



**TOWN OF DAVIDSON
BOARD OF COMMISSIONERS
Town Hall Board Room - 216 S. Main Street**

February 27, 2017

WORK SESSION - 4:00 PM

(Held in the Town Hall Meeting Room)

I. DISCUSSION ITEMS

- (a) Rural Area Plan Implementation Update- Planning Director Jason Burdette; Senior Planner Trey Akers
- (b) Town Hall Tour

REGULAR BOARD OF COMMISSIONERS MEETING - 6:00 PM

(Held in the Town Hall Meeting Room)

I. CALL TO ORDER

II. COMMISSIONER REPORTS

- (a) Mayor John Woods: Centralina Council of Governments (CCOG) and Metropolitan Transit Commission (MTC)
- Commissioner Stacey Anderson: Arts & Science Council (ASC)
- Commissioner Beth Cashion: Visit Lake Norman (VLN) and North Mecklenburg Alliance
- Commissioner Jim Fuller: Lake Norman Chamber (LNC)
- Commissioner Rodney Graham: Lake Norman Regional Economic Development Organization (LNREDC)
- Commissioner Brian Jenest: Charlotte Regional Transportation Planning Organization (CRTPO) and Lake Norman Transportation Commission (LNTC)

III. ANNOUNCEMENTS

IV. NEW BUSINESS

- (a) Consider Approval of Two Community Block Grant Applications: Ada Jenkins-New HVAC, Davidson-Cornelius Child Development Center - Scholarships for low income families - Town Attorney Cindy Reid

V. DISCUSSION

- (a) Beaty Street Site - Review Proposals & Developer Presentation - Assistant Town Manager Dawn Blobaum

VI. SUMMARIZE MEETING ACTION ITEMS

VII. ADJOURN



Agenda Title: Rural Area Plan Implementation Update- Planning Director Jason Burdette; Senior Planner Trey Akers

Summary: The Davidson Board of Commissioners approved the Rural Area Plan (RAP) in Sep. 2016. In order to make recommendations in the RAP legally enforceable, it requires changes to the Davidson Planning Ordinance. These include text amendments and map amendments (rezonings). Since adoption of the RAP, staff made several modifications to the RAP implementation based on feedback from citizens and commissioners. the purpose of this presentation is to update the Board of Commissioners on the status of RAP implementation prior to presenting the official map and text amendments for BOC consideration at a future meeting.

ATTACHMENTS:

Description	Upload Date	Type
❑ RAP Implementation update	2/24/2017	Presentation
❑ RAP Implementation Update Memo	2/24/2017	Cover Memo

RAP IMPLEMENTATION SUMMARY – OVERVIEW

TOPICS COVERED

1. Updated Schedule
2. DPO Text Modifications
3. DPO Map Modifications
4. Implementation



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Rural Area Plan – Implementation Summary
Board of Commissioners Pre-Meeting
Jason Burdette, Planning Director
Trey Akers, RAP Project Manager
February 27, 2017

RAP IMPLEMENTATION – UPDATED SCHEDULE

EVENTS

- **Public Hearing 1/10**
- **Individual Citizen Meetings [Ongoing]**
- **Coffee Chat 1/23 [Citizen Q&A]**
- **BOC Work Session 1/24 [FAQ Update]**
- **Three FAQ videos 1/25**
- **Planning Board Review 1/30 [Recommendation]**
- **Public Open House, Hopewell Baptist Church 2/4 [Citizen Q&A]**
- **DPO Text and Map Modifications Update 2/27**
- **Consider Adoption at 3/28 Meeting**



DPO TEXT MODIFICATIONS

HIGHLIGHTS

- **Modify open space requirements in Neighborhood Edge & RPA**

	NG	NE	RPA
CURRENT	20%	40%	40%
PROPOSED	20%	45%	50-70%

- *This more accurately reflects the transect-based feathering from village center to rural.*
- *Increases collective targeted open space from 57% to 63%.*

DPO TEXT MODIFICATIONS

HIGHLIGHTS

- **Modify farm credit for open space requirement**
 - *Add 75% prime soils option*
 - *Add 10-year minimum requirement*
 - *Decrease maximum open space reduction from 50% to 25%*

- **Clarify open space provisions**
 - *Open space management plan consistent with LTA best practices*
 - *Conservation easements consistent with LTA best practices*
 - *Add definitions for prime farmland/soils & wildlife habitat*



DPO MAP MODIFICATIONS

HIGHLIGHTS

- **Neighborhood Services at Barger reduced by 5 acres**
- **Ballard parcel to remain RPA**
- **Addition of 500' RPA transitional buffer adjacent to Abersham/Fisher Farm**

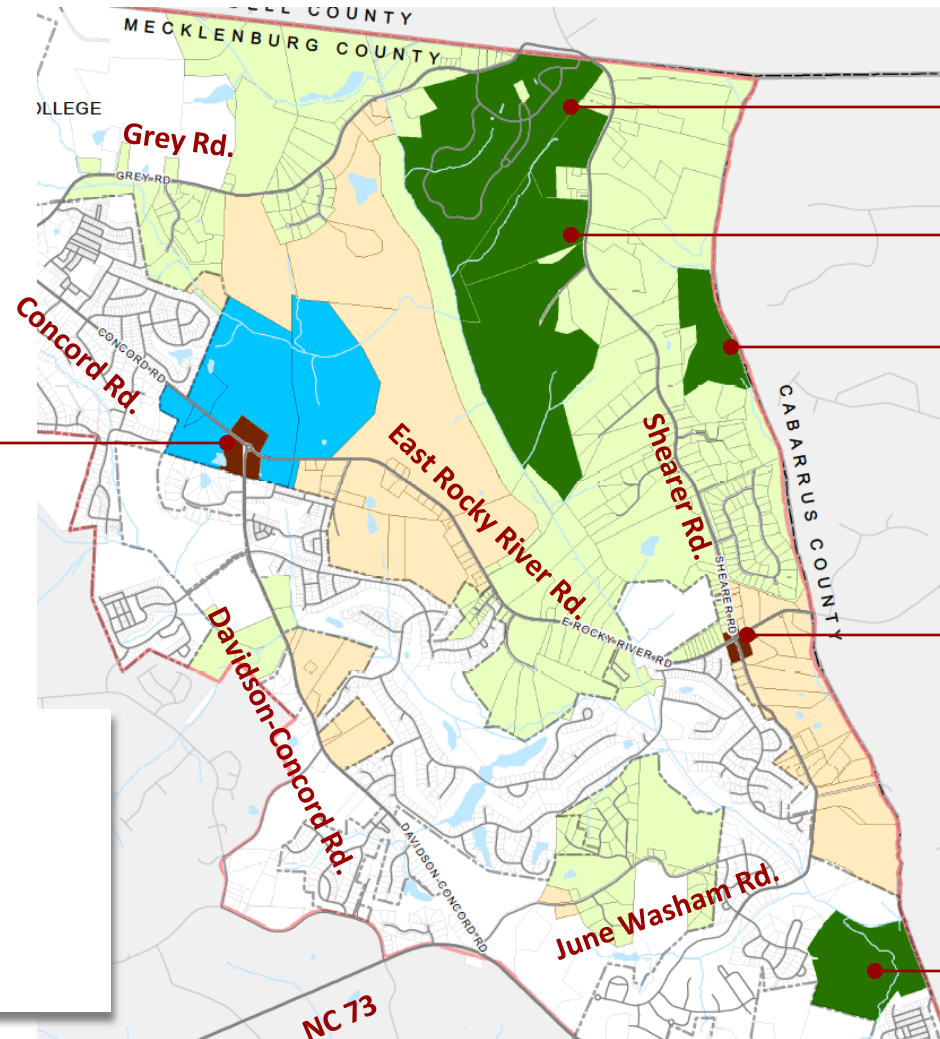
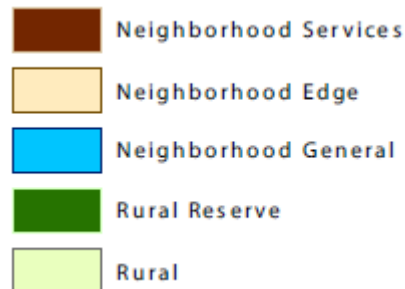


RAP AMENDMENTS: OVERVIEW

HIGHLIGHTS

- 30+ Year Vision
- Context-Based
- Consistent
- 2,048 ac. (1,362 ac. – Once Parks Removed)

Intersection:
E. Rocky River Rd.
Dav.-Concord Rd.
Concord Rd.



Allison Farm

Fisher Farm

Rocky River Bluff
NP

Intersection:
E. Rocky River Rd.
Shearer Rd.

West Branch NP



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Rural Area Plan – Implementation Summary
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RAP AMENDMENTS: NEIGHBORHOOD SERVICES

HIGHLIGHTS

- Mixed-Use
- Small-Scale
- Placemaking
- 24 ac.
 - Barger: 18 ac.
(reduced by 5 ac.)
 - ERR/Shearer: 6 ac.

Intersection:
E. Rocky River Rd.
Dav.-Concord Rd.
Concord Rd.

	Neighborhood Services
	Neighborhood Edge
	Neighborhood General
	Rural Reserve



South Main St.

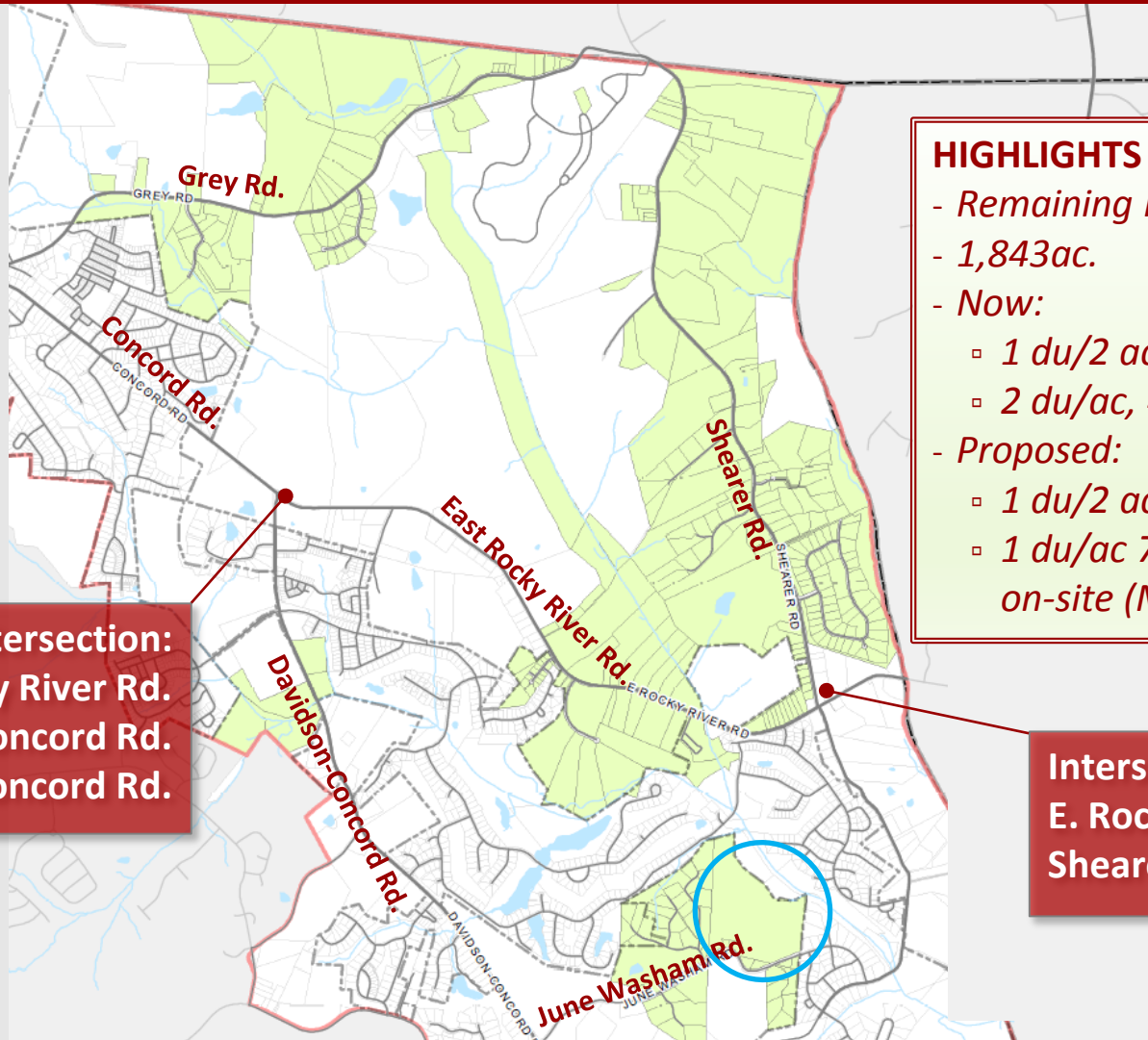
Intersection:
E. Rocky River Rd.
Shearer Rd.



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RAP AMENDMENTS: FUTURE RURAL PLANNING AREA



HIGHLIGHTS

- Remaining Rural Planning Area
- 1,843ac.
- Now:
 - 1 du/2 ac (6 max.) 40% OS, or
 - 2 du/ac, 40% OS
- Proposed:
 - 1 du/2 ac (16 max.) 50% OS, or
 - 1 du/ac 70% OS, with 50% OS on-site (Max. 20% off-site)

Intersection:
E. Rocky River Rd.
Dav.-Concord Rd.
Concord Rd.

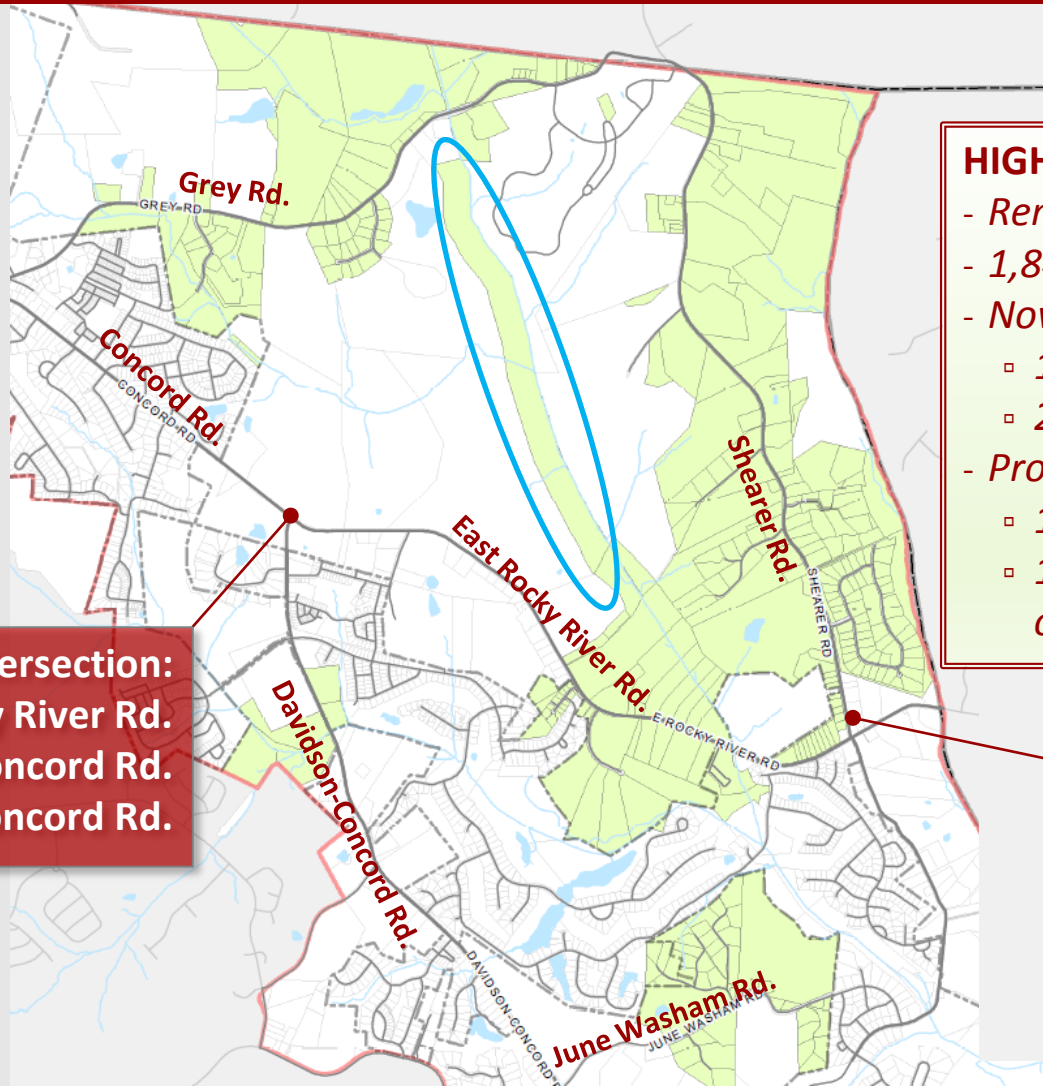
Intersection:
E. Rocky River Rd.
Shearer Rd.



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Intersection:
E. Rocky River Rd.
Dav.-Concord Rd.
Concord Rd.

Intersection:
E. Rocky River Rd.
Shearer Rd.



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DPO TEXT & MAP IMPLEMENTATION

HIGHLIGHTS

- **Consider approval at March 28 meeting**
- **Delay taking effect until July 12**
 - *Address concerns about Transportation Impact Analysis update*
 - *Staff working to update TIA standards by July*



BOARD OF COMMISSIONERS QUESTIONS



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Rural Area Plan – Implementation Summary
Board of Commissioners Pre-Meeting
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February 27, 2017



MEMO

Date: February 27, 2017
 To: Board of Commissioners
 From: Jason Burdette, Planning Director
 Re: Davidson Planning Ordinance Text Amendments/ RAP Implementation Update, Staff Analysis

1. TEXT AMENDMENTS

TEXT CHANGES – PROPOSED AMENDMENTS/RAP IMPLEMENTATION UPDATE

The following is a list of proposed text changes to the Town of Davidson Planning Ordinance (DPO). The listed changes are being undertaken in response to the recommendations made by the Rural Area Plan, which was adopted on September 13, 2016. Proposals are organized by page number.

PROPOSED TEXT CHANGES				
PAGE	SECTION	TITLE	ISSUE	PROPOSED MODIFICATION
SECTION 2 – PLANNING AREAS				
2-55	2.2.12.A	DESCRIPTION	The proposed RAP standards warrant clarification of this Planning Area’s purpose – as a context featuring a variety of building types that transitions from more urban areas like Neighborhood General to rural areas.	Revise the language to emphasize Neighborhood Edge’s purpose as a transition from more urban areas to less urban areas.
TEXT CHANGES			<p>Old Text: The Neighborhood Edge Planning Area is established as a transition area between Davidson’s rural periphery and its more urban areas.</p> <p>New Text: The Neighborhood Edge Planning Area is established to transition between Davidson’s urban areas and its rural periphery.</p>	
2-56	2.2.12.C	NEIGHBORHOOD EDGE OPEN SPACE REQUIRED	RAP Action Item 4.1 calls for the continued preservation of open space through the development process, including continued emphasis on the prioritization of open space over density in areas further from mixed-use centers. As the transition area	Revise the Neighborhood Edge Planning Area standards to increase the open space required for this planning area from 40% to 45%.

			between more developed areas and more rural areas, Neighborhood Edge’s open space standards should be revised to increase the emphasis on open space prioritization.	
TEXT CHANGES			Old Text: [Table 2-43 Neighborhood Edge Open Space Table], Required Percent of Development: 40% Min. New Text: Required Percent of Development: 45% Min.	
2-70	2.2.15.D	RURAL PLANNING AREA SITE DESIGN STANDARDS	RAP Action Item 7.5 recommends modifying the Rural Planning Area standards to be used exclusively for very low density development.	RAP Action Item 7.5 recommends modifying the Rural Planning Area standards to be used exclusively for very low density development.
TEXT CHANGES			Old Text: 1. Setback Requirements: The following... New Text: 1. Development Options: Two development options are permitted in the Rural Planning Area: Option A: 1 unit per 2 acres + 50% open space with up to 16 permitted units. Option B: 1 unit per acre + 70% open space. At least 50% of the open space is required on-site with the balance permitted as either a payment-in-lieu or dedication of property off-site. 2. Setback Requirements: The following...	
2-70	2.2.15.D.2	TABLE 2-54 RURAL PLANNING AREA OPEN SPACE TABLE	RAP Action Item 7.5 recommends new open space standards for the Rural Planning Area.	<ul style="list-style-type: none">▫ Modify Table 2-54 Rural Open Space to include Options A & B.▫ Include phrase after table referencing payment-in-lieu information in DPO Section 7.
TEXT CHANGES			Old Text: [In Table]: Minimum Open Space 40% [All Development] [After Table]: Certain open space reduction bonuses may be applicable. See Section 7. New Text: [In Table] 1. Option A Min. 50%, Max. NA 2. Option B Min. 70% (50% Min. On-Site; 20% Max. off-site dedication or payment-in-lieu permitted). [After Table] See Section 7 for information regarding open space and payment-in-lieu options.	
SECTION 6 – SUBDIVISION & INFRASTRUCTURE STANDARDS				

6-20	6.8.3.A	GREENWAYS	The RAP implementation process identified the need for a multi-use path along the east side of Shearer Rd. between East Rocky River Rd. and Dembridge Drive. This path is officially cited in the CRTPO Comprehensive Transportation Plan.	Modify 6.8.3.A to acknowledge the CRTPO CTP as an adopted plan that identifies relevant path facilities in Davidson’s jurisdiction.
TEXT CHANGES			<p>Old Text: Greenways and greenway connectors shall be constructed in accordance with the designated circulation system shown on the Davidson Walks & Rolls Active Transportation Master Plan, the Parks and Recreation Master Plan and/or any other adopted plan.</p> <p>New Text: Greenways and greenway connectors shall be constructed in accordance with the designated circulation system shown on the Davidson Walks & Rolls Active Transportation Master Plan, the Parks and Recreation Master Plan, the CRTPO Comprehensive Transportation Plan, and/or any other adopted plan.</p>	
SECTION 7 – PARKS & OPEN SPACE				
7-2	7.2.3.C [NEW]	CREDIT TOWARD OPEN SPACE CONSERVATION	RAP Action Item 4.6: The RAP recommends incentives to promote or encourage the retention of agricultural land within proposed developments.	<ul style="list-style-type: none">▫ Include language outlining open space contribution mechanism as new item C.▫ Utilize DPO 15, Violations & Penalties, to establish clear enforcement criteria.
TEXT CHANGES			<p>Old Text: N/A [DNE]</p> <p>New Text: C. Agricultural Land: The open space requirements, but not the neighborhood park requirements, may be reduced by 1.5 acres for every acre of active farmland or may be reduced by 1.5 acres for every acre of land with more than 75% prime agricultural soils included in a new development. Qualifying farmland or soils must be secured through a conservation easement. The permanent conservation easement must be approved by the Planning Director and Town Attorney, and the Town reserves the right to conduct periodic reviews of farm activity on-site to determine compliance with the conservation easement. Additionally, the following criteria also apply:</p> <ol style="list-style-type: none">1. The agricultural land must meet the definition of a farm or prime agricultural soils as defined by this ordinance, and it may not include tree-farming, timber production, or concentrated animal feeding operations;2. The agricultural land must comprise at least 10 contiguous acres and be maintained as such for a minimum of 10 years;3. All applicable open space criteria must be met;4. The credit cannot be used to reduce the open space requirements by more than 25%;5. Active farmland is not considered passive open space.	

