City of High Point

Municipal Office Building
211 South Hamilton Street
High Point, NC 27261

Meeting Agenda

Monday, May 3, 2010

4:45:00 PM

Council Chambers

Committee of the Whole

Rebecca R. Smothers, Mayor
M. Christopher Whitley, Mayor Pro Tem
Latimer B. Alexander, IV, William S.Bencini,
Mary Lou Blakeney, Foster Douglas, John Faircloth,
Michael D. Pugh, Bernita Sims

ROLL CALL, PRAYER, PLEDGE OF ALLEGIANCE

PRESENTATION OF ITEMS

FINANCE COMMITTEE

100104 **Resolution - Issuance of 2010 Water and Sewer Revenue Bonds**

City Council is requested to approve the attached “Resolution Making Certain Findings and Determinations Authorizing the Filing of an Application with the Local Government Commission, Requesting the Local Government Commission to Sell Bonds at a Private Sale, Approving the Financing Team and Authorizing the Distribution of a Preliminary Official Statement in Connection With the Issuance of Revenue Bonds By the City of High Point.”

100106 **Contract - Bid No. 24 - Additions to North Substation**

Council is requested to approve contract for Bid No. 24 for additions to the North Substation to Peak Substation Services in the amount of $281,900.00 which is the lowest responsible and responsive bidder meeting specifications.

100107 **Purchase of Property - Irwin Avenue - Parks & Recreation Department**

Council is requested to authorize the City Attorney's office to proceed with the purchase of property located at 804, 806, 808, 810 and 812 Irwin Avenue in the amount of $36,750.00. This property is being purchased for the Parks & Recreation Department for addition to a future park off of Burton Road.

100111 **2010-2011 Retail Electric and Renewable Rider Rates**

Consideration of recommended 2010-2011 Retail Electric Rates and Renewable Energy Riders to be effective with utility billing statements after June 1, 2010.

100097 **Contract - S.H.A.R.E , Inc. - Neighborhood Stabilization Program**

Approval of contract between the City of High Point and S.H.A.R.E. Inc. to repair foreclosed properties under the Neighborhood Stabilization Program.

100098 **Contract - Habitat for Humanity - Neighborhood Stabilization Program**

Approval of contract between the City of High Point and Habitat for Humanity to acquire vacant properties in the Graves Avenue area under the Neighborhood Stabilization Program.

100112 **Resolution - Recovery Zone Economic Development Bonds (RZED)**

City Council is requested to approve the attached "Resolution Requesting Allocation of Recovery Zone Economic Development Bonds" which makes a formal request of the NC Department of Commerce's Tax Reform Allocation Committee to allow the City to utilize RZED bonds and authorizes the City Manager and the Financial Services Director to execute any documents related to the issuance and acceptance of these bonds.

Pending Items

090050 **Revised Economic Incentive Policy**

Council is requested to adopt a revised economic incentive policy redirecting incentive dollars to the Core City and south High Point.

3/5/2009	**Committee of the Whole**	**referred**	**Committee of the Whole**

100096 **Public Hearing - Community Development & Housing Department - 5-Year Consolidated Plan and Annual Action Plan**

Monday, April 19, 2010 at 5:30 p.m. is the date established to receive public comments on the Community Development and Housing Department 5-Year (2010-2014) Consolidated plan and 2010-2011 Annual Action Plan.

4/19/2010	**Committee of the Whole**	**referred**	**Public Services Committee**

PUBLIC SAFETY COMMITTEE

100108 **Ordinance - Repair and Vacate Dwelling - 1220 Montlieu Avenue**

Council is requested to adopt an ordinance ordering the inspector to effectuate the repair and vacate of a dwelling located at 1220 Montlieu Avenue belonging to Sammie Chess, Jr.

100109 **Ordinance - Vacate Dwelling - 2613 Woodruff Avenue**

Council is requested to adopt an ordinance ordering the housing inspector to effectuate the vacating of a dwelling located at 2613 Woodruff Avenue belonging to Juan Hernandez - Gamez and Lexington State Bank.

PUBLIC SERVICES COMMITTEE

100110 **Memorandum of Understanding for Water Quality - High Rock Lake**

Council is requested to approve a Memorandum of Understanding concerning improving water quality conditions in the High Rock Lake.

