00.

City Manager Westmoreland and Mr. Brown responded that the 'up to' provided flexibility for events that would not charge a fee such as community events; and provided the definition of local community groups using the facility.

City Attorney Carruthers interjected that the second attachment in the agenda packet should be disregarded; and stated the correct MOU revision language was attached to the resolution.

(A copy of the PowerPoint Presentation is filed in Exhibit Drawer X, Exhibit No. 36, which is hereby referred to and made a part of these minutes.)

Moved by Councilmember Outling, seconded by Mayor Pro-Tem Johnson, to adopt the resolution. The motion carried on the following roll call vote:

Ayes, 7 - Nancy Vaughan, Yvonne J. Johnson, Mike Barber, Jamal T. Fox, Sharon M. Hightower, Nancy Hoffmann and Justin Outling

Nays, 2 - Marikay Abuzuaiter and Tony Wilkins

0377-15 RESOLUTION APPROVING CHANGES TO THE CURRENT MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF GREENSBORO AND THE COMMUNITY FOUNDATION OF GREATER GREENSBORO FOR THE STEVEN B. TANGER CENTER FOR THE PERFORMING ARTS

WHEREAS, on March 4, 2014 the City of Greensboro approved a Memorandum of Understanding (MOU) between the City and The Community Foundation of Greater Greensboro (CFGG) to design, finance, develop, construct and manage the operations and programs of the proposed Steven B. Tanger Center for the Performing Arts (STPAC);

WHEREAS, the City and the CFGG desire to revise section F.4. of the current MOU for the proposed STPAC to allow the City to impose a ticket service fee of up to four dollars (\$4) per ticket on tickets sold for events at the STPAC;

WHEREAS, the proceeds from the ticket service fee will be used to help finance the City's debt service obligations for the project. The proposed MOU revision will also allow the City to annually allocate \$120,000 from STPAC annual sponsorship revenues to support and fund an Arts Stabilization Fund.

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

That the attached revision to Section f.4.of the current MOU between the City and the CFGG for the proposed STPAC is hereby approved.

Proposed Amendment Revising the Memorandum of Understanding between the City of Greensboro and the Community Foundation of Greater Greensboro

Section F. 4. (Revision) -

As the manager and operator of the Tanger Center, the City will retain all revenue generated by the Tanger Center (including any programming sponsorship revenue) and will be responsible for all expenses incurred in operating the Tanger Center, except as otherwise provided in this section. The City shall impose a ticket service fee (or comparable ticket pricing mechanism) of up to \$4.00 per ticket on tickets sold for events at the Tanger Center. A minimum of \$120,000 per year of Tanger Center annual sponsorship revenue shall be allocated to the Nonprofit and designated for use as an Arts Stabilization Fund. The Board shall approve and authorize distribution of annual funding from the Arts Stabilization Fund to Arts Greensboro (or successor organization) to exclusively provide direct financial assistance to local arts organizations.

(Signed) Justin Outling

13. [ID 15-1014](#) Resolution Approving Changes to the Financing Plan for the Steven B. Tanger Center for the Performing Arts

Moved by Councilmember Hoffmann, seconded by Mayor Pro-Tem Johnson, to adopt the resolution. The motion carried on the following roll call vote:

Ayes, 7 - Nancy Vaughan, Yvonne J. Johnson, Mike Barber, Jamal T. Fox, Sharon M. Hightower, Nancy Hoffmann and Justin Outling

Nays, 2 - Marikay Abuzuaiter and Tony Wilkins

0378-15 RESOLUTION APPROVING AN INCREASE IN FUNDING FOR THE STEVEN B. TANGER CENTER FOR THE PERFORMING ARTS

WHEREAS, the City of Greensboro and The Community Foundation of Greater Greensboro have determined that cost estimates for the current design scope of the Steven B. Tanger Center for the Performing Arts will require additional construction funding support of \$3.5 million from private donors and \$9.6 million from patrons of the Center via user fees;

WHEREAS, the City will increase its participation in project costs by increasing its existing construction loan with PNC Bank from \$30.0 million to \$39.6 million;

WHEREAS, the additional \$9.6 million borrowed for construction costs will be repaid from a combination of increased ticket service fee revenue and parking revenue from additional VIP/Prime parking spaces;

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

That the increase of \$9.6 million in the City's construction funding for the Steven B. Tanger Center for the Performing Arts to be financed by borrowing an additional \$9.6 million from PNC Bank, is hereby approved.

(Signed) Nancy Hoffmann

Adjournment

Moved by Councilmember Barber, seconded by Mayor Pro-Tem Johnson, to adjourn the meeting. The motion carried by voice vote.

THE CITY COUNCIL ADJOURNED AT 8:50 P.M.

ELIZABETH H. RICHARDSON
CITY CLERK

NANCY VAUGHAN
MAYOR