7-11	7.5.1.5	STANDARDS FOR ALL OPEN SPACE	The Rural Area Plan seeks to achieve the 2001 Open Space Plan's goal of setting aside 50% of the ETJ as public-accessible open space. The standards for open space need to be modified to support this goal in coordination with the proposed open space set-asides required in each planning area.	Revise the text to specify that open space must be publicly-accessible unless its inherent biological features cannot support public access.
TEXT CHANGES			<p>Old Text: N/A [DNE]</p> <p>New Text: 5. All open space must be publicly-accessible unless the land's biological features and conservation values as determined by the Planning Director or their designated administrator are deemed to require protection.</p>	
7-11	7.6.1.B.1	OWNERSHIP CONDITIONS	RAP Action Items 4.1-4.3 call for increased emphasis on open space preservation, but the current ordinance lacks mechanisms to ensure that publicly-accessible open space is maintained for its conservation value long-term in accordance with an established plan.	Modify the ordinance to include provisions that incorporate financial review of long-term maintenance plans into the easement-approval process.
TEXT CHANGES			<p>Old Text: ...must be accompanied by a long-term maintenance plan.</p> <p>New Text: ...must be accompanied by a long-term management plan. Management plans must be consistent with <i>LTA Standards & Practices</i> and deemed to be financially viable by the Town Attorney or their designated administrator. Plans must be approved and contracts, easements, funds, etc. established prior to issuance of any Final Plat approval by the Town of Davidson.</p>	
7-11	7.6.1.B.3	OWNERSHIP CONDITIONS	RAP Action Items 4.1-4.3 call for increased emphasis on open space preservation, but the current ordinance lacks mechanisms to ensure that publicly-accessible open space is maintained for its conservation value long-term in accordance with an established plan.	Modify the ordinance to include provisions that incorporate established baseline standards into the easement-approval process.
TEXT CHANGES			<p>Old Text: Ownership by a homeowner's association or private owner must be accompanied by a permanent conservation easement placed on the land.</p> <p>New Text: Ownership by a homeowner's association or private owner must be accompanied by a permanent conservation easement placed on the land. Each conservation easement must be accompanied by a stewardship endowment properly funded</p>	

			by the developer, consistent with the Land Trust Alliance (LTA) standards, and held by the conservation easement holder. At a minimum the endowment must cover annual monitoring, reporting, and maintenance costs to achieve Level I Stewardship Costs consistent with LTA standards and practices. See the LTA's <i>Determining Stewardship Costs Manual</i> and LTA's <i>Standards & Practices</i> for further information.	
7-12	7.6.2.A	MAINTENANCE OF PARKS & OPEN SPACE	RAP Action Items 4.1-4.3 call for increased emphasis on open space preservation, but the current ordinance lacks mechanisms to ensure that publicly-accessible open space is maintained for its conservation value long-term in accordance with an established plan.	Modify the ordinance to include provisions that incorporate financial review of long-term maintenance plans into the easement-approval process.
TEXT CHANGES			Old Text: N/A [DNE] New Text: [Last Sentence] Long-term management plans must include and maintain a long-term funding plan acceptable to the Planning Director that can only be used for maintaining the subject area. Failure to maintain the park or open space in compliance with the long-term maintenance plan will subject the violator to the penalties listed in Section 15.	
SECTION 14 – ADMINISTRATION & PROCEDURES				
14-25	14.15.1.B	ENVIRONMENTAL INVENTORY NATURAL FEATURES	RAP Action Item 4.6 calls for increased coordination with developers to preserve and cultivate agricultural lands as part of proposed development projects. Prime soils are the key component of maintaining vibrant farmland. The current DPO requires soils to be identified as part of a project's initial Environmental Inventory (DPO 14.15.1.B) but does not list prime soils, specifically.	Modify the DPO to require identification of prime soils as part of the Environmental Inventory documentation.
TEXT CHANGES			Old Text: Show all important natural features influencing site design such as... floodplains indicating both the flood fringe and the floodway, soil types, and historical or cultural features... New Text: Show all important natural features influencing site design such as... floodplains indicating both the flood fringe and the floodway, soil types (including prime agricultural soils), and historical or cultural features...	
SECTION 15 – VIOLATIONS				
15-6	15.3.4 [NEW]	OPEN SPACE VIOLATIONS	The DPO permits a reduction in open space area if active farmland is placed under conservation easement as part of a proposed development.	▫ Include language that disincentivizes the conversion of land set aside as agricultural land or soils within a

			To ensure use of the dedicated land as intended; to provide restitution to the Town for lost revenue; and, to account for the loss of open space, civil penalty language should be developed for farmland or prime soils that received an open space reduction credit but are no longer used or maintained as such.	proposed development from being discontinued in its use. ▫ Ensure the penalty creates a strong disincentive and, if the use is discontinued, that the Town recoups a financial reimbursement for permanently lost open space.
TEXT CHANGES			Old Text: N/A [DNE] New Text: Failure to comply with this ordinance’s open space requirements will resulting in the following: A. Violations of provisions regarding maintenance of open space will require restorative action to bring the subject area into compliance. Specifically, failure to maintain open space as prescribed by the governing documents/ownership conditions will be subject to a remediation plan determined by the Planning Director. The plan, including all required restorative actions, shall be at the expense of the party responsible for open space management of the subject area. B. Violation of the provisions reducing open space wherein farmland or prime agricultural soils, as defined by this ordinance, are provided as part of development shall require: 1. Payment to the Town of Davidson of 1.5 times the property taxes of the development's original land area. This applies to all years in which property tax revenue was not received because the subject area was protected in a conservation easement. 2. Payment to the Town of Davidson’s open space fund the cost per acre for all acres of land not provided as open space that would have been required as open space at the time of plan approval. 3. Dedication of all land area as open space in accordance with the ordinance requirements.	
SECTION 16 – DEFINITIONS				
16-20	16.3	DEFINITIONS, P	RAP Action Item 4.6: The RAP recommends incentives to promote or encourage the retention of agricultural land within proposed developments. The proposed text changes address this recommendation through retention of farmland and/or prime agricultural soils, which allow cultivation. Currently, the DPO does not define prime agricultural soils.	Include a definition of prime farmland or agricultural soils utilizing language from the National Resources Conservation Service.
TEXT CHANGES			Old Text: N/A [DNE]	

			New Text: Prime Farmland and Soils: According to the National Resources Conservation Service, land or soils that have the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops and is also available for these uses. It has the soil quality, growing season, and moisture supply needed to produce economically sustained high yields of crops when treated and managed according to acceptable farming methods, including water management. In general, prime farmlands have an adequate and dependable water supply from precipitation or irrigation, a favorable temperature and growing season, acceptable acidity or alkalinity, acceptable salt and sodium content, and few or no rocks. They are permeable to water and air. Prime farmlands are not excessively erodible or saturated with water for a long period of time, and they either do not flood frequently or are protected from flooding.	
16-28	16.3	DEFINITIONS, W	RAP Action Items 4.1-4.3 call for increased emphasis on open space preservation, including habitat needs. The current DPO references wildlife habitat but does not define it (7.5.1).	Modify the DPO to include a definition for wildlife habitat.
TEXT CHANGES			<p>Old Text: N/A [DNE]</p> <p>New Text: Wildlife Habitat areas are where animals live and where ecologically supportive environments provide animals the necessities of life, food, water, cover and places to raise young.</p>	

2. PUBLIC PLANS AND POLICIES

The proposed text changes are consistent with the existing policy and ordinance frameworks adopted by the town. Most changes involve the improved clarification of text, or the inclusion of items inadvertently missed in the draft of the original ordinance. All proposed changes meet the requirements set forth in Davidson Planning Ordinance 1.5.1 Implementation of Adopted Plans & Policies: “Any amendments to, or actions pursuant to, this ordinance should be consistent with these adopted plans and policies, as amended.”

3. STAFF RECOMMENDATION

The proposed changes aim to implement the policies described in the Rural Area Plan approved by the Board of Commissioners in September 2016. Specific explanations are provided in the table above. These changes are recommended for approval in order to accurately reflect the adopted Planning Area standards for each parcel.



Agenda Title: Consider Approval of Two Community Block Grant Applications: Ada Jenkins-New HVAC, Davidson-Cornelius Child Development Center - Scholarships for low income families - Town Attorney Cindy Reid

Summary: Two Community Block Grant Applications: Ada Jenkins-New HVAC, Davidson-Cornelius Child Development Center - Scholarships for low income families

ATTACHMENTS:

Description		Upload Date	Type
❑	Ada Jenkins Center Application	2/22/2017	Exhibit
	Davidson-Cornelius Child Development Center Application	2/22/2017	Exhibit



Mecklenburg County
Community Development Block Grant Program
Application for FY 2017-2018 Funding

DEADLINE SUBMISSION DATE

Friday, February 17, 2017 at 4:00PM

Mail to:

Attn: Victoria Rittenhouse

Office of Community & Economic Development

Re: Mecklenburg County CDBG Program

525 North Tryon St., 12th Floor

Charlotte, NC 28202

or

Email to:

cedc@centralina.org

Subject: Mecklenburg County CDBG Program

(Incomplete applications will not be considered for funding)

Section I

Application Information

APPLICATION SUMMARY	
Full Legal Name of Applicant: Ada Jenkins Families and Careers Development Center	
Program/Project Name: Center-wide HVAC system	
Street Address: 212 Gamble Street	
City, State, Zip Code: Davidson, NC 28036	
Contact Person: Tamara Roach	
Title: Operations Director	
Phone: 704-896-0471, ext 125	Email: tamara.roach@adajenkins.org
Is this Project/Program: <input type="checkbox"/> Existing <input checked="" type="checkbox"/> New <input type="checkbox"/> Pilot Program	LEGAL STATUS <input type="checkbox"/> Municipality <input checked="" type="checkbox"/> Private-Non-Profit <input type="checkbox"/> Community-Based Development Organization Federal EIN: <u>56-1927067</u> DUNS #: <u>00-201-0051</u>
<p><i>To the best of my knowledge and belief all data in this application are true and current. The document has been duly authorized by the governing board of the applicant.</i></p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="width: 60%;"> <p>Certifying Official: </p> <p>Date: <u>2/15/17</u></p> </div> <div style="width: 35%; text-align: center;"> <p>Title: <u>Operations Director</u></p> </div> </div>	

Funds Requested: Please list below the amount funding for which you are applying.

Past CDBG Awards

What is the amount of CDBG/HOME funds your agency has received in the past four years?

	FY 16-17	FY 15-16	FY 14-15	FY 13-14
CDBG	\$101,087 awarded	\$257,000	\$146,546	\$146,546

Note: Applicants should not change the formatting of the application. Please provide your responses in the space provided directly following each question.

Section II

Project Need & Description

Project Description

- Below provide a **detailed** description of the project/program and the community need. Include the project/program name and physical location. The description should only address the specific activities, services, or project that is to be assisted with CDBG funds. Please include maps or other supporting material as attachments. If CDBG funds will assist the entire program or activity, then provide a description of the entire program or activity.

HVAC Installation – Campus-wide at Ada Jenkins Center located at 212 Gamble Street, Davidson, NC 28036

The Ada Jenkins is requesting CDBG funds to update/replace the current systems for heating and cooling the campus buildings. The buildings are currently heated by a 35+ year old boiler system that has been patched repeatedly and earlier this winter received its final opportunity to be patched (a new system would be required instead), we also use space heaters to heat in areas where the boiler system is not functioning properly.

To cool Ada Jenkins campus buildings, we are utilizing over 25 window units and multiple box fans.

The system that has been recommended for installation is a VRF (variable refrigerant system), which among many other features is recommended for historical buildings. The system allows for maintaining comfortable interior temperatures and reasonable utility costs, while also using small-diameter pipes instead of large air ducts that can be unobtrusively installed. Thereby, heating and cooling historical buildings with modern energy efficiency.

Please refer to the pro bono project quote and brochure provided to Ada Jenkins by Trane for additional details and specifications related to this project. (Both of these are included in this grant application).

- What type of CDBG activity is your project? (choose one)

- | | |
|--|--|
| <input type="checkbox"/> Public Service | <input type="checkbox"/> Rehabilitation of residential and non-residential structures |
| <input type="checkbox"/> Economic Development | <input checked="" type="checkbox"/> Construction of public facilities and improvements |
| <input type="checkbox"/> Land Acquisition | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Relocation and demolition | |
| <input type="checkbox"/> Property Clearance Activities | |

2.a. If you checked Public Service above is this a new service provided by your organization?

N/A

2.b. If the service is not new, will the existing public service activity level be substantially increased or improved? Provide details of how it will be improved. For increase in service provide data on the past three years illustrating service level and provides estimate for increase in service.

N/A

- Explain why the program activities are the right strategies to use to achieve the intended outcome?

Ada Jenkins is pursuing this project to create a more stable and more easily regulated indoor environment for those we serve, as well as our staff, numerous volunteers, and community partners who work out of the Center. We have client-partners (beneficiaries) who come to the Center, not only to receive services, but also to take refuge from the heat or cold, depending on the time of year. This project will also increase the Center's energy efficiency.

Ada Jenkins current source of heat is a 35+ year old boiler system that has been patched repeatedly. The last patch was in late December 2016, costing the Center almost \$25,000 in funds and about 10 weeks without heat. We have lost complete heat to the Center for at least a week in each of the past four years due to boiler issues.

The main current source of air conditioning for Ada Jenkins includes over twenty-five window units and multiple box fans. However, our main hallway (and waiting area) does not have the capability for an A/C unit and has a huge swing in temperature compared to areas closer to window units.

- How will your organization use community and/or participant input in planning the program design and/or activities?

The Ada Jenkins staff received input from several community members as well as Center Board members who have contact with different HVAC companies to gain input on recommendations for the type of system and expected cost that would best fit the size, layout, and age of the Center's campus. This was compared to the cost of completely replacing the boiler with a new boiler, while continuing to use numerous window units for cooling in the spaces that have the capacity for window units. This was all reviewed with the Ada Jenkins Finance Committee and the decision was made to pursue a Center-wide HVAC system. The Center has a long-standing partnership with Ingersoll-Rand, which owns Trane. Trane has offered the Center a discounted quote on the HVAC system recommended and installation of the system. Our project budget is based on

this quote, knowing that we would still need to follow the sealed bid process. A brief discussion has also been had with Historic Preservation who viewed this as a viable project.

Project Benefit

- Who is the project/program designed to benefit? Describe the project/program's target population, citing (if relevant) specific age, gender, income, community location or other characteristic of the population this project/program intends to serve.

Ada Jenkins Center improves the quality of life for residents of Davidson, Huntersville and Cornelius through the integrated delivery of health, education, and human services. We are the only agency in north Mecklenburg offering comprehensive services to those in need. Our numerous program and services work collaboratively to prevent or intervene in issues leading, or related, to poverty. Programs support client-partners in responding to changes in life circumstances (job loss, health issues); others are utilized as tools to make positive change. Our goal is to partner with our client-partners as they work to make sustainable shifts in their lives and in generations to follow.

Our approach uses an integrated system with a two generational approach to have greater impact on the potential for upward mobility. Two generation approaches provide opportunities for and meet the needs of vulnerable children and their parents/grandparents/guardians together. They build education, economic supports, social capital, and health and well-being to create a legacy of economic security that passes from one generation to the next.

Human Services

This program offers the services of Social Workers and Care Coordinators to work with individual clients and families to assist them in working toward a higher level of sustainability and economic status. This program helps the area's unemployed and underemployed to evaluate their current situation with the help of a case manager and to participate in employment readiness courses, computer classes, financial and budgeting education, and life skills counseling. In addition to these mid- to long-term efforts, participants receive assistance with any immediate financial needs, making this coordinated effort unique in the area. We have to first meet people in their crisis, help them become more stable and then support them as they work toward sustainability. Of the 2,821 individuals we served in our human services programs last fiscal year, 79% came from households earning less than \$25,000 annually. 1,628 unduplicated individuals and their families received food from our Food Pantry.

Free Medical Clinic

The Ada Jenkins Center Free Medical Clinic leverages the time and talents of volunteer doctors, nurses and other medical personnel to treat patients with a varying array of conditions. In FY15/16, the clinic had 598 patient visits. We see many patients who don't meet minimum Affordable Health Care thresholds, cannot afford the premiums, or who are not eligible due to immigration status. Our clinic has become a primary care provider to many of our patients who are working to manage chronic conditions such as diabetes and heart disease. Many (619) patients work closely with our Community Health Nurses in an effort to gain/maintain control of these conditions.

Free Mobile Dental Clinic

In partnership with the Free Medical Clinic, the Free Mobile Dental Clinic serves uninsured and underinsured patients with vital dental care. The clinic also works with area dentists who provide specialty services in their offices to indigent patients at low or no cost. In addition to holding regular clinics at the Ada Jenkins Center and Huntersville Baptist Church, the mobile clinic partners with area nonprofits and churches to serve other communities in need. Last year the Clinic served 515 individual visits thru our local dental clinics and many more via regional dental clinics. We work closely with community partners in order to expand the reach of the mobile dental unit. Our regional partners include: Urban Ministry Center-Charlotte, Community Free Clinic-Concord, Queen City Lions Club, Our Lady of Guadalupe Church, the Salvation Army Women's Shelter, Free Clinic of Rock Hill, Hessed House in Lincolnton, and East Lincoln Christian Ministry.

LEARN Works

The Ada Jenkins Center LEARN Works program (Linking Everyone to Achievement Resources Now), operating for more than 16 years, has established itself as a positive and productive program for students, staff, and volunteers. The mission of this program is to partner with families and schools to enhance and enrich the educational experiences of students in our local communities. Students enrolled in the program are in grades one through eighth and attend JV Washam, Davidson or Cornelius Elementary Schools and Bailey Middle School. Students are referred to the program by classroom teachers or school administrators based on a demonstrated need for additional academic support.

Basic Goals of the LEARN Works program:

- Promote and foster literacy as a foundation for student development
- Foster growth in academics by building academic skills
- Increase academic confidence
- Encourage and promote leadership development through enrichment activities and exposure to community resources and leaders.

In the current academic year, there are 121 children enrolled; there is currently a waiting list. There is a \$50 fee per child per year for the program; however, no child is turned away from the program due to the inability to pay. It costs the Ada Jenkins an average of \$2,860 a year, per child enrolled in this program.