PLANNING & DEVELOPMENT COMMITTEE

Pending Items

100090 **Resolution - Street Abandonment SA-10-05 - City of High Point**

A request by the Technical Review Committee to abandon an unimproved right-of-way, unnamed alley (15 feet in width), lying east of N. Hamilton Street between Guilford Avenue and Louise Avenue.

4/19/2010 Committee of the Whole continued

MISCELLANEOUS

100113 **Appointment - Boards & Commissions - Library Board of Trustees**

Council is requested to make the reappointment of Kay Anderson to the Library Board of Trustees. Appointment will be retroactive and will expire October 31, 2011.

PUBLIC COMMENT PERIOD - 5:15 P.M.

PUBLIC HEARINGS ON ITEMS - 5:30 p.m.

Finance Committee

100105 **Resolution - Issuance of Two-Thirds Bonds Orders**

City Council is requested to conduct a public hearing on May 3, 2010 at 5:30 pm as required by state law on the issuance of the referenced 2/3 bond; and following the public hearing, City Council is requested to approve the bond orders authorizing $3,200,000 Parks and Recreational Facilities Bonds, and $2,415,000 Street and Sidewalk Improvement Bonds as presented at its April 19, 2010, meeting.

ADJOURNMENT

Financial Services

Jeffrey A. Moore, CPA
DIRECTOR

NORTH CAROLINA'S INTERNATIONAL CITY™

MEMORANDUM

April 27, 2010

MEMO TO: Strib Boynton, City Manager
Members of City Council

FROM: Jeffrey A. Moore, Financial Services Director
Fred Baggett, City Attorney

SUBJECT: Required City Council actions for 2/3 Bonds

Please include the following actions by City Council for their May 3, 2010, Council meeting. The City's bond attorney has prepared the attached form of proceedings for the public hearing on the 2/3 bonds based on the authorization Council provided at our last meeting.

1. City Council is requested to conduct a public hearing on May 3, 2010 at 5:30pm as required by state law on the issuance of the referenced 2/3 bonds.
2. Following the public hearing, City Council is requested to approve the bond orders authorizing $3,200,000 Parks and Recreational Facilities Bonds, and $2,415,000 Street and Sidewalk Improvement Bonds as presented at its April 19, 2010, meeting.

These are necessary legal proceedings for the issuance of these bonds. As always, we will be available if you have any questions.

A regular meeting of the City Council of the City of High Point, North Carolina was held in the Council Chambers of the Municipal Building at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 5:30 p.m. on May 3, 2010.

Present: Mayor Rebecca R. Smothers, presiding, and Council Members ______________

____

Absent: Council Members ____

____

Also Present: ____

____

* * * * * *

The Mayor announced that this was the hour and day fixed by the City Council for the public hearing upon the three bond orders entitled "ORDER AUTHORIZING $3,200,000 PARKS AND RECREATIONAL FACILITIES BONDS" and "ORDER AUTHORIZING $2,415,000 STREET AND SIDEWALK IMPROVEMENT BONDS" and that the City Council would immediately hear anyone who might wish to be heard on the questions of the validity of said bond orders or the advisability of issuing said bonds.

A list of all persons making comments and a summary of such comments are attached as Exhibit A.

The public hearing was closed.

All statements and comments by participants of the public hearing were duly considered by the City Council.

Thereupon, upon motion of Council Member ______________, seconded by Council Member ________________, the order introduced and passed on first reading on April 19, 2010, entitled "ORDER AUTHORIZING $3,200,000 PARKS AND RECREATIONAL FACILITIES BONDS" was read a second time and placed upon its final passage. The vote upon the final passage of said order was:

Ayes: ____

____

Noes: ____

____

________________ then announced that the order entitled “ORDER AUTHORIZING $3,200,000 PARKS AND RECREATIONAL FACILTIES BONDS” had been adopted.

Thereupon, upon motion of Council Member ______________, seconded by Council Member ________________, the order introduced and passed on first reading on April 19, 2010, entitled “ORDER AUTHORIZING $2,415,000 STREET AND SIDEWALK IMPROVEMENT BONDS” was read a second time and placed upon its final passage. The vote upon the final passage of said order was:

Ayes:____

____

Noes:____

____

________________ then announced that the order entitled “ORDER AUTHORIZING $2,415,000 STREET AND SIDEWALK IMPROVEMENT BONDS” had been adopted.

The City Clerk was thereupon directed to publish the aforementioned orders, together with the appended statement as required by The Local Government Bond Act, as amended, once in the High Point Enterprise.