- How will you reach the targeted population?
Client-partners (beneficiaries) come into the Ada Jenkins system of care from many avenues: walk-ins, community referrals, faith-based referrals, referrals from other community non-profits, school system referrals, as well as numerous other agencies and community partners.
- Beneficiary Type, please choose either subcategory a, b, c or d.
 - ☐ Area Benefit: The project or facility is available to all persons located within an area where at least 70% of the residents are low/moderate income. Please provide a map of the project area and documentation showing the census tract number and universal LMI percentage for the defined project area.
 - ☒ Limited Clientele: The project serves a specific population (e.g., services for seniors, homeless, severely disabled adults, homeless persons, illiterate adults, migrant farm workers, abused children, persons with AIDS or battered spouses); where at least 70% of clients served are LMI.
 - ☐ Housing Benefit: Housing structures must be occupied by LMI households.
 - ☐ Jobs Benefit: Activities must create or retain permanent jobs and 70% of the jobs created/retained must be available to or held by LMI persons.
- Benefit to low and moderate income persons must be documented. How will your organization document the benefit chosen above? (check only one box - a, b, c or d)
 - a. ☒ You will receive income data verification from each participant in the program. Please attach sample documentation of how you will document, income, race and ethnicity of clientele, i.e. worksheets, intake forms, etc.

- b. ☐ Your project/activity serves only a limited area (Area Benefit) which is proven by most recent American Community Survey data.
Census Tract # _____ Block Groups# _____
- c. ☐ Your project/activity serves only a limited area (Area Benefit) which is proven by a HUD approved survey instrument. All surveys must be approved by HUD prior to implementing the survey, attach a copy of the survey instrument.

Proposed Outcomes

- What are the intended outcomes for this project/program?

A Center-wide HVAC system will provide a more energy-efficient, reliable and more easily controlled system for regulating temperatures within the facility.

- How will beneficiaries benefit as a result of participation?

Client-partners (beneficiaries), as well as the volunteers, staff and other community partners housed within the Center will benefit from a comfortable and stable environment in which to receive and provide services. Any savings from increased efficiencies can then be utilized in increased direct services rather than in operational costs.

- List your goals/objectives and activities that will take place to implement the project/program and the associated proposed outcomes.

Our goal for this project is to receive the best bid on the best type of HVAC system that will best suit the needs of the age and idiosyncrasies of the Ada Jenkins Center campus. The goal is to have the HVAC system fully funded via grant opportunities, other fundraising opportunities and potential in-kind opportunities. The outcome of the program is that we will have a more energy-efficient campus that will provide internal environmental stability for those who frequent our facility (our beneficiaries, volunteers, staff, and other community agencies) to either receive or provide services.

- Provide the project/program benchmarks you hope to achieve in FY 17-18. For example, how many unduplicated persons will be served, how many homes assisted, how many jobs created or retained, how many linear feet of sidewalks constructed, etc. How will you measure and evaluate the success of the project/program to meet the goals/objectives (measures should be both qualitative and quantitative)? *Do not inflate your estimates - the numbers provided will be used to assess your proposed project's success.*

Ada Jenkins is implementing a two-generational approach to serving beneficiaries, which means that we are going deeper with those we are serving and providing some “out-of-the-box” assistance that we may not have provided in previous years to help move these families along the continuum. Our goal in the upcoming fiscal year is to serve ~ 4100 unduplicated individuals via our various programs and services.

- Will this project have a long-term benefit for program participants/beneficiaries? Please explain.

Ada Jenkins Center is a place of hope and respite for our client-partners (beneficiaries). While client-partners come to the Center to receive assistance, services and referrals, they also spend time in the Center to get relief from the heat and/or cold by spending several hours at the Center when they are here. We have done our best to upgrade our facility (1937 and 1946 buildings) through volunteer labor and donations, and other community partnerships. However, the Center really needs an overhaul in the areas of heating and cooling, making this a project that falls outside the realm of what unskilled volunteers can accomplish. A Center-wide HVAC system that is built to provide a facility of Ada Jenkins Center’s age with a modern and efficient heating and cooling system in a minimally invasive manner will provide long-term stability to the Center’s environment and a lot less time/resources trying to patch what is currently being utilized.

Workplan, Timeline and Milestones

- Provide a work plan detailing how the project will be organized, implemented and administered. Include a timeline and milestones from initiation through project completion.

We will organize the project as we have organized our other capital projects beginning shortly after we receive the signal to move forward.

- Advertise for RFPs for a HVAC consultant who will handle the final drawings, plans, specs and will act as the project manager through installation. The consultant will handle any necessary approval from Town of Davidson and Mecklenburg County.

- Advertise for sealed bids for equipment and installation of the HVAC system, hold a pre-bid meeting, open bids, hire an HVAC company and hold a pre-installation meeting.
- Develop a timeline with the HVAC company and move forward to complete the installation. Typically we have meetings every two weeks until the project is completed.

Staff Roles and Responsibilities

- Description of the management of your program/project, include name, job title, job description and qualifications. Attach any supporting documentation if necessary.

The project will be managed by Tamara Roach, Ada Jenkins Center Operations Director. Tamara has managed the past four CDBG awarded grants, as well as the health services renovation. She is very familiar with the CDBG process.

Georgia Krueger, Ada Jenkins Center Executive Director, will also be involved in the project on an as needed basis.

Staff from the Town of Davidson may become involved in the project as needed.

Project/installation updates are shared monthly with the Center's finance committee and board. Finance committee members and/or board members may become involved in the project on an as needed basis.

Scott Krueger, Ada Jenkins Center volunteer, also a facility manager for a large regional nonprofit. Scott will be involved in the project on an as needed basis as a volunteer consultant working with Tamara Roach.

Income Eligibility

- Discuss how the project directly benefits low and moderate income residents.

From July 1, 2015 – June 30, 2016, Ada Jenkins Center provided services to over 3,980 client-partners (beneficiaries) for over 15,000 different service visits to those in poverty situations. They were served in our food pantry, medical and dental clinics, afterschool tutoring program and case management. The Center is also a daily host to other community agencies including: Crisis Assistance Ministries, weekly Nar-Anon and Surrender to Win Support groups, Safe Alliance counselors, YMCA English as a second language classes, La Escuilita preschool, Goodwill, Town of Davidson, state agencies, Freedom School and so on.

A Center-wide HVAC system will positively impact our client-partners (beneficiaries) and those who serve them by providing a more comfortable (appropriately temperature-controlled) environment to be in.

- For the project/program, please estimate on how beneficiaries will breakout into the income categories listed in the table below, during the total grant period. See attached income limits chart.

Income Group	Number of Beneficiaries
< 30% of AMI	2525
31-50% AMI	1075
51-80% AMI	520
> 80% AMI	15
Total	4135

PLEASE NOTE: CDBG funds can only be used to reimburse for services to low and moderate income residents within the Mecklenburg County CDBG Program Area. An eligible program may assist persons over 80% median incomes, but at least 70% overall must be below the 80% median income to be eligible for CDBG funding. **Income documentation must be retained and reported for all served in order to determine the percent of low/moderate income. Income documentation must be made available to Mecklenburg County and its agents in order to verify program eligibility.**

Organizational Capacity

- Describe your organization's experience in managing and operating projects or activities funded by CDBG or other Federal sources. Include within the description a resource list (partnerships) in addition to the source and commitment of funds for the operation and maintenance of the program.

We have received four Mecklenburg County CDBG grants: a) Phase 1 Classroom restroom renovations, which in addition to CDBG funds, was funded with private donations as well as funds from Lowes Home Improvement, Cannon Foundation, MSC Tools, and the Town of Davidson b) Phase 2 Gym Entry and Restroom Renovations, which in addition to CDBG funds, was funded with private donations as well as funds from Lowes Home Improvement, Ingersoll Rand, Electrolux and the Town of Davidson c) Phase 3 Campus Roofing Renovations, funded by CDBG funds and the Town of Davidson d) we are reviewing architect proposals and waiting on a signed contract to begin our Phase 4 Main Building Renovations, funded by CDBG and private donations.

- For what period of time has this organization provided the proposed services?

Ada Jenkins Center has been providing health, human services and educational programs for over 20 years in the same location.

- What services, other than those proposed in this proposal does the organization provide?

N/A

- If the organization does not have experience in providing the proposed service, what experience and success has the organization had in carrying out similar projects/programs?

Ada Jenkins Center's experience with capital renovation projects similar to the one detailed in this application comes from prior CDBG grant awarded capital projects, a Health Services renovation project in partnership and funding from local Rotary Clubs and Rotary International, and a complete overhaul of two former classroom spaces into a new food pantry funded solely with private donations.

Section III

Project Budget & Funding

BUDGET

1. Provide a clear description of what you will do with the CDBG investment in the project/program. How will you spend the funds, provide specific details? If the CDBG funded activity will start on a date other than July 1, 2017 please indicate the start date.

If awarded, we will plan to begin the project as soon after July 1, 2017 as possible.

In summary, we will install a VRF HVAC system across the entire Ada Jenkins Center campus. Please see the pro bono scope of project provided by Trane for detailed specifications.

2. Show Program/Project fiscal budget (not entire agency), add or remove expense categories as needed.

Expense (Example)	Requested CDBG Funds	Other Funds	Source of Other Funds	TOTAL BUDGET
HVAC Consultant costs to include design and project management	\$7,000			\$7,000
HVAC EQUIPMENT AND INSTALLATION: See attached Trane pro bono "Scope of Service"	\$132,175		Private donations, grants, corporate gifts, capital campaign	\$132,175
Miscellaneous Costs: Plan reviews, any asbestos or lead abatement, advertisings, FF & E	\$7,000	\$8,000	Private donations, grants, corporate gifts, capital campaign	\$15,000
20% Contingency	\$3,825	\$27,010	Private donations, grants, corporate gifts, capital campaign	\$30,835
Total Budget	\$150,000	\$35,010		\$185,010
Other:				

3. What are the other funding sources? Are those funds secured?

Other funding sources will include private donations, corporate donations, and grant requests. These have not been secured yet; however, the Center is constantly researching potential sources of capital improvement funding. Once we receive approval for any potential CDBG funding of the project, we will more easily be able to bring additional partners aboard for funding.

4. If you do not receive the requested funds or only receive a portion of what you requested, how will that impact the project/program?

If we do not receive the requested funds or only a portion of the requested funds for the HVAC system, Ada Jenkins will use a combination of its reserve dollars and line of credit to fund any cost differential. The Center would then replenish its reserves and pay off its line of credit as soon as additional funding is secured. The Center believes it is not wise or safe to continue to limp along with such a deficient boiler system for heat, and it is not cost-effective to replace the boiler in lieu of a Center-wide HVAC system.

5. If your request includes recurring costs, what are your plans to secure funds for these needs in the future?

Our request does not include recurring costs. We currently budget for utility costs, and hope that this expense will decrease due to the energy efficiency provided by a new HVAC system.

**The purpose of CDBG funds is not to fund projects that are the general responsibility of government or to maintain the operation of a non-profit organization.*

Section IV Conflict of Interest

Federal law (2CFR200.317 and 200.318) prohibits person who exercise or who have exercised any functions or responsibilities with respect to the above grants...or who are in a position to participate in a decision-making process or to gain inside information regarding such activities, may obtain a financial interest or benefit from an assisted activity.... either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of your agency or the member government through which this application is made?

☐ Yes ☒ No

- b) Members of or closely related to Members of City/County/Town Council or Commission of the member government through which this application is made:

☐ Yes ☒ No

- c) Current beneficiaries of the program for which funds are requested?

☐ Yes ☒ No

- d) Paid providers of goods or services to the program or having other financial interest in the program?

☐ Yes ☒ No

If you have answered YES to any question above, please attach a full explanation. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an undisclosed conflict may result in the termination of any grant awarded.

 2/15/17
Signature of Certifying Official Date

Section V

501(c)3 Designation

(If you are not a 501(c)3 please disregard this section)

Name of organization: Ada Jenkins Families and Careers Development Center, Inc.

Address: PO Box 1842 (physical: 212 Gamble Street), Davidson, NC 28036

Telephone Number: 704-896-0471

Contact Person: Tamara Roach

Title: Operations Director

Telephone Number: 704-896-0471, ext 125

Email Address: tamara.roach@adajenkins.org

How long have you been operating? Incorporated in 1994

What is your annual budget? \$1.8 million

How often does your Board of Directors meet? Monthly

The following information must be submitted with your application:

1. Most recent financial statement and/or audit
2. Current 501C (3) Non-Profit determination letter
3. Current names of Board of Directors and program staff members
4. Brochure or flyer of services provided

SECTION VI

(Non-profit Agencies Only)

THREE-MONTH CASH RULE TEST

The three (3)- month rule is used by the CDBG Program Office as a guideline to determine whether an Agency is solvent and has enough available cash to take a CDBG project from beginning to end during the 12-month period allowed to complete the project. CDBG projects should not harm the day-to-day operations of the Agency, so enough funds must be available for both purposes.

Provide the information requested below to demonstrate that the agency has enough cash on hand to operate the proposed project on a reimbursement basis.

Balance Sheet- Audited Financial Statements FY: 7/1/15- 6/30/16 Page's #: 2-5
(Documents must be attached to the Application)

Enter Agency Cash Balance \$312,314
(Cash cannot include investments of receivables)

A. Multiply Agency Balance by 4 and enter in adjacent box.
Cash available for project(s) \$1,249,256

List the amount of FY 18 CDBG funding applied for in this application. \$150,000

List the amount of FY 18 CDBG funding applied for on any other application. N/A

B. Sum all the amount for FY 2018 CDBG funding request(s). \$150,000

Compare Agency Cash Balance Available (Item A) with the Total FY 2018 CDBG Funding Request (Item B):

Item A: \$1,249,256 Item B: \$150,000 Difference: \$1,099,256

Analyze the Results

- 1- If the difference is a positive amount or equals \$0, the Agency is eligible to apply.
- 2- If the difference is a negative amount, the Agency has the options below:

The Agency can adjust any of the FY 2018 CDBG requested amount(s) to result in a positive or \$0 balance, as long as: A) Each project meets the minimum required amount for each of the applications, and B) cash available for projects is now greater than or equal to the total FY 2018 CDBG funding request.

Current Mecklenburg County CDBG Income Limits

FY2017										
FY2017 Income Limit Area	Median Income	Category	1	2	3	4	5	6	7	8
Mecklenburg County	\$67,000	Very Low (50%) Income Limits (\$)	23,450	26,800	30,150	33,500	36,200	38,900	41,550	44,250
		Extremely Low (30%) Income Limits (\$)	14,100	16,100	21,160	24,300	28,440	32,580	36,730	40,890
		Low (80%) Income Limits (\$)	37,550	42,900	48,250	53,600	57,900	62,200	66,500	70,800



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Trane US, Inc.
4501 South Tryon Street
Charlotte NC 28217
Phone: (704) 525-9600
Fax: (704) 525-8582

November 23, 2016

Georgia Krueger
Executive Director

Site Address:
212 Gamble St Davidson, NC 28036
(704) 896-0811

PROJECT NAME: ADA Jenkins HVAC Renovations

The Trane US Inc. proposes to install HVAC equipment at the ADA Jenkins Site Davidson NC as outlined below. We will provide labor and materials as listed to engineer, program, install, checkout, test, and warranty the HVAC upgrade and provide training for the system operators.

SCOPE OF SERVICE

- Furnish and install a (40) ton Variable Refrigerant Flow (VRF) system for the existing building spaces within the facility.
- Provide and install new gym units (10) ton each, new units will be tied to the new controls system and be Single Zone Variable Speed type.
- Install evaporators in each space necessary to meet capacity and provide redundancy required.
- Install the condensing units and the associated equipment necessary for a fully functional system.
- Install all required refrigerant piping between the evaporators and the condensing unit.
- Provide all rigging and setting of new equipment.
- Provide all roofing and rails necessary for new outdoor unit.
- Provide and install new electrical wiring and conduit.
- Provide and install controls for the new system.
- Provide and install minimum fresh air duct system direct to space controlled via CO2
- Provide all refrigerant, piping, insulation and testing necessary for complete operation.
- Remove complete the existing equipment to be replaced and dispose of it properly
- Trane will provide and install a necessary ductwork, insulation, and air distribution accessories necessary for a fully functional working system.
- Trane will provide and install all electrical wiring and conduit for the new HVAC installation.
- Trane will provide all necessary engineering drawings and permits necessary for a new HVAC installation.
- Five (5) year parts and labor warranty
- Factory start and test system

NOT INCLUDED IN THIS PROPOSAL

- Overtime
- Anything not specifically stated
- Asbestos and hazardous materials handling.



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PRICING AND ACCEPTANCE

Total Price\$ 132,175.00

Price below with service agreement and funding by local Trane office-

Contract Year	Project Origination Fee	Annual Prepayment Amount	Periodic Payment Amount	Yearly Payment	Payment Term
Year 1	\$ -	\$ 25,000.00	\$ 10,061.50	\$ 145,738.00	Monthly in Advance

I appreciate the opportunity to earn your business, and look forward to helping you with all of your services needs. Please contact me if you have any questions or concerns at (704) 525-9600

Thank you for this opportunity to be of service.

This proposal is valid to 30 days

SUBMITTED BY: Merritt Flowers		Proposal Date: November 23, 2016	
EBS Account Manager		Trane ACCEPTANCE	
CUSTOMER ACCEPTANCE		Trane U.S. Inc.	
_____ Authorized Representative		_____ Authorized Representative	
_____ Printed Name		_____ Title	
_____ Title		_____ Signature Date	
_____ Purchase Order			
_____ Acceptance Date			



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TERMS AND CONDITIONS - INSTALLATION

"Company" shall mean Trane U.S. Inc..

1. **Acceptance.** These terms and conditions are an integral part of Company's offer and form the basis of any agreement (the "Agreement") resulting from Company's proposal (the "Proposal") for the work described (the "Work"). The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent ("Customer") delivered to Company within 30 days from the date of the Proposal. If Customer's order is an acceptance of the Proposal, without the addition of any other terms and conditions of sale or any other modification, this document shall be treated solely as an acknowledgment of such order. If Customer's order is expressly conditioned upon Company's acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with these terms and conditions attached or referenced serves as Company's notice of objection to Customer's terms and as Company's counter-offer to provide Work in accordance with scope and terms and conditions of the Proposal. If Customer does not reject or object in writing to Company within 10 days, Company's counter-offer will be deemed accepted. Customer's acceptance of goods and/or Work by Company will in any event constitute an acceptance by Customer of these terms and conditions. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer's obligation to pay for Work rendered by Company to the date of cancellation.

2. **Pricing and Taxes.** Unless otherwise noted, the price in the Proposal includes standard ground transportation and, if required by law, all sales, consumer, use and similar taxes legally enacted as of the date hereof for equipment and material installed by Company. Tax exemption is contingent upon Customer furnishing appropriate certificates evidencing Customer's tax exempt status. Company shall charge Customer additional costs for bonds agreed to be provided. Equipment sold on an uninstalled basis and any taxable labor/laborer do not include sales tax and taxes will be added. Following acceptance without addition of any other terms and condition of sale or any other modification by Customer, the prices stated are firm provided that notification of release for immediate production and shipment is received at the factory not later than 3 months from order receipt. If such release is received later than 3 months from order receipt date, prices will be increased a straight 1% (not compounded) for each one-month period (or part thereof) beyond the 3 month firm price period up to the date of receipt of such release. If such release is not received within 6 months after date of order receipt, the prices are subject to renegotiation, or at Company's option, the order will be cancelled. Any delay in shipment caused by Customer's actions will subject prices to increase equal to the percentage increase in list prices during that period of delay and Company may charge Customer with incurred storage fees.

3. **Exclusions from Work.** Company's obligation is limited to the Work as defined and does not include any modifications to the Work site under the Americans With Disabilities Act or any other law or building code(s). In no event shall Company be required to perform work Company reasonably believes is outside of the defined Work without a written change order signed by Customer and Company.

4. **Performance.** Company shall perform the Work in accordance with industry standards generally applicable in the area under similar circumstances as of the time Company performs the Work. Company may refuse to perform any Work where working conditions could endanger property or put at risk the safety of persons. Unless otherwise agreed to by Customer and Company, at Customer's expense and before the Work begins, Customer will provide any necessary access platforms, catwalks to safely perform the Work in compliance with OSHA or state industrial safety regulations.

5. **Payment.** Customer shall pay Company's invoices within net 30 days of invoice date. Company may invoice Customer for all equipment or material furnished, whether delivered to the installation site or to an off-site storage facility and for all Work performed on-site or off-site. No retention shall be withheld from any payments except as expressly agreed in writing by Company, in which case retention shall be reduced per the contract documents and released no later than the date of substantial completion. Under no circumstances shall any retention be withheld for the equipment portion of the order. Customer shall be liable to Company for all reasonable shutdown, standby and start-up costs as a result of the suspension. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due and otherwise enforcing these terms and conditions. If requested, Company will provide appropriate lien waivers upon receipt of payment. Customer agrees that, unless Customer makes payment in advance, Company will have a purchase money security interest in all equipment from Company to secure payment in full of all amounts due Company and its order for the equipment, together with these terms and conditions, form a security agreement. Customer shall keep the equipment free of all taxes and encumbrances, shall not remove the equipment from its original installation point and shall not assign or transfer any interest in the equipment until all payments due Company have been made.

6. **Time for Completion.** Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Company, all dates provided by Company or its representatives for commencement, progress or completion are estimates only. While Company shall use commercially reasonable efforts to meet such estimated dates, Company shall not be responsible for any damages for its failure to do so.

7. **Access.** Company and its subcontractors shall be provided access to the Work site during regular business hours, or such other hours as may be requested by Company and acceptable to the Work site owner or tenant for the performance of the Work, including sufficient areas for staging, mobilization, and storage. Company's access to correct any emergency condition shall not be restricted.

8. **Completion.** Notwithstanding any other term or condition herein, when Company informs Customer that the Work has been completed, Customer shall inspect the Work in the presence of Company's representative, and Customer shall either (a) accept the Work in its entirety in writing, or (b) accept the Work in part and specifically identify, in writing, any exception items. Customer agrees to re-inspect any and all excepted items as soon as Company informs Customer that all such excepted items have been completed. The initial acceptance inspection shall take place within ten (10) days from the date when Company informs Customer that the Work has been completed. Any subsequent re-inspection of excepted items shall take place within five (5) days from the date when Company informs Customer that the excepted items have been completed. Customer's failure to cooperate and complete any of said inspections within the required time limits shall constitute complete acceptance of the Work as of ten (10) days from date when Company informs Customer that the Work, or the excepted items, if applicable, has/have been completed.

9. **Permits and Governmental Fees.** Company shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work which are legally required when bids from Company's subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities. If the cost of such permits, fees, licenses and inspections are not included in the Proposal, Company will invoice Customer for such costs.

10. **Utilities During Construction.** Customer shall provide without charge to Company all water, heat, and utilities required for performance of the Work.

11. **Concealed or Unknown Conditions.** In the performance of the Work, if Company encounters conditions at the Work site that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein or (ii) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized as inherent in construction activities of the type and character as the Work, Company shall notify Customer of such conditions promptly, prior to significantly disturbing same. If such conditions differ materially and cause an increase in Company's cost of, or time required for, performance of any part of the Work, Company shall be entitled to, and Customer shall consent by Change Order to, an equitable adjustment in the Contract Price, contract time, or both.

12. **Pre-Existing Conditions.** Company is not liable for any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the Work site before the Commencement Date of this Agreement ("Pre-Existing Conditions"), including, without limitation, damages, losses, or expenses involving Pre-Existing Conditions of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould and/or fungi. Company also is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company.

13. **Asbestos and Hazardous Materials.** Company's Work and other services in connection with this Agreement expressly excludes any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos, polychlorinated biphenyl ("PCB"), or other hazardous materials (hereinafter, collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in a writing signed by Company, there are no Hazardous Materials on the Work site that will in any way affect Company's Work and Customer has disclosed to Company the existence and location of any Hazardous Materials in all areas within which Company will be performing the Work. Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and shall notify Customer. Customer will be exclusively responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for and shall indemnify and hold harmless Company (including its employees, agents and subcontractors) from and against any loss, claim, liability, fees, penalties, injury (including death) or liability of any nature, and the payment thereof arising out of or relating to any Hazardous Materials on or about the Work site, not brought onto the Work site by Company. Company shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Materials or when the affected area has been rendered harmless. In no event shall Company be obligated to transport or handle Hazardous Materials, provide any

notices to any governmental agency, or examine the Work site for the presence of Hazardous Materials.

14. Force Majeure. Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon 10 days notice to Customer, in which event Customer shall pay Company for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor/labour disputes; labor/labour or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company; and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

15. Customer's Breach. Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement or suspend performance by delivery of written notice declaring termination, upon which event Customer shall be liable to Company for all Work furnished to date and all damages sustained by Company (including lost profit and overhead): (1) Any failure by Customer to pay amounts when due; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement.

16. Indemnity. Company and Customer shall indemnify, defend and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or tangible personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the acts or omissions of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

17. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION REFRIGERANT LOSS, PRODUCT LOSS, LOST REVENUE OR PROFITS), OR PUNITIVE DAMAGES WHETHER CLAIMED UNDER CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER LEGAL THEORY OR FACTS. NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS.

18. Patent Indemnity. Company shall protect and indemnify Customer from and against all claims, damages, judgments and loss arising from infringement or alleged infringement of any United States patent by any of the goods manufactured by Company and delivered hereunder, provided that in the event of suit or threat of suit for patent infringement, Company shall promptly be notified and given full opportunity to negotiate a settlement. Company does not warrant against infringement by reason of Customer's design of the articles or the use thereof in combination with other materials or in the operation of any process. In the event of litigation, Customer agrees to reasonably cooperate with Company. In connection with any proceeding under the provisions of this Section, all parties concerned shall be entitled to be represented by counsel at their own expense.

19. Warranty. Company warrants that for a period of 12 months from the date of substantial completion (a) the equipment manufactured by Company and furnished hereunder is free from defects in material and manufacture; and (b) the labor/labour furnished is warranted to have been properly performed (the "Warranty"). Substantial completion shall be the earlier of the date that the Work is sufficiently complete so that Customer can utilize the Work for its intended use or the date that Customer receives beneficial use of the Work. If such defect is discovered within the Warranty period, Company will correct the defect or furnish replacement equipment (or, at its option, parts therefor) and, if said equipment was installed pursuant hereto, labor associated with the replacement of parts or equipment not conforming to this Warranty. Defects must be reported to Company within the Warranty period. Exclusions from this Warranty include damage or failure arising from: wear and tear; corrosion, erosion, deterioration; Customer's failure to follow the Company-provided maintenance plan; modifications made by others to Company's equipment. Company shall not be obligated to pay for the cost of lost refrigerant or lost product. Additional terms and conditions of warranty coverage are applicable for refrigeration equipment. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement.

No liability whatsoever shall attach to Company until the Work has been paid for in full and then said liability shall be limited to the lesser of Company's cost to correct the defective Work and/or the purchase price of the equipment shown to be defective. Equipment, material and/or parts that are not manufactured by Company are not

warranted by Company and have such warranties as may be extended by the respective manufacturer.

THE WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. UNLESS EXPRESSLY WARRANTED IN WRITING FOR CERTAIN HUSSMANN BRANDED EQUIPMENT, COMPANY MAKES NO REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED REGARDING PREVENTION BY THE WORK, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE WORK OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS.

20. Insurance. Company agrees to maintain the following insurance while the Work is being performed with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so subject to Company's manuscript additional insured endorsement. In no event does Company waive right of subrogation.

21. General. Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which the Work is performed. Any dispute arising under or relating to this Agreement that is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Work is performed. To the extent the Work site is owned and/or operated by any agency of the Federal Government, determination of any substantive issue of law shall be according to the Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the subject matter hereof. This Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of the Company. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original.

22. Equal Employment Opportunity/Affirmative Action Clause. Company is a federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-80, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250 in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

23. U.S. Government Work. The following provision applies only to direct sales by Company to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business. The following provision applies only to indirect sales by Company to the US Government. As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Work is in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the



Trane® VRF
variable refrigerant systems



Trane VRF variable refrigerant systems

Exceptionally efficient cooling and heating — from the cooling and heating expert.

When VRF is the right solution for your application, Trane will help you ensure it's the best solution.

Trane® VRF variable refrigerant systems are among the best in the industry. Thoroughly researched. Thoroughly tested. Thoroughly proven to offer exceptional value.

And because Trane offers a full portfolio of heating and cooling solutions, you can be confident that our recommendation of a VRF system for your application is the best solution for your heating and cooling needs.

Performance you can count on. Solutions you can trust. Knowledgeable experts you can believe in. That's the Trane difference.

*The economy owners want.
The comfort occupants want.*

Trane VRF systems can keep energy costs low while delivering different occupant-selected temperatures to multiple zones — a big benefit for buildings with multiple interior spaces and diverse occupancy patterns. For medium-sized buildings, Trane VRF systems are available in outdoor mini heat pump configurations with 3-, 4- or 5-ton capacities. For larger buildings, VRF outdoor units are available in either heat pump or heat recovery configurations ranging in capacities from 6 to 16 ton individual units and system combinations up to 44 tons (air-source) and 48 tons (water-source).

Significant savings on utility bills can be achieved, because areas can be heated or cooled only when they are occupied.

Occupant satisfaction can be increased, because individual areas can be heated or cooled as desired — even if adjacent and nearby areas are at significantly different temperatures.

Tenants can be accurately and fairly billed for system use, because Trane VRF systems can deliver usage reports that allow landlords to calculate the actual amounts of energy used to heat and cool each leased space.



There are VRF systems ... and there are Trane VRF systems.

Expert installation

You can be confident that a Trane VRF installation will be performed in accordance with the industry's latest safety standards, because Trane certified installation technicians follow ASHRAE Standard 15 and the Canadian B 52-M1995 Mechanical Refrigeration Code.

A complete solution — including controls

Trane provides superior controls solutions — solutions that are optimized with specific algorithms to support the unique performance characteristics of individual VRF systems. Programmed to help simplify installations, minimize troubleshooting and deliver dependable, economical heating and cooling performance, Trane controls add real value to our VRF systems.

The science behind the savings

Variable refrigerant flow systems are inherently efficient. So what makes Trane VRF systems really stand out? Superior design strategy. Advanced technology. Outstanding durability. These industry-leading benefits help Trane VRF systems deliver industry-leading energy efficiency.

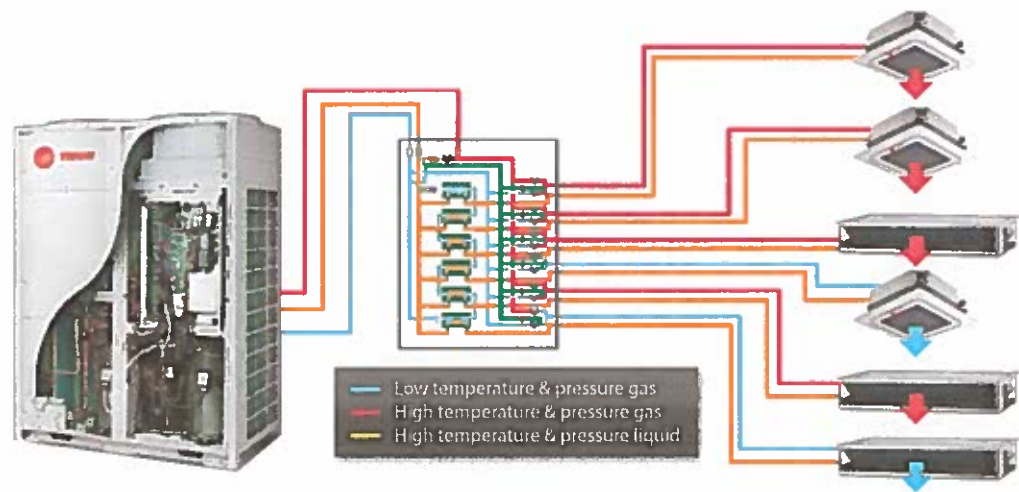
Advanced compressor technology

The compressors at the heart of every Trane VRF system feature multiple technological advantages that help them deliver higher efficiency when cooling or heating.

- **Variable-speed operation** — Precisely matches compressor speed to demand level, maximizing comfort and minimizing energy consumption.
- **Asymmetric scroll design** — Friction-reducing architecture improves both efficiency and longevity.
- **Available dual inverter scroll compressors** — A dual-compressor system can respond to rapid changes in building load during periods of heavy demand, as well as operate both compressors at more efficient speeds throughout the entire demand range.

Intelligent refrigerant flow

Trane VRF heat-recovery systems reduce energy consumption using strategically located mode control units (MCUs), which allow heat energy to be intelligently exchanged between localized zones.



Improved heating performance and efficiency

Through the use of a three-pipe design and vapor-injection technology, Trane VRF heat-recovery systems achieve improved heating performance and overall energy efficiency that competing two-pipe systems simply can't match. Building occupants enjoy more heating comfort, while building owners pay lower utility bills.

Fast, accurate auto-commissioning

Trane VRF systems have a fast, accurate auto-commissioning process, both for initial system installation as well as for applications requiring commissioning on a regular basis. The Trane auto-commissioning process saves time and hassles — and provides proof that your VRF system is delivering the efficient performance you expect. Your Trane VRF system can be up and running quickly — and can stay running at peak performance, year after year.

Extensive self-monitoring capabilities

Trane VRF systems automatically check critical system datapoints every three seconds. In the unlikely event of a performance variation, your Trane VRF system can alert you well in advance of a critical condition.

Best of all ... it's a Trane

The Trane network of sales and service offices is one of the most extensive in the industry. Choosing a Trane VRF system means your nearby Trane office can provide all the assistance you need.



Full support for specialized applications

Trane® VRF systems can keep energy costs low while delivering different occupant-selected temperatures to multiple zones — a big benefit for buildings with multiple interior spaces and diverse occupancy patterns.

User-selectable night operation mode can reduce sound output by up to 15 dB — ideal for noise-sensitive installations.

Compact, lightweight construction makes Trane VRF units among the smallest and easiest to install in the industry. Existing roofs generally don't require modifications or reinforcements to support the relatively light weight of a Trane VRF unit, and new construction often can be designed with lighter-weight, less-expensive techniques and materials.

Support for 575-volt electrical service is available on Trane VRF systems so they can serve more customers — and eliminate the need for expensive electrical modifications.

Local seismic rating requirements can be addressed with solutions that are available for all Trane VRF systems.

Supports long total piping runs

Tall buildings and structures with large amounts of floor space can benefit from VRF technology — but not all VRF systems can easily support them. Trane variable refrigerant systems can.

- Capable of serving a total pipe run of up to 3,281 feet — one of the longest in the industry.
- Superior technology makes it possible: a combination of up to 8,400 RPM compressor speed and unique electronic expansion valves with a 2,000-step gear-driven design.

Modern heating and cooling for historical structures

For classical architecture, maintaining a period-correct appearance inside and out is vitally important — but so is maintaining comfortable interior temperatures and reasonable utility costs. Which is why Trane VRF systems can be a perfect solution. Using small-diameter pipes instead of large air ducts, Trane VRF systems can be unobtrusively installed, heating and cooling historical buildings with modern energy efficiency — the best of both worlds.

Mini units offer quiet operation.

Compact and lightweight, Trane mini VRF outdoor units deliver efficient cooling and heating with quiet operation — making them perfect for medium-sized office spaces and upscale residences.

- Supports pipe runs of up to 164 vertical feet, 492 feet in a single line and up to 984 total feet.
- Indoor units are available in high-wall, cassette, concealed and floor/ceiling suspended designs.
- Will also support convertible air-handler units.

Advanced controls for every application

Trane VRF systems include a variety of control options, each programmed with unique algorithms to make systems easy to use and comfort easy to achieve, helping to improve the life of your building.



A complete solution includes superior controls, which are optimized with specific algorithms to support the unique performance characteristics of individual VRF systems. Programmed to help simplify installations, minimize troubleshooting and deliver dependable, economical heating and cooling performance, Trane controls add real value to our VRF systems.



Individual zone controls allow management of up to 16 indoor units via a wired or wireless remote control. Each controller can be used to set zone temperature, heating/cooling mode and fan speed. Simple scheduling is also possible for improved energy savings.



Centralized controls allow power and heating/cooling mode management of up to 128 indoor units connected to a central on/off controller. A typical application for this type of control would be an elementary school, with the entire building's group of VRF units monitored and controlled from the principal's office.



System controls provide a higher level of management for multiple-VRF systems, as might be found in a multi-floor building. System controls provide more-advanced scheduling, operation and alarm history management; they can be accessed remotely for monitoring via an Internet connection.



- **Optional BACnet® connectivity** adds the benefit of VRF system integration with Trane Tracer™ controls for a total building management and control solution. One Trane Tracer control system can coordinate the functions of a VRF system, a chiller, an air handler, a VAV system and more. An available Pulse Input Module can be connected to watt-hour meters to allow individual tenant billing.
- **Integrated building control software** is available for large, stand-alone VRF installations. It offers building owners and managers complete control and monitoring capability of all connected VRF systems and units.
- **Internet connectivity** is easy: Communication with the system can take place using any Web-connected computer. From virtually anywhere in the world, system set points can be modified and user-definable alarms can be received to ensure immediate notification when specified events occur.

Trane® ductless portfolio

Single-zone

R-SERIES



**R-Series
Outdoor Unit**
¼-3 tons

Available Indoor Products:



4MXW2
Ultra-Efficiency High Wall Unit



4MXW8
High-Efficiency High Wall Unit



4MYW6 and 4MXW6
Medium-Efficiency High Wall Unit

C-SERIES



**C-Series
Outdoor Unit**
1½ ton



**C-Series
Outdoor Unit**
2-2½ tons



**C-Series
Outdoor Unit**
3-4 tons

Available Indoor Products:



4-Way Cassette



Mid-Static Pressure Duct

Multi-zone

MZ-SERIES



**MZ Series
Outdoor Unit**
1½-3½ tons

Available Indoor Products:



High Wall Mounted



**Concealed Ducted
(Horizontal)**



Cassette



Console



Floor/Ceiling

VRF

MINI



Mini Outdoor VRF
3, 4 and 5 tons

AIR



Air-Source VRF
6 tons



Air-Source VRF
8, 10, 12, 14 and 16 tons



Air-Source VRF
18-44 tons

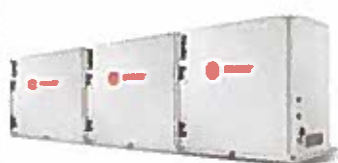
WATER



Water-Source VRF
6, 8 and 10 tons



Water-Source VRF
16 tons



Water-Source VRF
12-48 tons

INDOOR



Slim One-Way



Mini Four-Way



Four-Way



Slim Duct



Mid-Static Pressure Duct



High-Static Pressure Duct



High Wall



Floor/Ceiling



Convertible Air Handler

Scan the code or
visit Trane.com/Ductless
to learn more.



Ingersoll Rand (NYSE:IR) advances the quality of life by creating comfortable, sustainable and efficient environments. Our people and our family of brands—including Club Car®, Ingersoll Rand®, Thermo King® and Trane®—work together to enhance the quality and comfort of air in homes and buildings; transport and protect food and perishables; and increase industrial productivity and efficiency. We are a \$13 billion global business committed to a world of sustainable progress and enduring results.



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*ADA JENKINS FAMILIES
AND
CAREER DEVELOPMENT CENTER, INC.*

*FINANCIAL STATEMENTS
JUNE 30, 2016*

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.

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June 30, 2016

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C. DEWITT FOARD & COMPANY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS
817 EAST MOREHEAD STREET SUITE 100
CHARLOTTE, NORTH CAROLINA 28202
TELEPHONE: 704-372-1515 FACSIMILE: 704-372-6066

PHILLIP G. WILSON
TERRY W. LANCASTER

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Ada Jenkins Families and Career Development Center, Inc.
Davidson, North Carolina

We have audited the accompanying financial statements of Ada Jenkins Families and Career Development Center, Inc. (the "Center" - a nonprofit corporation), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Ada Jenkins Families and Career Development Center, Inc., as of June 30, 2016 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Center's 2015 financial statements, and our report dated October 8, 2015, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

C. DeWitt Foard & Company, P.A.
October 12, 2016

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Statement of Financial Position****June 30, 2016, With Prior Year Comparative Totals**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash	\$ 412,416	\$ 589,405
Receivables:		
Pledges	966,599	425,172
Sales tax and miscellaneous	6,800	2,847
Prepaid expenses	8,955	11,611
Investments:		
Beneficial interest in assets held in trust by third party	19,544	21,256
Property and equipment, net	1,434,830	784,376
<u>TOTAL ASSETS</u>	<u>\$ 2,849,144</u>	<u>\$ 1,834,667</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable and accrued expenses	\$ 48,289	\$ 49,731
Total Liabilities	48,289	49,731
Net Assets:		
Unrestricted:		
Designated	412,891	344,556
Undesignated	1,399,766	915,186
Total Unrestricted Net Assets	1,812,657	1,259,742
Temporarily restricted	988,198	525,194
Total Net Assets	2,800,855	1,784,936
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 2,849,144</u>	<u>\$ 1,834,667</u>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Statement of Activities****Year Ended June 30, 2016, With Prior Year Comparative Totals**

	Unrestricted	Temporarily Restricted	Totals	Prior Year Comparative Totals
<u>SUPPORT AND REVENUE</u>				
Contributions and Grants:				
United Way	\$ 42,109	\$ 194,094	\$ 236,203	\$ 239,210
Other	2,142,460	618,600	2,761,060	2,030,927
Special events, net of \$42,390				
direct benefit	80,559	-	80,559	87,146
Fees	6,946	-	6,946	9,216
Interest income	326	-	326	587
Change in value of beneficial interest				
in assets held in trust	(1,665)	-	(1,665)	94
Miscellaneous	11,108	-	11,108	15,627
Net Assets Released From Restrictions:				
Satisfaction of time restrictions	324,172	(324,172)	-	-
Restrictions satisfied by payments	25,518	(25,518)	-	-
<i>TOTAL SUPPORT AND REVENUE</i>	<i>2,631,533</i>	<i>463,004</i>	<i>3,094,537</i>	<i>2,382,807</i>
<u>EXPENSES</u>				
Program services	1,633,819	-	1,633,819	1,626,755
Management and general	136,071	-	136,071	142,892
Fund raising	308,728	-	308,728	232,231
<i>TOTAL EXPENSES</i>	<i>2,078,618</i>	<i>-</i>	<i>2,078,618</i>	<i>2,001,878</i>
<i>CHANGE IN NET ASSETS</i>	<i>552,915</i>	<i>463,004</i>	<i>1,015,919</i>	<i>380,929</i>
<i>NET ASSETS, BEGINNING</i>	<i>1,259,742</i>	<i>525,194</i>	<i>1,784,936</i>	<i>1,404,007</i>
<i>NET ASSETS, ENDING</i>	<i>\$ 1,812,657</i>	<i>\$ 988,198</i>	<i>\$ 2,800,855</i>	<i>\$ 1,784,936</i>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.