* * * * * *

I, Lisa B. Vierling, City Clerk of the City of High Point, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of said City at a regular meeting held on May 3, 2010, as relates in any way to the holding of a public hearing on two bond orders authorizing general obligation bonds of said City and the adoption of said bond orders.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said City this 3rd day of May, 2010.

____
City Clerk

[SEAL]

EXHIBIT A

[A list of any persons making comments and a summary of such comments to be attached. If no comments are made, please insert “None”.]

Right of Way

Henry T. Moon, III
RIGHT OF WAY AGENT

HIGH POINT
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MEMO

April 19, 2010

To: Fred Baggett

From: Henry T. Moon HTM

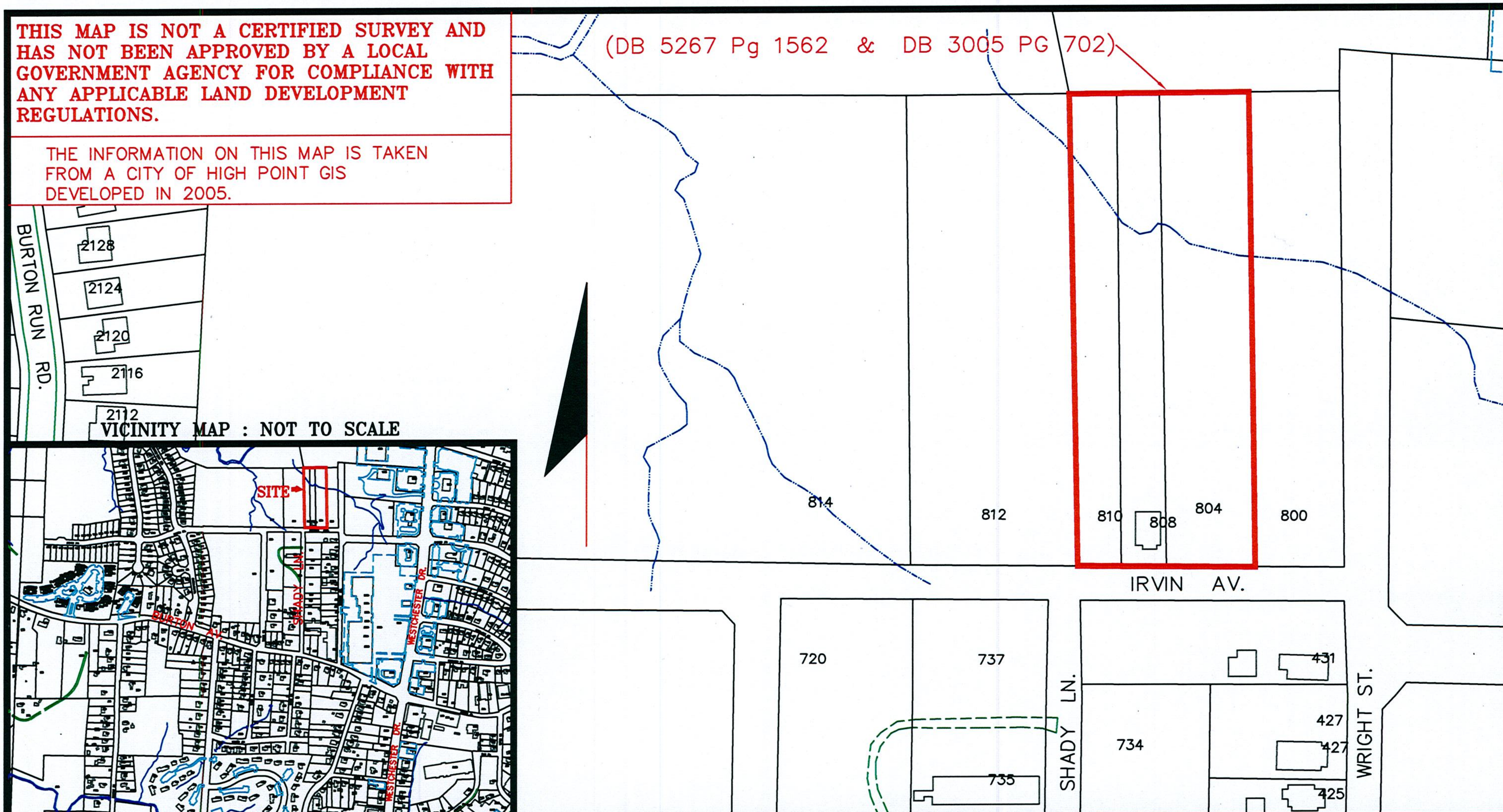
It is requested that you seek Council approval for the purchase of property at 804-806-808-810 & 812 Irwin Ave. This is a total of 2.45 acres and has a tax value of $50,800. The agreed purchase price is $36,750. The property is being purchased for addition to the future park off of Burton Rd.