Statement of Functional Expenses

Year Ended June 30, 2016, With Prior Year Comparative Totals

	Program Services			Support Services			Prior Year Comparative Totals
	Education	Health Services	Human Services	Management and General	Fund Raising	Totals	
PERSONNEL							
Salaries	\$ 249,994	\$ 287,873	\$ 253,712	\$ 68,261	\$ 104,709	\$ 964,549	\$ 896,683
Payroll taxes and benefits	26,602	29,055	29,164	7,316	10,602	102,739	97,165
Total	276,596	316,928	282,876	75,577	115,311	1,067,288	993,848
OTHER EXPENSES							
Occupancy:							
In-Kind	27,032	30,619	28,058	7,787	14,504	108,000	108,000
Other	21,275	10,944	9,931	13,246	2,164	57,560	89,684
Services and fees:							
In-Kind	-	156,846	-	-	-	156,846	142,592
Other	45,996	16,956	12,328	12,558	192,170	280,008	224,849
Depreciation	15,534	17,594	16,123	4,475	8,335	62,061	60,141
Supplies:							
In-Kind	76	36,005	120,584	5,676	76	162,417	179,581
Other	20,258	24,965	12,848	6,091	3,137	67,299	63,901
Communications	3,945	6,813	3,764	2,869	6,422	23,813	21,844
Assistance	-	7,731	57,443	-	-	65,174	108,329
Insurance	6,543	7,842	5,461	1,522	2,824	24,192	20,243
Miscellaneous	-	-	34	1,189	-	1,223	2,390
Equipment and furnishings	12,737	8,524	6,784	2,118	4,386	34,549	29,686
Training	665	1,868	57	1,587	268	4,445	14,342
Dues and subscriptions	475	2,267	494	1,376	1,521	6,133	4,874
Total	154,536	328,974	273,909	60,494	235,807	1,053,720	1,070,456
TOTAL EXPENSES	431,132	645,902	556,785	136,071	351,118	2,121,008	2,064,304
Less - Amounts deducted directly against support	-	-	-	-	42,390	42,390	62,426
NET EXPENSES	\$ 431,132	\$ 645,902	\$ 556,785	\$ 136,071	\$ 308,728	\$ 2,078,618	\$ 2,001,878

See accompanying notes to financial statements.

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Statement of Cash Flows****Year Ended June 30, 2016, With Prior Year Comparative Totals**

	<u>2016</u>	<u>2015</u>
<u>OPERATING ACTIVITIES</u>		
Change in net assets	\$ 1,015,919	\$ 380,929
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	62,061	60,142
Change in value of beneficial interest in assets held in trust	1,665	(94)
Contributions restricted for long-term uses	(907,332)	(273,185)
Donated property and equipment	(25,000)	(13,995)
(Increase) decrease in operating assets:		
Receivables	(56,980)	(109,014)
Prepaid expenses	2,656	(4,159)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(1,442)	40,784
Funds held for unrelated organizations	-	(8,484)
<u>Cash Flows From Operating Activities</u>	<u>91,547</u>	<u>72,924</u>
<u>INVESTING ACTIVITIES</u>		
Acquisition of investments	(10,110)	(9,700)
Proceeds from sale of investments	10,157	-
Purchase of property and equipment	(687,515)	(241,897)
<u>Cash Flows From Investing Activities</u>	<u>(687,468)</u>	<u>(251,597)</u>
<u>FINANCING ACTIVITIES</u>		
Increase in long-term pledges receivable	(488,400)	(99,500)
Contributions restricted for long-term uses	907,332	273,185
Principal paid on capital lease obligation	-	(999)
<u>Cash Flows From Financing Activities</u>	<u>418,932</u>	<u>172,686</u>
<u>CHANGE IN CASH</u>	<u>(176,989)</u>	<u>(5,987)</u>
<u>CASH, BEGINNING</u>	<u>589,405</u>	<u>595,392</u>
<u>CASH, ENDING</u>	<u>\$ 412,416</u>	<u>\$ 589,405</u>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Nature of activities**

Ada Jenkins Families and Career Development Center, Inc. (the Center) was established in 1994 as a not-for-profit corporation to improve the lives of families and individuals in Davidson, North Carolina and surrounding communities by providing resources and services that meet the needs and interest of the community. The Center's primary source of support is contributions and grants from companies, foundations, and the general public. The Center is a participating agency of the United Way of Central Carolinas, Inc. and operates the following main programs:

Health Services:

- Free Medical Clinic - Volunteer medical clinic directed to provide primary care, acute care, and some specialty care to uninsured and underinsured individuals residing within our service area. The Health Services component also includes a Community Health Nurse providing Health assessment, advocacy, referrals, assistance with access to health and other human services and health education.
- Free Mobile Community Dental Clinic - Volunteer dental clinic directed to provide primary dental services to families who do not have access to dental care.
- Community Health Nursing - Health assessments, advocacy, education, referrals, and assistance with access to health and other human services. Community Health Nurses also provide medical case management for patients of our free medical clinics.

Education:

- LearnWorks - Daily elementary and middle school student tutoring, social skill development and enrichment program and serves as a collaborative partner in operating a Freedom School for this age group.
- Computer Center – Computer classes for adults seeking to learn skills in basic computer operations and the Microsoft products of Word, Access, Excel, and PowerPoint. Refurbished computers are provided to individuals for employment and educational purposes.

Human Services:

- An interdisciplinary approach assisting client-partners as they work to reach their maximum potential. This is done by providing critical services for both the short and long term. Through assessment, information and referral, vocational counseling, case management, financial assistance, food, clothing and counseling the Human Services Program empowers client-partners to achieve economic self-sufficiency and a higher quality of life.

Volunteers:

- In excess of 750 volunteers are utilized annually in the Center's programs and services. Opportunities are available for both individuals and groups. Every program involves a volunteer component as does the general upkeep of the Center. Volunteer opportunities include, but are not limited to, tutoring, shopping with Pantry visitors, Dental and Medical professionals, translators, receptionists, painting, grounds and maintenance, etc.

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**Basis of accounting and presentation**

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). The Center is required to report information regarding its financial position and activities according to the following three classes of net assets:

Unrestricted net assets - Unrestricted net assets are those currently available for use in the day-to-day operations of the Center. From time to time, the Board of Directors may designate certain amounts to be utilized to meet specific objectives. Such amounts, if any, are reflected as unrestricted, designated net assets in the accompanying statement of financial position.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Center and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Center. During the year the Center had no permanently restricted net assets.

Contributions and grants

The Center reports gifts of cash and other assets as restricted support if they are received with stipulations that limit the use of the donated assets. When a restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Donated services and goods

Donated services are reported as contributions when the services (a) create or enhance non-financial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated goods, if significant, are included in support at fair value. During the year, the Center recorded \$156,846 of donated services from volunteers acting in a professional capacity and \$160,528 of donated goods. No amount is recorded as an in-kind contribution upon receipt of donated items intended for auction due to the subjective nature of estimating the items' value. These items are auctioned at Foundation events throughout the year and are recorded as special events revenue at the amount received for the item through the auction process.

In addition, the Center receives a substantial amount of donated services from unpaid volunteers acting in a nonprofessional capacity in carrying out its program activities. No amounts have been reflected in the financial statements for these services since they do not meet the criteria for recognition.

Pledges receivable

In accordance with GAAP, the Center recognizes unconditional promises to give as support in the period the promise is received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continuedProperty and equipment

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets using the straight-line method. Acquisitions of property and equipment exceeding \$500 are capitalized at historical cost. Donated property and equipment is recorded at fair value at the date of donation. During the year the Center recorded \$25,000 of donated property and equipment.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional allocation of expenses

Expenses are allocated to program services and support services based on management's estimates of time spent and various allocation methods appropriate to the type of expense.

Income tax status

The Center is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code with respect to its exempt function income. The Center is not classified as a private foundation.

Prior-year comparative totals

The financial statements include certain prior-year summarized information, which is presented for comparative purposes only. Accordingly, such information should be read in conjunction with the Center's June 30, 2015 financial statements, from which the summarized information was derived. Certain prior year amounts have been reclassified to conform to current year presentation.

NOTE B - PLEDGES RECEIVABLE

Pledges receivable as of year-end are expected to be collected as follows:

Year ended June 30:			
2017		\$	564,418
2018			163,700
2019			175,700
2020			144,000
2021			5,000
Total			1,052,818
Deduct:			
Allowance for doubtful accounts	\$	61,800	
Present value discount		24,419	86,219
Total		\$	966,599

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE B - PLEDGES RECEIVABLE, continued

Management has determined the above allowance for doubtful accounts based on the historical collectability of the pledging organizations and evaluation of each individual account. Management has determined the above present value discount related to long-term pledges assuming an interest rate of 3.5 percent.

NOTE C - INVESTMENTSBeneficial interest in assets held in trust by third party

The Center previously established a quasi-endowment and transferred assets to be held and managed by The Foundation For The Carolinas (the Foundation). The Foundation has complete discretion as to the timing and amounts of distributions from these funds; however, all funds are ultimately repayable to the Center and the Foundation has no variance power to distribute any portion of these funds to another not-for-profit entity. Assets at the Foundation at year-end are held in an investment pool with a fund type of *Quasi-Endowed Designated* and an asset investment strategy of *Non-Endowed Long-Term*.

Fair value

Generally accepted accounting principles require fair value of financial instruments to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. It establishes a three-level valuation hierarchy based upon observable and unobservable inputs, as follows:

Level 1 - Fair value is based on quoted prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Fair value is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Center's beneficial interest in assets held in trust by the Foundation are classified as Level 3 assets. Values of these investments are determined by the Foundation based on the fair value of the underlying assets, which consists of assets some of which are publicly traded and some of which are not publicly traded.

The following table sets forth a summary of changes in the fair value of the Center's Level 3 assets:

Balance, beginning of year	\$	21,256
Purchases		10,110
Sales		(10,157)
Decrease in value of beneficial interest in assets held in trust		(1,665)
Balance, end of year	\$	19,544

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE C - INVESTMENTS, continuedQuasi-endowment policies

Quasi-endowment investments are managed by Foundation For The Carolinas, which has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions while growing the funds. Actual returns in any given year will vary.

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment at year-end is summarized as follows by major classification:

Vehicles	\$ 260,675
Leasehold improvements	1,519,657
Computers and software	145,251
Furniture, fixtures, and equipment	59,674
	<hr/>
	1,985,257
Less - accumulated depreciation	575,683
	<hr/>
	1,409,574
Land - not held for use in operations	25,256
	<hr/>
	<u>\$ 1,434,830</u>

NOTE E - LEASE COMMITMENTS

The Center leases various office equipment under non-cancellable operating leases. Total rental expense for the year under these leases totaled \$15,179. Minimum future rental payments under these leases at year-end are as follows:

Year Ending June 30,	
2017	\$ 14,628
2018	6,624
2019	6,624
2020	6,624
2021	552
	<hr/>
	<u>\$ 35,052</u>

ADA JENKINS FAMILIES AND CAREER DEVELOPMENT CENTER, INC.**Notes to Financial Statements****June 30, 2016**

NOTE E - LEASE COMMITMENTS, continued

The Town of Davidson leases the facilities for operation to the Center for \$1 per year. The fair value of the rent has been calculated at \$108,000 for the year and has been reflected in the financial statements as a contribution with a like amount included in occupancy expense.

NOTE F - NET ASSETS

Designated net assets as of year-end consist of the following:

Operating Reserve	\$ 338,000
Quasi Endowment Fund	9,891
Capital Reserve	65,000
	<hr/>
	\$ 412,891

Temporarily restricted net assets as of year-end are as follows:

Time restricted:	
United Way 2016-2017 pledge	\$ 194,094
Family Stability	99,500
Other pledges to future years	618,600
Purpose restricted:	
Family Stability	76,004
	<hr/>
	\$ 988,198

NOTE G - RETIREMENT PLAN

The Center maintains a defined contribution retirement plan, qualified under section 403(b) of the Internal Revenue Code, for all full-time employees. The Center contributes two percent of eligible participants' gross salaries for all employees, and a 100% matching contribution for every 1% employee contribution, up to a maximum of a 3% employee contribution. The Center contributions are 100 percent vested after three years of service, except that for employees who participated in the Plan as of July 1, 2012, their contributions are already 100% vested regardless of their service years. The plan also allows eligible employees to contribute, on a before-tax basis, up to the maximum excludable allowance as defined by the Internal Revenue Code. The Center's contributions under this plan totaled \$26,479 for the year.

NOTE H - CONCENTRATIONS OF CREDIT RISK**Cash in excess of insured limit**

Cash held in bank accounts is insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The total cash held by the Center at year-end includes \$166,187 in excess of insured limits covered by the FDIC. However, management believes that the risk related to these accounts is minimal because of the strong credit rating of the bank.

NOTE H - CONCENTRATIONS OF CREDIT RISK, continued

Pledges receivables

At year-end 58 percent of pledges receivable are from three funding sources.

Geographic location

The Center operates and receives funding within a limited geographical area and is sensitive to changes in the local economy.

NOTE I - SUBSEQUENT EVENTS

The Center has evaluated subsequent events from the date of the statement of financial position through the date of the independent auditors' report, which is the date the audited financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

JUL 22 1996

ADA JENKINS FAMILIES AND CAREERS
DEVELOPMENT CENTER INC
PO BOX 1842 212 GAMBLE ST
DAVIDSON, NC 28036

Employer Identification Number:
56-1927067

DLN:
316187001

Contact Person:
D. A. DOWNING

Contact Telephone Number:
(513) 684-3957

Accounting Period Ending:
December 31

Form 990 Required:
Yes

Addendum Applies:
Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

Donors may deduct contributions to you as provided in section 170 of the

Letter 947 (DO/CG)

ADA JENKINS FAMILIES AND CAREERS

Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number has not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required

ADA JENKINS FAMILIES AND CAREERS

purposes and that they will be used for those purposes by the recipient.

If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

A handwritten signature in cursive script, reading "Paul R. Huntington".

District Director

ADA JENKINS FAMILIES AND CAREERS

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, and supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

If your organization conducts fund-raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Charities Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your local IRS Office. Guidelines for deductible amounts are also set forth in Revenue Ruling 67-246, 1967-2 C.B. 104 and Revenue Procedure 90-12, 1990-1 C.B. 471 and Revenue Procedure 92-49, 1992-26 I.R.B. 18.

You indicate that you will not finance your activities with tax-exempt bonds or certificates of participation. Therefore, this determination letter is based on the understanding that you will not raise funds through such financing. If in the future you wish to raise funds by either of these methods, you should request a ruling from the Internal Revenue Service, Attn: E:EO, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

2015-2016 BY THE NUMBERS



3,980 neighbors served through
more than 15,000 visits to the Center



598 uninsured patients
seen at our Free Medical Clinic

619 patients served through
Community Health Nursing



515 local patients received care
at the Mobile Dental Clinic



2,821 individuals
served in Human
Services programs

1,628 people and their
families received goods
from our pantry



MAKE AN IMPACT. GIVE TODAY.

Donate today and support your
community through any one of Ada
Jenkins Center's programs.

To make a gift or learn more about
sustained giving, contact
jane.cacchione@adajenkins.org or call
704-896-0471 x 100.



Serving:
Huntersville
Cornelius
Davidson
South Iredell County



Everyone has a Story

WE HELP PEOPLE IN CRISIS REWRITE THEIRS.

Crisis can easily deplete savings and push vulnerable individuals and families further into poverty. Our mission is to help the people of our communities break the cycle of poverty through the integrated delivery of health, education, and human services.

The Ada Jenkins Center has stood in Davidson, NC for nearly 80 years - first as a school for African American students, then as a community center, and now as a model health and human services organization for the entire region. Last year, we helped nearly 4,000 individuals and families improve their quality of life through our holistic approach.

Whether you need help or you want to get involved, we'd love to be a part of your story. Connect with us online at adajenkins.org, or contact the Center directly at 704-896-0471.



PROGRAMS AND SERVICES

Human Services



Lydia's Loft
Loaves and Fishes Pantry
Life Compass Program

- crisis assistance
- care coordination
- employment assistance

Health Services



Free Clinic
Mobile Dental Clinic
Community Health Nursing
Safe Alliance

Education



LEARN Works
Academic Enrichment Program

BOARD OF DIRECTORS Updated 11/28/16

Name		Board Info		Home Address		Employer Info		Contact Info	
Last	First	Committee	Class	Term	Street / City / ZIP	Employer Position Expertise	Work Address	Phone	Primary e-mail
Carlet	Mike	Treasurer / Finance Chair	2018	1st	19442 Peninsula Shores Drive Corenilius, NC 28031	SnapAV, CFO	1800 Continental Blvd, Suite 200 Charlotte, NC 28273	704-728-1680 847-286-4941	mike.carlet@gmail.com
Jones	Jesse		2019	1st	8732 Glade Court, Huntersville 28078	Attorney, McIntosh Law Firm	209 Delburg Street, Suite 203, PO Box 2270, Davidson, NC 28036	704-892-1699 895-4276 704-464-6759	Jesse@mcintoshlawfirm.com
Kucher	Natalie		2019	1st		Davidson College student			nakucher@davidson.edu
Levi	Karla		2019	1st	9710 Thames Way, Huntersville NC 28778	Spanish Teacher, Community School of Davidson	565 Griffith St, Davidson NC 28036	(704) 896-6262 (794)316-8471	karla.levi@mac.com
Mizzell	Patrick	Board Co-Chair/Finance Comm	2019	2nd		United Community Bank	143 Pine Valley Dr Stanley 28164	704-301-1191 301-6858	patrick_mizzell@ucbi.com
Moore	Paula	Succession Planning	2017	1st	17716 River Ford Dr Davidson 28036	PCM Wealth Management	17716 River Ford Dr Davidson 28036	704-408-9760	paulacmoore@gmail.com
O'Regan	Brian	Fundraising	2018	1st	1843 Mt. Isle Harbor Dr. Charlotte NC 28214	Senior Vice President-Wealth Management / Brawley, Miller, O'Regan & Associates / Merrill Lynch, Pierce, Fenner & Smith Inc.	150 N. College St. Suite 2800, Charlotte, NC 28255	704-339-2090	Brian.O'Regan@ml.com
Peace	Brian		2019	1st	725 Hudson Place, Davidson, NC 28036	Corporate Administration Executive, Lowe's Companies, Inc.	1000 Lowe's Blvd., Mail Code: NB7CA, Mooresville, NC 28117	704-758-2794 975-7179 704-655-9187	brian.b.peace@lowes.com
Pittard	Ray	Strategy-Awareness Chair	2016	1st	18943 Peninsula Point Drive, Cornelius 28031	Ingersoll Rand Pres Thermo King Sales, strategy, operations	800 Beatty St, Davidson 28036	952-887-2699	ray_pittard@lrco.com
Reuss	Brent	Succession Planning	2017	1st	4700 Granite Hill Dr Davidson 28036	Black & Veatch Int'nl SVP Water Div Mngng Dir, East Region	10715 David Taylor Dr Suite 240 Charlotte 28262	704-968-1839	reussbm@bv.com

Rubrecht	Craig		2017	2nd	17305 Connor Quay Cornelius 28031	Cornerstone Financial Sr Partner Finance, Strategy	16810 Kenton Dr, Suite 200, Huntersville 28078	C W H	704-641-9084 987-3410 7086	704- 704-892- 7086	crubrecht@cfpwealth.com
Russell	Bill	Ex-Officio: LN Ch Commerce	NA	NA	9449 Mt. Holly- Huntersville Rd Huntersville 28078	Lake Norman Chamber of Commerce President	19900 W.Catawba, Cornelius 28031		704-892-1922 650-8987	704- 650-8987	russell@lakenorman.org
Szilagyí	Steve	Secretary	2018	2nd	18524 Hammock Ln, Davidson 28036	Former Sr. VP Distribution, Lowe's Strategy, ops, service		C	704-408-7137		szilagyi6@gmail.com
Turner	Donna	Vice Chair, Board Development	2018	1st	14219 boatway court huntersville, NC 28078		100 N. Tryon St Charlotte, NC 28202		704- 905-8745		donnaturneremail@yahoo.com
Weinstock	John		2019	2nd	236 Ney Circle Davidson 28036	SVP Marketing, Electrolux Marketing, Sales, Finance, Strategy	10200 David Taylor Dr., Charlotte 28262	C W	980-307-2582 236-2560	980- 236-2560	john.weinstock@electrolux.com
Wessner	Connie	Board Co-Chair	2019	2nd	PO Box 962 Davidson 28036	Director, Community School of Davidson	404 Armor St Davidson NC 28036	W C H	704-897-8061 654-5824 0417	704- 704-895- 0417	cwessner@fandm.edu
Krueger	Georgia	Exec Director Jenkins	NA	NA	PO Box 1294 (21736 Shearer Rd) Davidson NC 28036	Ada Jenkins Center Executive Director Planning/mgmt	212 Gamble St Davidson 28036	W C	704-896-0471 896-5678	704- 896-5678	georgia.krueger@adajenkins.org



Mecklenburg County

Community Development Block Grant Program

Application for FY 2017-2018 Funding

DEADLINE SUBMISSION DATE
Friday, February 17, 2017 at 4:00PM
<p>Mail to: Attn: Victoria Rittenhouse Office of Community & Economic Development Re: Mecklenburg County CDBG Program 525 North Tryon St., 12th Floor Charlotte, NC 28202 or Email to: cedc@centralina.org Subject: Mecklenburg County CDBG Program</p> <p>(Incomplete applications will not be considered for funding)</p>

Section I

Application Information

APPLICATION SUMMARY

Full Legal Name of Applicant: North Meck Child Dev Association, Inc. dba Davidson-Cornelius Child Dev Center

Program/Project Name: Scholarship Support for Needy Children/Families of Davidson-Cornelius Child Dev Center

Street Address: 242 Gamble Street/PO Box 848

City, State, Zip Code: Davidson, NC 28036

Contact Person: Libby Johnston

Title: Executive Director

Phone: 704-892-1228

Email: libby@dc-childcare.org

Is this Project/Program:

☒ Existing

☐ New

☐ Pilot Program

LEGAL STATUS

☐ Municipality

☒ Private-Non-Profit

☐ Community-Based Development Organization

Federal EIN: 56-0891613

DUNS #: _____

***To the best of my knowledge and belief all data in this application are true and current.
The document has been duly authorized by the governing board of the applicant.***

Certifying Official: IF R. R. R.

Title: BOARD PRESIDENT

Date: 2/13/17

Funds Requested: Please list below the amount funding for which you are applying.

DCCDC requests \$108,000 for Scholarship Support for Needy Children and Families.

Past CDBG Awards

What is the amount of CDBG/HOME funds your agency has received in the past four years?

	FY 16-17	FY 15-16	FY 14-15	FY 13-14
CDBG	\$ 71,000	\$ 76,000	\$ 95,580	\$NA

Note: Applicants should not change the formatting of the application. Please provide your responses in the space provided directly following each question.

Section II

Project Need & Description

Project Description

1. Below provide a **detailed** description of the project/program and the community need. Include the project/program name and physical location. The description should only address the specific activities, services, or project that is to be assisted with CDBG funds. Please include maps or other supporting material as attachments. If CDBG funds will assist the entire program or activity, then provide a description of the entire program or activity.

The Davidson-Cornelius Child Development Center (officially known as the North Mecklenburg Child Development Association dba the DCCDC) is the only 5-STAR, full-time sliding scale early child development and care center in the Lake Norman area that serves children from ages 6 weeks to pre-K. We are committed to serving any family of our community without regard for race, ethnicity, religion, or income level. Through the generosity of the local citizens, businesses, private foundations, and a Community Development Block Grant (HUD) from Mecklenburg County, the DCCDC provides scholarships for children whose working families would not otherwise be able to afford high-quality, safe, and licensed child care services.

The DCCDC was founded in 1969 in response to a tragic fire that claimed the lives of three young children in Davidson. Their mother had no access to child care and had left her children at home while she worked as a maid to support them. In response to this tragedy, local citizens and businesses, the faith community, and Davidson College staff united around the creation of a unique center that would serve families of all income levels and backgrounds. The original mission of the DCCDC remains true today: to provide high-quality, affordable early care and education for any child of our community and to embrace and foster diversity in a safe learning environment for young children. Since we opened our doors 48 years ago, the DCCDC has helped shape the foundations and strengthen the futures of over 2,500 children.

Our enrollment is 60 children, ranging in ages from 6 weeks to Pre-K. We are currently operating at full capacity with waiting lists for each classroom, highlighting the tremendous needs for our early child education services in our community. We are in the process of working to expand the Center to accommodate 100 children.

About 40-50% of our children receive sliding scale support, ranging from 35% to 75% of total tuition cost. The DCCDC operates on a very lean budget, with all staff members directly involved in the education and care of our children, with the exception of our bookkeeper who works 5-10 hours per week. Fundraising is implemented by our board members and other volunteers, enabling the staff to focus on our children and their families. Without tuition support, these families would

have to choose between staying home to care for their child/children and putting their child/children in unlicensed day care.

2. What type of CDBG activity is your project? (choose one)

- | | |
|--|---|
| <input checked="" type="checkbox"/> Public Service | <input type="checkbox"/> Rehabilitation of residential and non-residential structures |
| <input type="checkbox"/> Economic Development | <input type="checkbox"/> Construction of public facilities and improvements |
| <input type="checkbox"/> Land Acquisition | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Relocation and demolition | |
| <input type="checkbox"/> Property Clearance Activities | |

2.a. If you checked Public Service above is this a new service provided by your organization?

No.

2.b. If the service is not new, will the existing public service activity level be substantially increased or improved? Provide details of how it will be improved. For increase in service provide data on the past three years illustrating service level and provides estimate for increase in service.

Davidson-Cornelius Child Development Center (DCCDC) has provided financial tuition scholarships since its organization in 1969. Since we received our initial grant reward from Community Development Block Grant (HUD) in FY 2014-2015, DCCDC has gradually increased the number of children and families we reach through the scholarship support project from about 25% to 50%. Additionally, with CDGB support we have increased the amount of scholarship funding from a maximum of 50% to a maximum of 75%. There are over twenty families in need of financial assistance for tuition currently on our wait list. CDBG scholarship support ensures that we can continue to support low-income working families of our community as well as improve our services with investments in teacher training, educational tools, and equipment.

3. Explain why the program activities are the right strategies to use to achieve the intended outcome?

DCCDC's scholarship support program has proven valuable to many children and families in the community. Parents can rejoin the workforce and finish school after months or years without affordable or licensed child care. Their children are receiving high-quality early education and care from educated, nurturing teachers. Families apply through a strict process to be awarded scholarship support. Parents are required to provide service hours as an investment in the program. Families are encouraged to engage in their child's education and healthy social and emotional development.

4. How will your organization use community and/or participant input in planning the program design and/or activities?

Our families must reapply each April to receive scholarship support. The program administrator meets individually with each family to discuss their application and qualifying information. During this annual meeting families are encouraged to provide feedback into the program's design. This input is used during strategy sessions for program improvements or needed changes. The DCCDC is open to the community for tours and stays involved with local agencies for referrals and input. The feedback that we receive from referring agencies or individuals is closely monitored for needed changes in the program's design.

Project Benefit

5. Who is the project/program designed to benefit? Describe the project/program's target population, citing (if relevant) specific age, gender, income, community location or other characteristic of the population this project/program intends to serve.

The DCCDC scholarship support benefits low income children/families in the North Mecklenburg community. Quality early childhood education and care directly impacts a family's ability to move toward economic independence. Scholarship support is intended for any child (ages 6 weeks to 5 years) of working parent(s) in need of financial assistance to provide high-quality, full-time early education and care for their children.

6. How will you reach the targeted population?

DCCDC is located in one of the low-income areas of the North Mecklenburg community. With access to Charlotte Area Transportation System (CATS) whose stop is directly in front of the center, our location is convenient for all families in the North Mecklenburg area. Through the assistance of local schools, other agencies, community groups, churches and our website we can reach the underserved populations in the community.

7. Beneficiary Type, please choose either subcategory a, b, c or d.

- a. ☐ Area Benefit: The project or facility is available to all persons located within an area where at least 70% of the residents are low/moderate income. Please provide a map of the project area and documentation showing the census tract number and universal LMI percentage for the defined project area.
- b. ☒ Limited Clientele: The project serves a specific population (e.g., services for seniors, homeless, severely disabled adults, homeless persons, illiterate adults,

migrant farm workers, abused children, persons with AIDS or battered spouses); where at least 70% of clients served are LMI.

- c. ☐ Housing Benefit: Housing structures must be occupied by LMI households.
- d. ☐ Jobs Benefit: Activities must create or retain permanent jobs and 70% of the jobs created/retained must be available to or held by LMI persons.

8. Benefit to low and moderate income persons must be documented. How will your organization document the benefit chosen above? (check only one box - a, b, c).

- a. ☒ You will receive income data verification from each participant in the program. Please attach sample documentation of how you will document, income, race and ethnicity of clientele, i.e. worksheets, intake forms, etc.
- b. ☐ Your project/activity serves only a limited area (Area Benefit) which is proven by most recent American Community Survey data.
Census Tract # _____ Block Groups# _____
- c. ☐ Your project/activity serves only a limited area (Area Benefit) which is proven by a HUD approved survey instrument. All surveys must be approved by HUD prior to implementing the survey, attach a copy of the survey instrument.

Proposed Outcomes

9. What are the intended outcomes for this project/program?

To expand economic opportunities for low income families by providing access to affordable, high quality childcare and education, so that parents are able to provide for their families and become economically viable.

10. How will beneficiaries benefit as a result of participation?

Families will benefit by exposing their child/children to high quality education and nurturing care at an early age (when their brains are developing exponentially). The community will benefit as low income families are able to empower themselves and provide for their families.

11. List your goals/objectives and activities that will take place to implement the project/program and the associated proposed outcomes.

- 1. **Provide high-quality (5 STAR), licensed, full-time early child education and care for children (ages 6 weeks to Pre-K) and families of the Davidson, Cornelius and surrounding North Mecklenburg community without regard for race, ethnicity, or socioeconomic status- embrace diversity and serve all children of our community.**

2. Provide scholarships for children of low, very low and extremely low income families based on Mecklenburg County HUD income categories/limits (sliding scale) in order to give families opportunities to access affordable early child education and care while they pursue employment, education, and training, thus expanding their economic opportunities.
 3. Utilize CDBG funds for sustainable, baseline funding of scholarships (less variability), while utilizing funds received from local community to cover full tuition costs as needed for families in crisis who are unable to pay sliding-scale tuition costs as well as offset operating/teacher costs (more variability) (Note: The DCCDC frequently has families in crisis who are unable to pay even their portion of tuition costs).
 4. Measure success: a) Accessibility, as measured by numbers and proportions of children/families receiving scholarship support based on HUD income categories/limits, as well as by income composition of waiting list families; b) Affordability, as measured by raising the required sliding-scale scholarship funding for each fiscal year, as well as by survey feedback from families regarding affordability and quality; c) Sustainability, as measured by the ability to secure required sliding-scale scholarship funds on an annual basis.
12. Provide the project/program benchmarks you hope to achieve in FY 17-18. For example, how many unduplicated persons will be served, how many home, assisted, how many jobs created or retained, how many linear feet of sidewalks constructed, etc. How will you measure and evaluate the success of the project/program to meet the goals/objectives (measures should be both qualitative and quantitative)? *Do not inflate your estimates - the numbers provided will be used to assess your proposed project's success.*

Currently, DCCDC provides scholarships to approximately 40%-45% of our children enrolled. The goal for the FY 2017-2018 is to provide scholarship support to at least 50% of our families in need. This can be accomplished with CDBG funding for \$108,000. DCCDC receives on average, approximately \$8458.25 per month for scholarship support from CDBG funds. An additional amount monthly could help DCCDC to attain that goal, support in the amount of \$9000 per month would give us the ability to reach our goal.

Public Service/Housing - Unit of measure is "People"

* Homebuyer - Unit of measure is "Households"

* Economic Development - Unit of measure is "FTE jobsand/or business"

* Rehabilitation - Unit of measure is "House"

	Number Served	Unit of Measure*	CDBG Cost Per Unit	CDBG Total Cost
TOTAL	80	80	\$1292.31	\$103,384.80

13. Will this project have a long-term benefit for program participants/beneficiaries? Please explain.

The benefit from the scholarship support enables parents to provide for their families, empowering them to further develop into supporting members of their community. Children who might otherwise be in unlicensed child care, are allowed to blossom and develop healthy social, emotional skills while benefiting from the guidance of educated, experienced teachers. Parents and teachers become healthy role models for their children encouraging positive self-esteem with a solid foundation for development.

Workplan, Timeline and Milestones

14. Provide a work plan detailing how the project will be organized, implemented and administered. Include a timeline and milestones from initiation through project completion.

In April of each year, center families are informed through e-mail or letters that the time has come for Scholarship Application Renewal. By May 30 all applications and income eligibility verification documents are must be turned in completed for scholarship awards. In early June, program administrators review and verify scholarship award amounts due to families. By mid-June families are invited for a scholarship award status meeting with the program administrators. At this meeting, award letters are provided to each family for their review and service requirements are discussed. Families are given the opportunity to ask questions, raise concerns, or get clarification on requirements.

Staff Roles and Responsibilities

15. Description of the management of your program/project, include name, job title, job description and qualifications. Attach any supporting documentation if necessary.

In the state of North Carolina, the educational requirements for a 5-STAR facility require all lead teachers to maintain a high level of early childhood education course work, training, and experience. In addition to maintaining our 5-STAR rating, the DCCDC is committed to a bilingual immersion experience for our Pre-K children. This means that we must maintain the state requirement while also having bilingual teachers on staff. Each classroom is staffed by a lead teacher and an associate teacher, and at least one of the teachers in the Pre-K classroom is bilingual in English and Spanish.

Our Executive Director, Libby Johnston, works with each teacher and classroom to ensure that the DCCDC maintains the highest standards in terms of teacher qualifications, program curriculum, educational materials, and center superior health standards. In addition to her early childhood qualifications, Libby brings significant experience in the areas of:

- Early childhood behavior (Infant/Toddler Development Specialist)
- Caring and providing specialist counseling support for children with special needs
- Parent/family education and training (Certified Parent Educator)
- Crisis intervention support (Qualified Mental Health Professional)
- State licensing assessment and accreditation specialist

Libby is responsible for ensuring the success of the general scholarship fund as well as the DCCDC Community Compassion Fund, with support from the board of directors, teachers, social workers, and parent(s)/family members.

Income Eligibility

16. Discuss how the project directly benefits low and moderate income residents.

The low and moderate income residents are provided an opportunity to enroll their children in a high-quality, 5-STAR, early education and care center. This opportunity would not be available without scholarship support to these families. Their children are provided a high-quality learning environment with which they can develop a healthy solid foundation for lifelong learning. Their parents are able to provide for their families with the peace of mind that their children are in a safe place. Parents are able to continue their education or training skills for career advancement for a solid future.

17. For the project/program, please estimate on how beneficiaries will breakout into the income categories listed in the table below, during the total grant period. See attached income limits chart.

Income Group	Number of Beneficiaries
< 30% of AMI	
31-50% AMI	6 children/24 persons
51-80% AMI	18 children/72 persons
> 80% AMI	30 children/120 persons
Total	54 children/216 persons

PLEASE NOTE: CDBG funds can only be used to **reimburse** for services to low and moderate income residents within the Mecklenburg County CDBG Program Area. An eligible program may assist persons over 80% median incomes, but at least 70% overall must be below the 80% median income to be eligible for CDBG funding. Income documentation must be retained and reported

for all served in order to determine the percent of low/moderate income. Income documentation must be made available to Mecklenburg County and its agents in order to verify program eligibility.

Organizational Capacity

18. Describe your organization's experience in managing and operating projects or activities funded by CDBG or other Federal sources. Include within the description a resource list (partnerships) in addition to the source and commitment of funds for the operation and maintenance of the program.

For the past three fiscal years, the DCCDC has been effectively and efficiently managing the scholarship grant funds provided by the CDBG. CDBG funding provides nearly 50% towards our budgeted goal of \$155,000 annually for the scholarship program. While the DCCDC strives to expand funding sources and build our sustainability, the demand for scholarship assistance continues to outpace these efforts. Other funding sources for the 2016-2017 Fiscal Year include:

The Leon Levine Foundation	\$ 30,000
Metrolina Greenhouses	\$ 5,000
DCP Church	\$ 9,400
DUM Church	\$ 4,000
Town of Davidson	\$ 1,824
Total =	\$50,224

For the 2017-2018 Fiscal Year for which the DCCDC is currently requesting CDBG funds, we expect to receive approximately the same amount of support from the same or similar funders. However, based on the family economic status of our current and expected (waiting list) students, we expect the need for scholarships to exceed that of the current fiscal year.

19. For what period of time has this organization provided the proposed services?

DCCDC has provided financial scholarships and sliding scale tuition to low income families for 48 years.

20. What services, other than those proposed in this proposal does the organization provide?

The DCCDC provides 5-STAR education to all children enrolled at the center. The DCCDC also provides fresh and nutritious breakfasts and lunches to all children at no extra cost.

21. If the organization does not have experience in providing the proposed service, what experience and success has the organization had in carrying out similar projects/programs?

DCCDC has provided high-quality childcare and education since 1969.

Section III

Project Budget & Funding

BUDGET

1. Provide a clear description of what you will do with the CDBG investment in the project/program. How will you spend the funds, provide specific details? If the CDBG funded activity will start on a date other than July 1, 2017 please indicate the start date.

The CDBG investment funds will be used to provide financial scholarships for our low-income families in need of high-quality childcare and education for their children. Qualified families in need are provided a percentage (35%-50%-75%) of their child's/children's monthly tuition amount. DCCDC pays each family's scholarship percentage. CDBG funds reimburse DCCDC after receiving monthly Expense and Reimbursement Reports.

2. Show Program/Project fiscal budget (not entire agency), add or remove expense categories as needed.

Expense (Example)	Requested CDBG Funds	Other Funds	Source of Other Funds	TOTAL BUDGET
OPERATIONS: Program Delivery				
CONSTRUCTION: Engineering Materials Labor Contracts				
Scholarships	\$108,000	\$50,000	Projected Grants and Public Contributions	\$158,000
Total Budget				
Other:				

3. What are the other funding sources? Are those funds secured?
Other funding sources include; fundraising events, contributions from private donors, grants already secured and grants applications in process. Approximately \$50,000.00 is expected to be secured with a high probability, based on funding received on average in the past three fiscal years.
4. If you do not receive the requested funds or only receive a portion of what you requested, how will that impact the project/program?

DCCDC will continue its mission, however, our ability to provide scholarship support would be greatly reduced. Our inability to fully fund our scholarship assistance program would result in a decrease in the amount of assistance available to each family in need and in the total number of students from low-income families who are able to attend the DCCDC.

5. If your request includes recurring costs, what are your plans to secure funds for these needs in the future?

DCCDC will continue to apply for funding through; Grants, Foundations, Public Contributions, Fundraising, and Private Donors.

**The purpose of CDBG funds is not to fund projects that are the general responsibility of government or to maintain the operation of a non-profit organization.*

Section IV

Conflict of Interest

Federal law (2CFR200.317 and 200.318) prohibits person who exercise or who have exercised any functions or responsibilities with respect to the above grants...or who are in a position to participate in a decision-making process or to gain inside information regarding such activities, may obtain a financial interest or benefit from an assisted activity.... either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of your agency or the member government through which this application is made?

☐ Yes

☒ No

- b) Members of or closely related to Members of City/County/Town Council or Commission of the member government through which this application is made:

☐ Yes

☒ No

- c) Current beneficiaries of the program for which funds are requested?

☐ Yes

☒ No

- d) Paid providers of goods or services to the program or having other financial interest in the program?

☐ Yes

☒ No

If you have answered YES to any question above, please attach a full explanation. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an undisclosed conflict may result in the termination of any grant awarded.

TRRP 2/13/17
Signature of Certifying Official Date

Section V

501(c)3 Designation

(If you are not a 501(c)3 please disregard this section)

Name of organization: North Mecklenburg Child Development Assoc. , Inc.

Address: 242 Gamble Street, PO Box 848

City/State/Zip Code: Davidson, NC 28036

Telephone Number: 704-892-1228

Contact Person: Libby Johnston

Title: Executive Director

Telephone Number: 704-606-9501

Email Address: libby@dc-childcare.org

How long have you been operating? 49 years

What is your annual budget? \$640,000

How often does your Board of Directors meet? Monthly

The following information must be submitted with your application:

1. Most recent financial statement and/or audit
2. Current 501C (3) Non-Profit determination letter
3. Current names of Board of Directors and program staff members
4. Brochure or flyer of services provided

SECTION VI

(Non-profit Agencies Only)

THREE-MONTH CASH RULE TEST

The three (3)- month rule is used by the CDBG Program Office as a guideline to determine whether an Agency is solvent and has enough available cash to take a CDBG project from beginning to end during the 12-month period allowed to complete the project. CDBG projects should not harm the day-to-day operations of the Agency, so enough funds must be available for both purposes.

Provide the information requested below to demonstrate that the agency has enough cash on hand to operate the proposed project on a reimbursement basis.

Balance Sheet- Audited Financial Statements FY: 2016 Page #: 15
(Documents must be attached to the Application)

Enter Agency Cash Balance \$141,472
(Cash cannot include investments of receivables)

A. Multiply Agency Balance by 4 and enter in adjacent box.

Cash available for project(s) \$565,888

List the amount of FY 18 CDBG funding applied for in this application. \$108,000

List the amount of FY 18 CDBG funding applied for on any other application. 0

B. Sum all the amount for FY 2018 CDBG funding request(s). \$108,000

Compare Agency Cash Balance Available (Item A) with the Total FY 2018 CDBG Funding Request (Item B):

Item A: \$565,888 **Item B:** \$108,000 **Difference:** \$457,888

Analyze the Results

- 1- If the difference is a positive amount or equals \$0, the Agency is eligible to apply.
- 2- If the difference is a negative amount, the Agency has the options below:

The Agency can adjust any of the FY 2018 CDBG requested amount(s) to result in a positive or \$0 balance, as long as: A) Each project meets the minimum required amount for each of the applications, and B) cash available for projects is now greater than or equal to the total FY 2018 CDBG funding request.

Current Mecklenburg County CDBG Income Limits

FY2017		FY2017								
Income Limit Area	Median Income	Income Limit Category	1	2	3	4	5	6	7	8
Mecklenburg County	\$67,000	Very Low (50%) Income Limits (\$)	23,450	26,800	30,150	33,500	36,200	38,900	41,550	44,250
		Extremely Low (30%) Income Limits (\$)	14,100	16,100	21,160	24,300	28,440	32,580	36,730	40,890
		Low (80%) Income Limits (\$)	37,550	42,900	48,250	53,600	57,900	62,200	66,500	70,800

NORTH MECKLENBURG CHILD DEVELOPMENT ASSOCIATION, INC.
d/b/a DAVIDSON-CORNELIUS CHILD DEVELOPMENT CENTER
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016

ASSETS

Current Assets:

Cash	\$	141,472
Accounts receivable		9,111
Grants receivable		21,178
Prepaid expenses		2,810
<i>Total Current Assets</i>		<i>174,571</i>

Fixed Assets:

Property and equipment, net of accumulated depreciation		157,188
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<i>TOTAL ASSETS</i>	\$	<i>331,759</i>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses	\$	41,896
Deferred revenue		2,218
Current maturities of long-term debt		4,975
<i>Total Current Liabilities</i>		<i>49,089</i>

Note Payable - Less Current Maturities		133,491
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<i>Total Liabilities</i>		<i>182,580</i>
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Net Assets:

Unrestricted		103,528
Temporarily restricted		45,651
<i>Total Net Assets</i>		<i>149,179</i>

<i>TOTAL LIABILITIES AND NET ASSETS</i>	\$	<i>331,759</i>
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U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR

Greensboro, North Carolina
December 13, 1967

IN REPLY REFER TO

GBR:EO:1967-243
434-TRS

North Mecklenburg Child Development Association, Inc.
Box 237
Davidson, North Carolina 28036

Gentlemen:

Purpose: Charitable and Educational
Address Inquiries and File Returns with District
Director of Internal Revenues Greensboro, North Carolina

Form 990-A Required: ☒ Yes ☐ No
Accounting Period Ending: June 30

On the basis of your stated purposes and the understanding that your operations will continue as evidenced to date or will conform to those proposed in your ruling application, we have concluded that you are exempt from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code. Any changes in operation from those described, or in your character or purposes, must be reported immediately to your District Director for consideration of their effect upon your exempt status. You must also report any change in your name or address.

You are not required to file Federal income tax returns so long as you retain an exempt status, unless you are subject to the tax on unrelated business income imposed by section 511 of the Code, in which event you are required to file Form 990-T. Our determination as to your liability for filing the annual information return, Form 990-A, is set forth above. That return, if required, must be filed on or before the 15th day of the fifth month after the close of your annual accounting period indicated above.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of section 2055, 2106 and 2522 of the Code.

You are not liable for the taxes imposed under the Federal Insurance Contributions Act (social security taxes) unless you file a waiver of exemption certificate as provided in such act. You are not liable for the tax imposed under the Federal Unemployment Tax Act. Inquiries about the waiver of exemption certificate for social security taxes should be addressed to this office, as should any questions concerning excise, employment or other Federal taxes.

This is a determination letter.

Very truly yours,

J. E. Wall
J. E. Wall
District Director

FY 2016/2017 Board of Directors



Name	Role	Profession	Email	Term
Alison Boughrum	Board Member	Former executive at Tiffany's; community philanthropist	Earlyg3895@aol.com	6/2017 (1 st)
Tom Bright	Board President	Former Chief Operating Officer, SwimMac and Madvapes	tsrmbright@gmail.com	6/2017 (2 nd)
John Cunningham	Board Member	Attorney-at-Law, Davidson	irclegal@bellsouth.net	6/2019 (1 st)
Ellen Donaldson	Board Past President	Former healthcare industry executive; community philanthropist	ellengdonaldson@gmail.com	6/2017 (2 nd)
Elizabeth (Libby) Johnston	DCDC Executive Director	Early child development leader	libby@dc-childcare.org libjohnston4@yahoo.com	NA
Brenda Kolls	Board Treasurer	Chief Financial Officer (numerous)	Brenda.kolls@gmail.com	6/2017 (Exten.)
Paul Newton	Board Vice President	Owner and President, Newton Construction Services	pnewton@newtonconstruction.com	6/2018 (1 st)
Andrew O'Geen	Board Member	Professor of Political Science, Davidson College	anogeen@davidson.edu	6/2018 (1 st)
Jody Seymour	Board Member	Former Senior Pastor, Davidson United Methodist Church	driodyseymour@gmail.com	6/2019 (1 st)
Marie Sotelo	Board Member	Attorney-at-Law	mcsotelo77@gmail.com	6/2019 (1 st)
Leslie Urban	Board Secretary	Director, Operations; Davidson College	leurban@davidson.edu	6/2019 (2 nd)

DCCDC STAFF CONTACT LIST 2017

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Brianna Stavrou Lead Teacher	252-406-4719	Brianna.myszka@gmail.com
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Lauren Nixon PT/Floater	336-596-3473	jennifernixon92@yahoo.com
Carly Davis Substitute	704-699-2538	

Davidson-Cornelius Child Development Center



Davidson-Cornelius Child Development Center is a 5-star rated, non-profit child care program licensed by the state of North Carolina. For more than 45 years, we have been a cornerstone of the Davidson and Cornelius communities, providing high-quality, early education and child care in a safe, healthy, and nurturing environment.

Our Services

- Developmentally-focused early education and care for children ages 6 weeks to Pre-K
- Full-time care; Center open from 6:30 am to 6:00 pm
- Individual classrooms with small class sizes, low teacher-to-child ratios, and developmentally-targeted education and activities
- On-site kitchen and chef, serving healthy, fresh meals and snacks
- Fenced, shaded outdoor play area
- Coded security system
- Tuition assistance program to ensure affordability and attract a diverse mix of children from our community

Our History

We were established in response to a tragic fire that claimed the lives of three young children whose mother had left them alone while she worked outside the home to support them. The community united around the need for safe, affordable care for all children and opened "Davidson-Cornelius Day Care Center" in 1969, creating a unique center that would serve families of all income levels and backgrounds. Since then, we have served more than 2,200 children.

Community Resources

The towns of Davidson and Cornelius offer a variety of resources that enrich the Center. Our children visit the town library for story time, and community volunteers from area colleges, schools and churches visit the Center to teach children about music, nutrition, and even yoga!

Hours of Operation

6:30 AM to 6:00 PM (Monday – Friday).

Meals

We provide two healthy meals per day (breakfast and lunch) and an afternoon snack for children in our care. All of the meals we serve are created from scratch using whole grains and fresh products. Our children are served organic milk from local farmers.

Location

We are located at 242 Gamble Street in Davidson. Close to Davidson College, Lowe's, Ingersoll-Rand and MSC corporate offices, the Center is conveniently located off Interstate-77 (Exit 30) and within walking distance from downtown Davidson.

Contact us Today!

To request an application and a tour of the Center, and to find out why the Center is one of our community's treasures please contact us at (704) 892-1228 or www.dc-childdevelopmentcenter.org.



Printed on recyclable paper



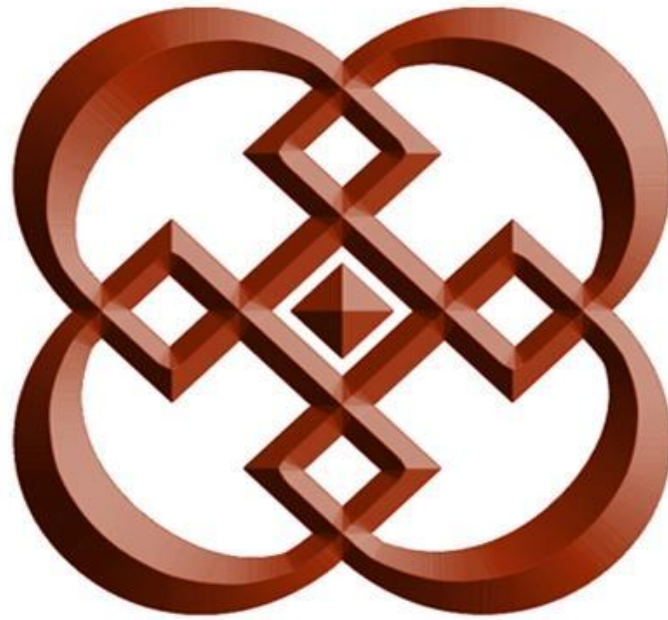
Agenda Title: Beaty Street Site - Review Proposals & Developer Presentation - Assistant Town Manager Dawn Blobaum

Summary: The presentation will include a short history of the Beaty Street site, the process to this point including the requirements of the planning areas and the Request for Proposal (RFP), a description of the RFP responses we received, the recommendation of the selection committee, and a presentation by the selected developer. The town owns approx. 18 acres of land on Beaty Street. The Davidson Board of Commissioners are considering selling the land to a developer.

ATTACHMENTS:

Description	Upload Date	Type
❑ Request for Proposals	2/23/2017	Presentation
❑ Beaty St Property	2/27/2017	Presentation

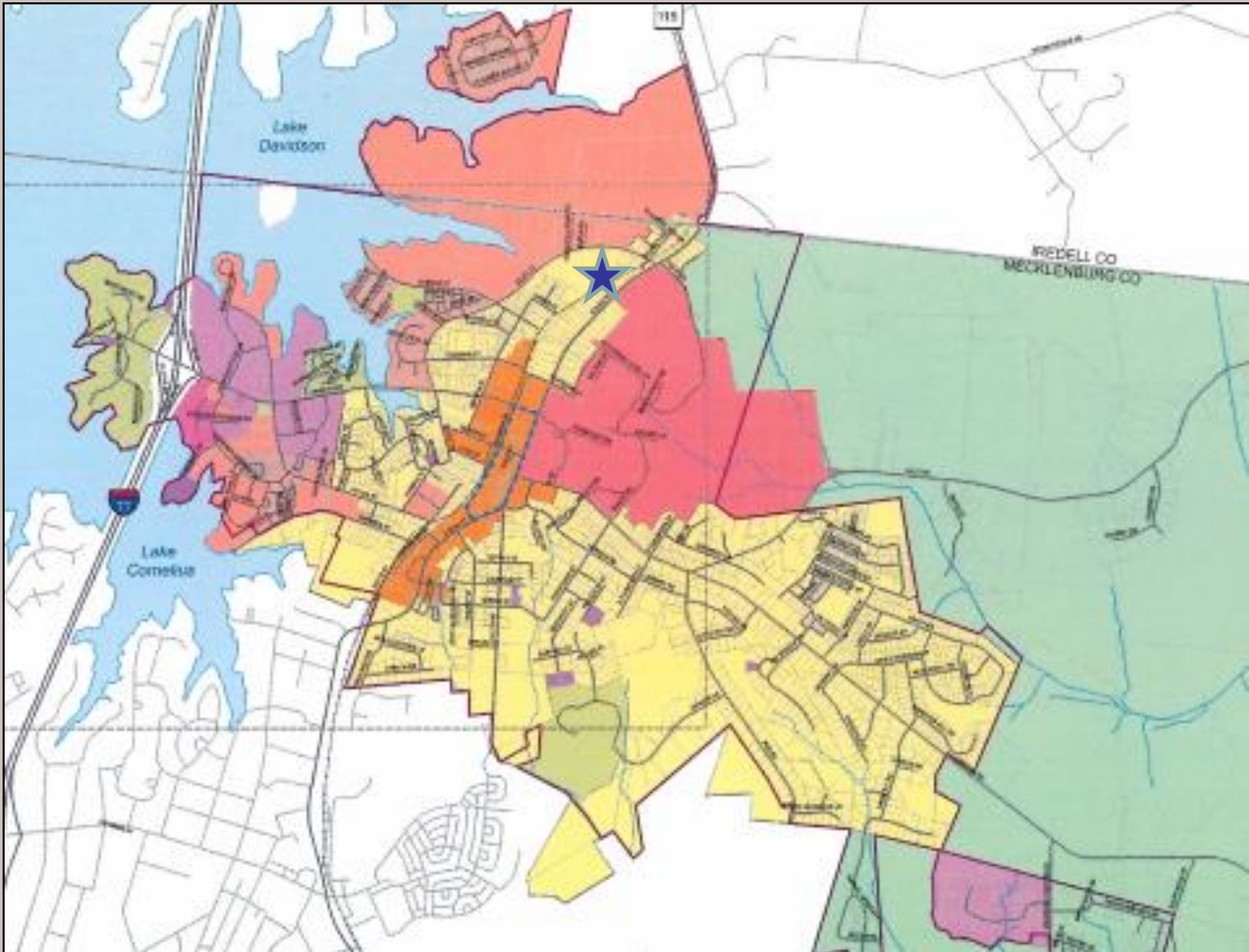
Beaty Street Proposals	Stephens	Blue Heel	CRG	Laurel Street	Luminous
Residential units					
Multi-family	240 rental	2) 12-unit rental + 20 add'l units if mixed-use bldg is 3 stories	12) 20 unit rental 1) 70 unit rental	9) 12-unit rental 6) 4-unit rental	132 condos
Townhouse	32 for sale	51 for sale			
Single family	10 for sale	17 for sale		18 for sale	11 for sale
Affordable	15% of rental units	12 rental units	possibly off-site	20% at 80% AMI (rental)	21 for sale
Total units	282	104-124	310	150	164
Commercial (square feet)	8,700	30,000 civic	11,500 in 70-unit building	reserved space	100 rm hotel
		27,000 comm			28,000 comm
					22,000 civic
Open Space and Parks	50% open space	5 ac (pocket park & town park	Green, beach & buffers	Special Use park N'hood mini-park	11 acres (6.5 ac parks)
		50% impervious		9 ac impervious	60% open space
Main/Beaty intersection contribution	town pays	550k	550k	550k	550k
\$ for land acquisition	\$450,000	\$1,800,000	\$2,700,000	\$250,000	\$1,650,000
Potential Annual Tax Revenue	\$188,847	\$214,128	\$179,838	\$109,538	\$344,128
*numbers based on 2014 fiscal impact study using defined prototypes					



The Town *of* Davidson

College Town. Lake Town. *Your Town.*

Beaty Street property



Beaty Street property

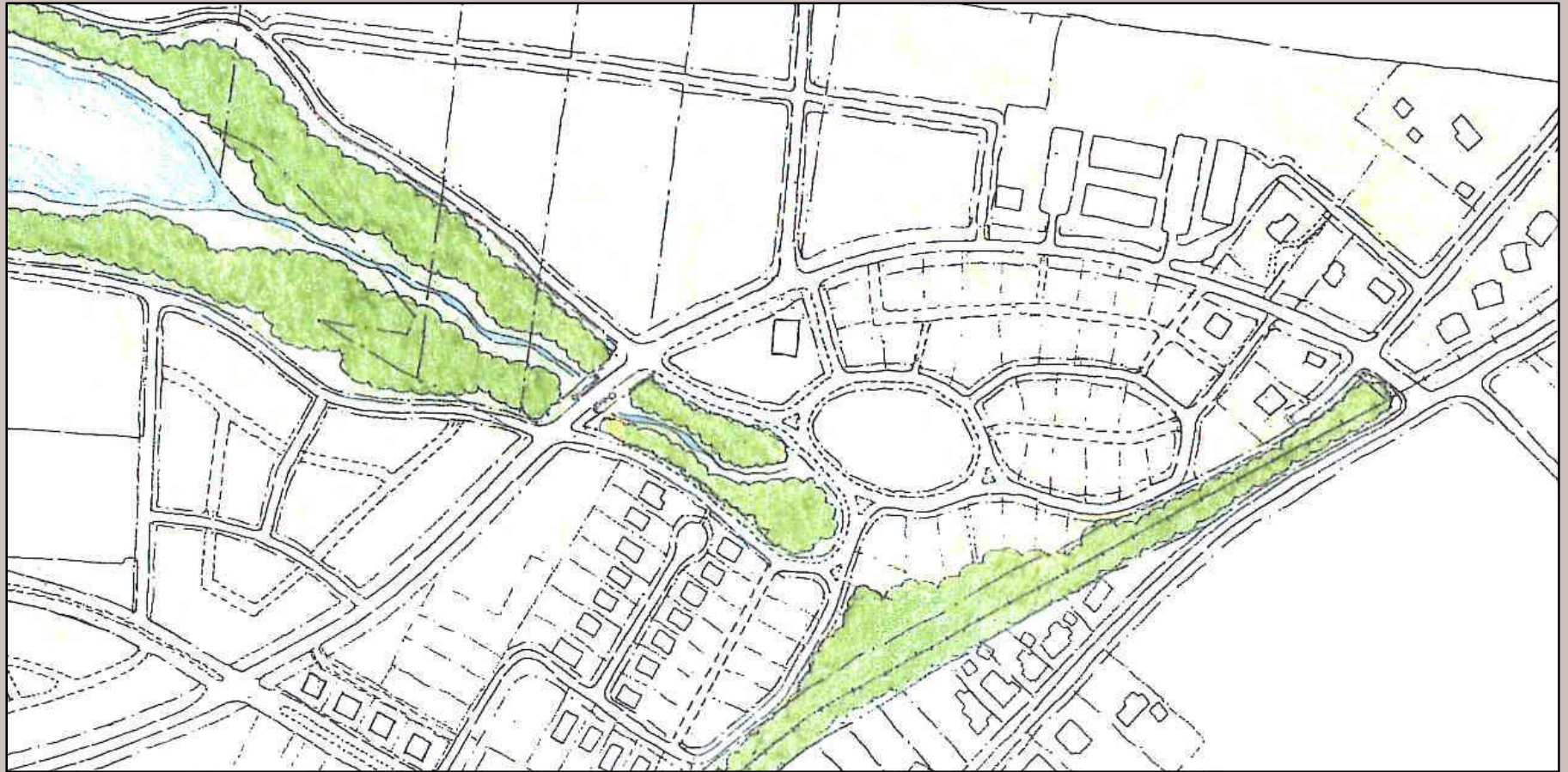


Beaty Street property history

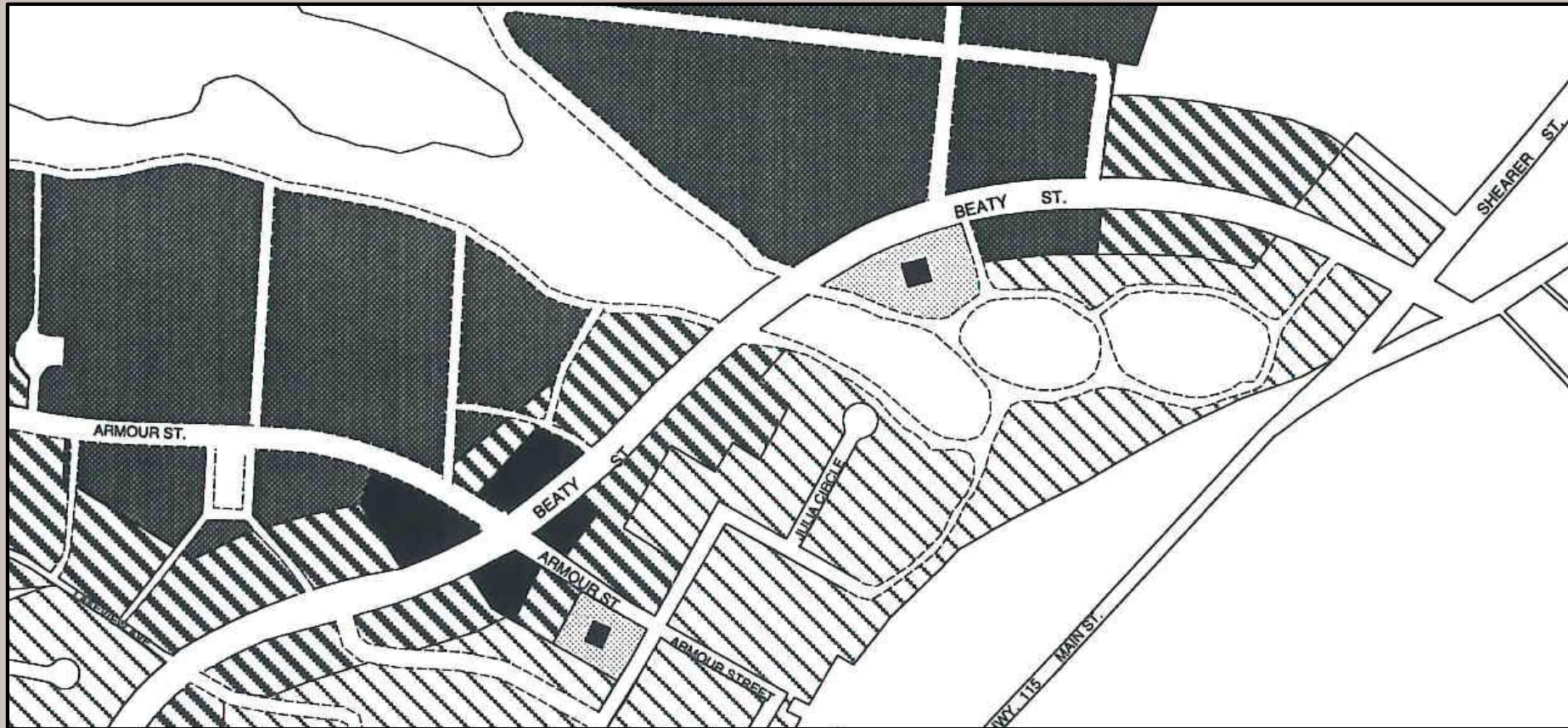
- 14 acres purchased from Clontz family in 1987. Additional adjoining four acres in 1988 and 1995.
- Purchased additional adjoining parcels (approx. one acre) in mid-2000s:
 - Fiji House – 832 Beaty Street
 - 825 Shearer Street house
- Request for Proposals to developers in 1996
 - No action taken



Beaty Street Plan 1996



Beaty Street Plan 1996



-  Civic
-  Commercial
-  Workplace
-  Neighborhood Center
-  Neighborhood General
-  Open

Eco-Industrial Plan 2009



North of Griffith Plan 2009



Station Area Plan 2012



Comprehensive Plan 2010

“Well designed public gathering spaces and park facilities should be constructed with priority given to the downtown followed by outlying neighborhoods and developments. Park designs should respond to resident needs, informed by community surveys and demographic analysis.”

“Identify significant natural open space in the downtown and Village Infill Planning Area.”



Comprehensive Plan 2010

Short-term Recommendations: “In keeping with the Targeted Growth Plan...the town should establish the downtown and village area (older surrounding neighborhoods) as the highest priority for infill, redevelopment, and mixed use. The town should develop an incentive package to encourage this type of growth over the next ten years.”

Ongoing Initiatives: “Accommodate generous densities for mixed use development near downtown and the transit station. Provide additional mixed use centers close to existing neighborhoods.”

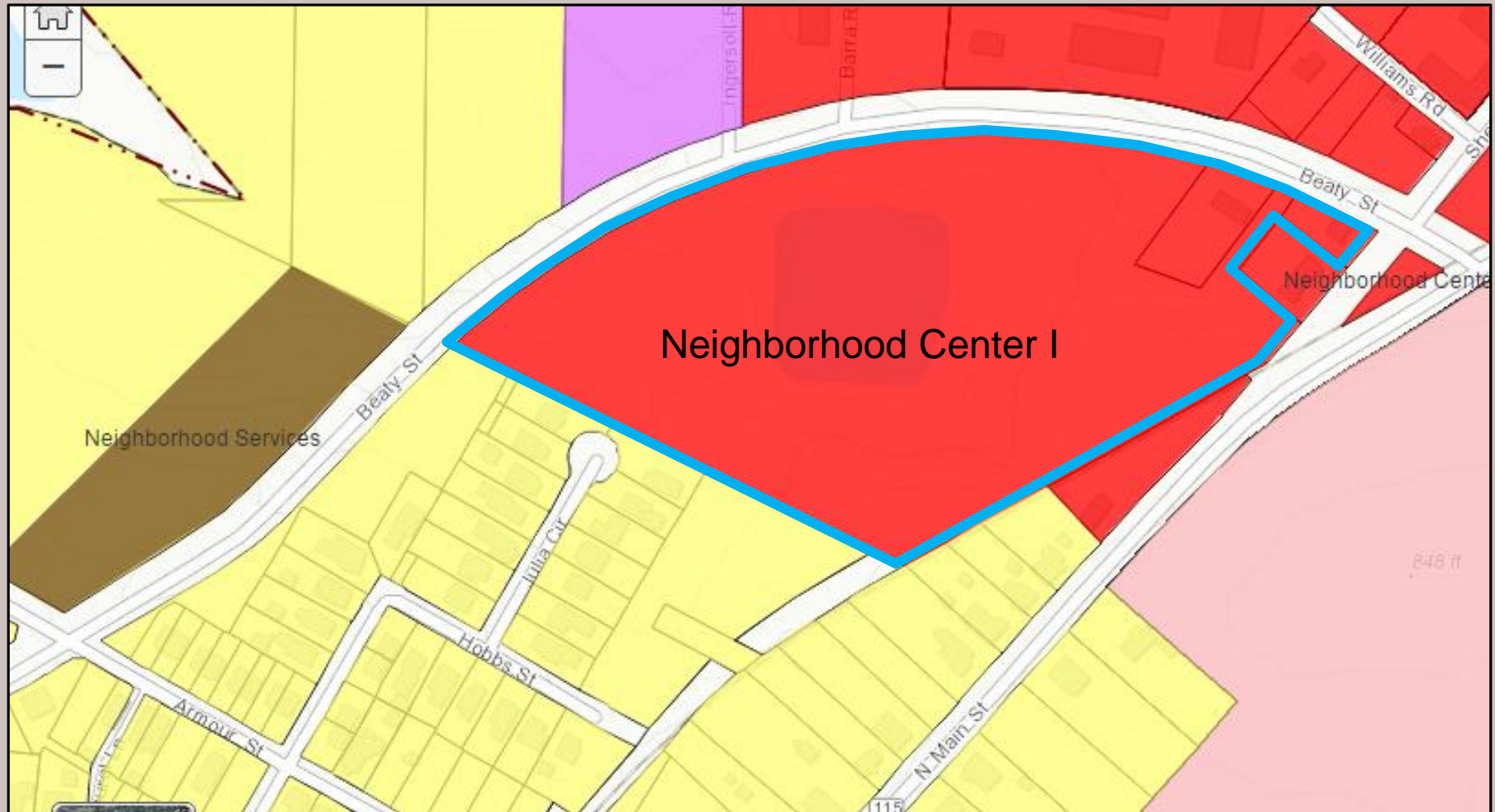


Comprehensive Plan 2010

“Recent plans for properties near the Iredell County border and NC115 recommend light industrial and other employment uses that follow ecologically-responsive development and management patterns. The concept also envisions high density residential development. The comprehensive plan suggests that these plans consider uses and building types that would not compete with downtown development.”



Beaty Street Property Zoning



Neighborhood Center I

“The Neighborhood Center I Planning Area is established to provide employment opportunities and commercial and retail services to our citizens and regional travelers along and near major thoroughfares. Development is encouraged to be compact and provide off-road pedestrian and bicycle facilities. These commercial nodes will accommodate the high volume of regional traffic along the corridors.”



Neighborhood Center I

- Townhouse, Multi-family, Institutional, Workplace, and Storefront building types allowed
- Maximum height: three stories for townhouse and multi-family buildings, four stories for institutional, workplace, and storefront buildings
- 10% open space requirement



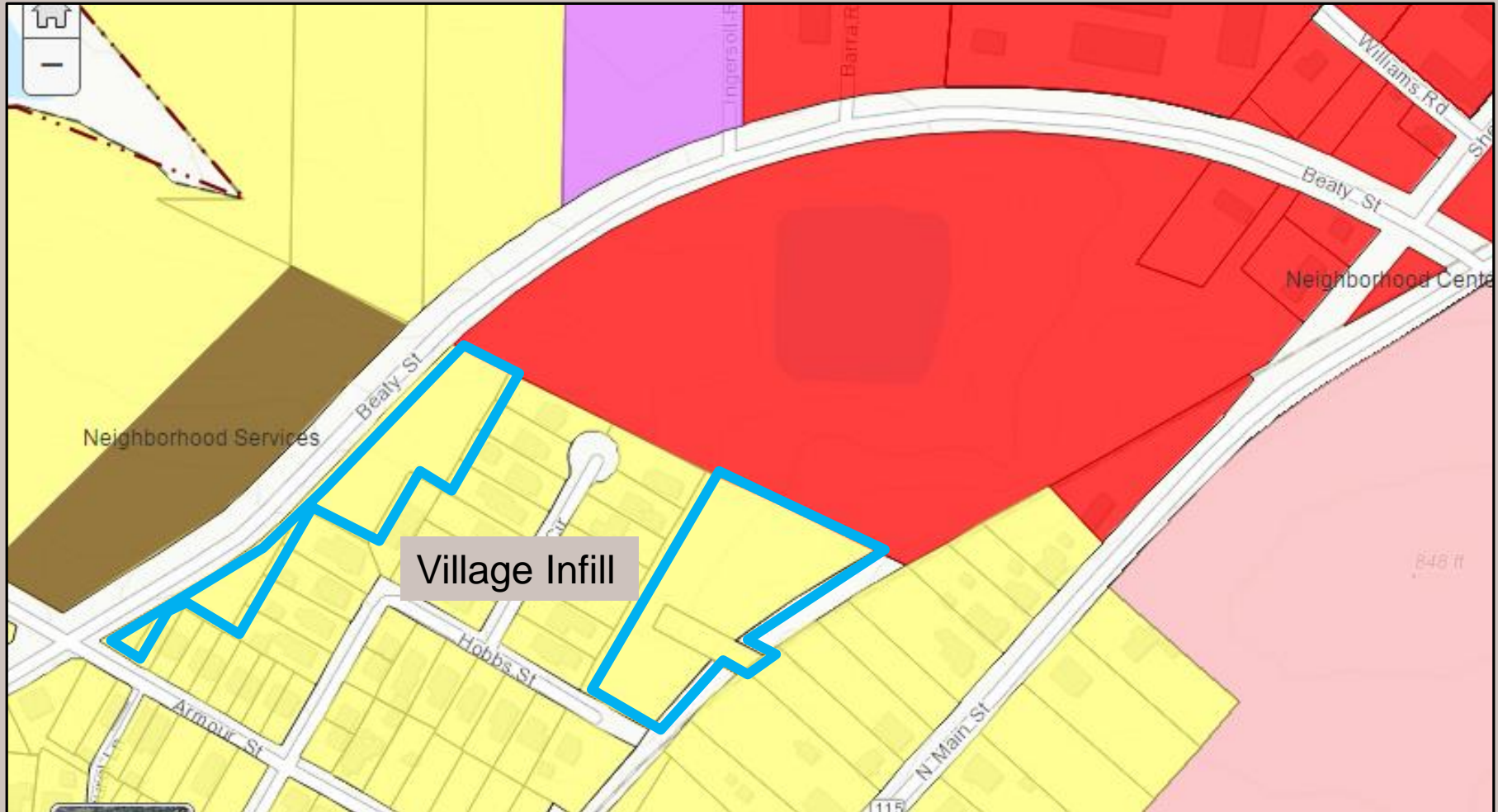
Neighborhood Center I

Permitted Uses:

- Residential (MF, TH)
- Commercial Services
- Hotel/Inn/Conference Center
- Micro-Brewery
- Professional Services
- Daycare center
- Fire, police stations
- Religious Institution
- Recreation facility – indoor and outdoor
- Retail – primary and secondary



Beaty Street Property Zoning



Village Infill

“The Village Infill Planning Area comprises Davidson’s traditional, residential neighborhoods and provides for infill development surrounding the historic town center. Streets, sidewalks and greenways in the Village Infill Planning Area must be interconnected. A range of housing types is encouraged. Small retail establishments are permitted on corner lots, with restrictions.”



Village Infill

- Max height 37'
- No open space requirement
- Permitted Uses:
 - Residential (SF, TH, MF)
 - Family Care Home
 - Outdoor recreation facility: tennis court, ball field, outdoor theatre, etc.
 - Police, fire, government services



Beaty Street RFP

Values:

- Walkability
- Mixed-used neighborhoods
- Diversity
- Sustainability
- Sense of community



Beaty Street RFP

- Request by board of commissioners to write and issue RFP
- First draft to board at May 24 work session
- Issued RFP on August 26 + manager's video
- HHNA meeting October 20



Beaty Street RFP Highlights

- Mixed-use commercial development preferred at northernmost corner.
- Residential to include a mix of housing types and price points.
- 12.5% affordable housing required. 1/2 of required units must be built on-site.



Beaty Street RFP Highlights

- Buildings will be reviewed by DRB, including townhomes and single-family prototypes.
- Proposal must include partial funding for improvements at Main and Beaty intersection.
- Minimum 20 – 25% of area to be parks/open space.
- Significant trees to be saved or mitigated.
- Must include multi-use path that will eventually connect to downtown.



RFP Process

- Received six proposals January 18, 2017
- Selection committee reviewed proposals, interviewed developers, voted on final selection on February 15
- February 27 BoC meeting: presentation of all plans and the recommendation of selection committee
- March 14 BoC meeting: Extended public comment period



Process moving forward

- April 11 BoC meeting: vote on developer
- April/May: Citizen input meeting
- Begin upset bid process per NCGS 160A-269
- 180 day due diligence period
- Negotiate purchase contract and land development agreement
- Master plan process, including public input



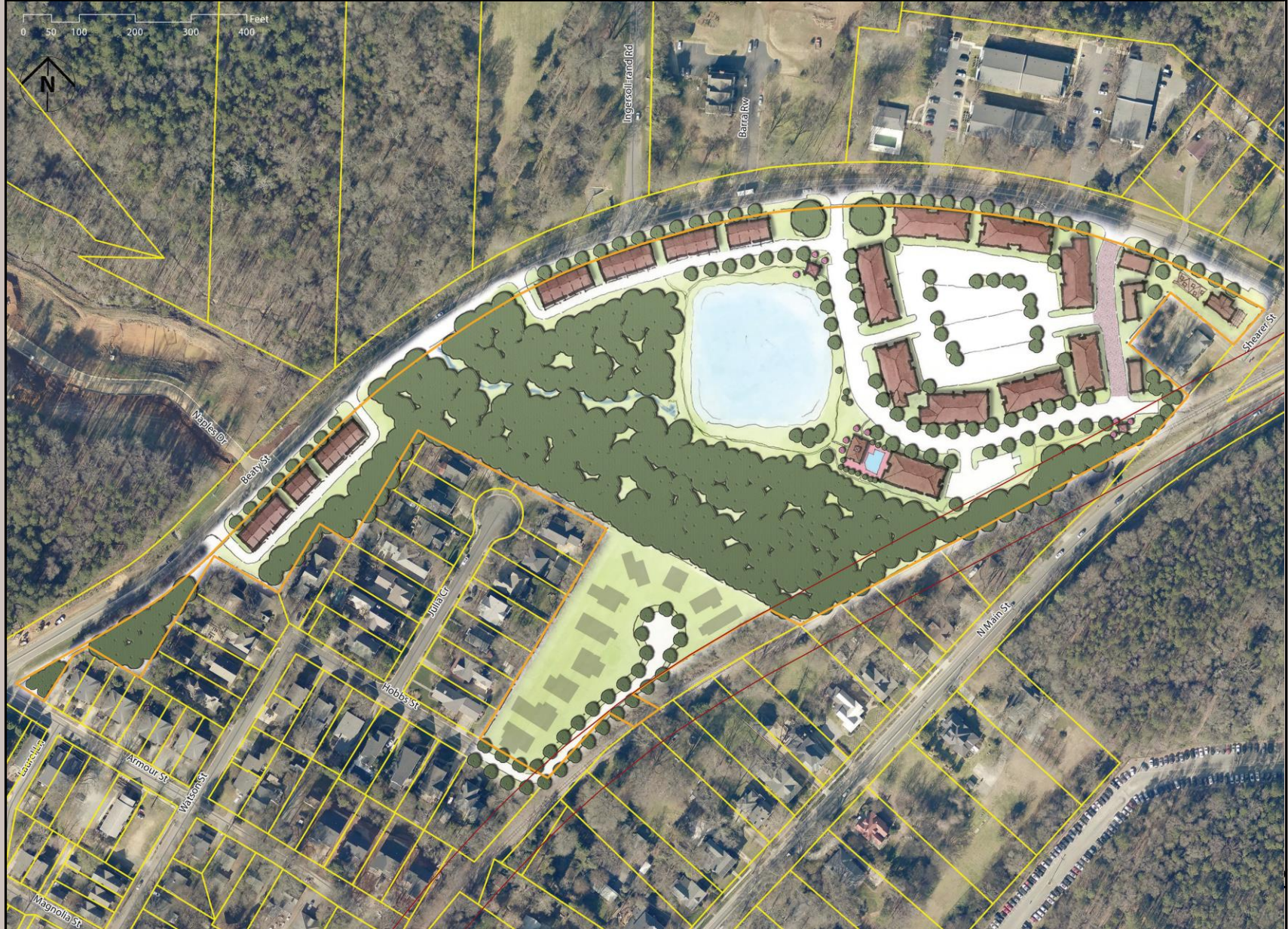
2016 Beaty Street RFP Responses



College Town. Lake Town. *Your Town.*

Beaty Street RFP
Board of Commisisoners' meeting
February 27, 2017

Woodbury Development



Woodbury Development

- Multi-family: 240 rental
- Townhomes: 32 for sale
- Single-family: 10 for sale
- Total units: 282
- Affordable housing: 15% of rental units
- Commercial: 8,700 square feet total
 - 7,200 "maker space" + 1,500 retail
- Parks: 50% open space
- Transportation improvements: \$0



Woodbury Development

- Purchase price: \$450,000
- Schedule of payments:
 - \$150,000 when permits issued
 - \$150,000 12 months later
 - \$150,000 12 months later

Notes:

- Abatement of property taxes, not to exceed 2 years
- Tax revenue annually: \$188,847



Blue Heel



Blue Heel

- Multi-family: 2) 12-unit rental + 20 additional units if mixed-use building is 3 stories
- Townhomes: 51 for sale • Single-family: 17 for sale
- Total units: 104 - 124
- Affordable: 12 rental units, town participates in funding
- Commercial:
 - 27,000 square feet in mixed-use building
 - 30,000 square foot church
- Parks: 5 acres (pocket & town park)



Blue Heel

- Transportation improvements: \$550,000
- Purchase price: \$1,800,000
- Payment Schedule:
 - Deposit: 5% of bid price, remainder unknown

Notes:

- 1 mile pedestrian infrastructure
- Two alternatives for affordable housing
- Church open to discussing p.i.l. of taxes
- Tax revenue annually: \$214,128

CRG Residential



CRG Residential

- Multi-family: 12) 20 unit rental, 1) 70 unit rental
- Total units: 310
- Affordable housing: possibly off-site, north of town property
- Commercial: 11,500 square feet in 70-unit building
- Parks: Neighborhood green, beach, and buffers



CRG Residential

- Transportation improvements: \$550,000
- Purchase price: \$2,700,000
- Payment schedule: Unknown
- Notes:
 - No mix of bldg types, affordable off-site
 - Hwy 115 as road frontage may not meet ordinance requirements
- Tax revenue annually: \$179,838



Laurel Street



Laurel Street

- Multi-family: 9) 12-unit rental, 6) 4-unit rental
- Single-family: 18 for sale
- Total units: 150
- Affordable housing: 20% of total number of units for those making 80% or less AMI
- Commercial: reserved space
- Parks: Special Use park, neighborhood mini-park, 50% impervious



Laurel Street

- Transportation improvements: \$550,000
- Purchase price: \$250,000
- Payment schedule: \$250,000 at closing
- Tax revenue annually: \$109,538



Selection Committee

Committee members:

- Two neighborhood representatives
- One representative from Livability Board, Planning Board, and Design Review Board
- Two commissioners

January 31: Met to discuss six proposals and short-list developers

February 7: Interviewed two developers



Selection Committee

February 15: Voted on one developer to recommend to Board of Commissioners:

- Davidson Development Partners
Luminous Proposal

Vote: Four Luminous, one Blue Heel, with both neighborhood representatives abstaining



Davidson Development Partners – Luminous proposal

We want to hear from you:

- 1) www.townofdavidson.org/BeatyStRFP
- 2) BeatyStRFP@townofdavidson.org
- 3) Comment cards
- 4) Public Comment Period on March 14
meeting at 6:00 p.m.

Luminous



Luminous

- Multi-family: 132 condos
- Single-family: 11 for sale
- Total units: 164
- Affordable housing: 21 townhomes for sale
- Commercial:
 - 100 room hotel
 - 28,000 commercial
 - Davidson Learns space



Luminous

- Parks: 6.5 ac park/60% open space
- Transportation improvements: \$550,000
- Purchase price: \$1,650,000
- Payment Schedule:
 - Deposit: \$82,500
 - At closing: \$1,567,500
 - Commencement of intersection improvements: \$550,000
- Tax revenue annually: \$344,128