I will deliver the map of same to Cindy upon receipt from Engineering. Mr. Allen Oliver and myself will be at the Finance and Council meetings on 5/3/10 to answer any questions.

If you have any question, please advise.

Cc: Pat Pate
Cindy Smith
Allen Oliver

City of High Point, P.O. 230, 211 S. Hamilton Street, High Point, NC 27261 USA
Phone: 336.883.3247 Fax: 336.883.3683 Cell: 336.688.6624
E-mail: henry.moon@highpointnc.gov



CITY OF HIGH POINT
NORTH CAROLINA

ENGINEERING SERVICES
DEPARTMENT

PURCHASE OF PROPERTY FOR PARKS &.
RECREATION DEPARTMENT

PROPERTY OF TREE INVESTMENTS, LLC
810, 808, & 804 IRWIN AVENUE
APPROXIMATELY 2.46 ACRES
TM 18-103-4-3, & 4 & 5

SCALE: N.T.S. BY: MBN

PROJECT: 2441 DATE: APRIL 2010

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Community Development & Housing Department

Public Hearing
2010-14 Consolidated Plan
2010 - 11 Annual Action Plan

April 19, 2010

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Agenda

- Overview of the Consolidated Plan process
  - Community Needs
  - Priorities
- Proposed 2010-11 Action Plan
  - Projected Resources
  - Programs and Activities

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Consolidated Plan Overview

- The conplan describes the City's priorities and objectives:
  - Serves as the planning guide for specific HUD grants
  - Analyzes available data to identify needs, gaps and trends
  - Assesses housing and community development needs
  - Provides a strategic plan for addressing these needs
- The Action Plan implements strategies identified in conplan
  - Describes the projected specific activities for that year
  - Identifies available resources
  - Allocates funding to each activity.

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Consolidated Plan
Statutory Objectives

- Decent housing
  - increasing the availability of affordable permanent housing
  - retaining the affordable housing stock
- A Suitable Living Environment
  - improving the safety and livability of neighborhoods
  - eliminating blighting influences
- Expanded Economic Opportunities
  - establishment, stabilization & expansion of small businesses
  - provision of public services concerned with employment

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Consolidated Plan Priorities & Needs

Identified in the consolidated planning process :

- Increase the supply of decent affordable housing
- Improve the conditions of existing low-income housing
- Assist the homeless & those at risk of becoming homeless
- Provide community capacity building programs
- Provide community outreach services
- Improve the quality of life for elderly residents (public services & affordable housing).

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HUD Income Guidelines

2009-10 INCOME LIMITS					
FAMILY SIZE	VERY LOW INCOME (30% MEDIAN)	LOW INCOME (50% MEDIAN)	MODERATE INCOME (80% MEDIAN)	MEDIAN	NSP MAXIMUM (120% MEDIAN
1	$12,300	$20,500	$32,750	$40,938	$49,125
2	$14,050	$23,400	$37,450	$46,813	$56,175
3	$15,800	$26,350	$42,100	$52,625	$63,150
4	$17,550	$29,250	$46,800	$58,500	$70,200
5	$18,950	$31,600	$50,550	$63,188	$75,825
6	$20,350	$33,950	$54,300	$67,875	$81,450
7	$21,750	$36,250	$58,050	$72,563	$87,075
8	$23,150	$38,600	$61,800	$77,250	$92,700

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2010-11 Action Plan

Proposed Annual Action Plan Budget

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2010-11 Projected Action Plan Resources

Anticipated Funding & Sources:

Program	Amount	Percent
CDBG Program Funds	$846,750	13%
CDBG Program Income	150,000	2%
City Local Funds (HOME match)	124,590	2%
Health & Human Services	40,000	1%
HOME Program Funds	895,136	14%
HOME Program Income	70,000	1%
Lead Hazard Control	1,879,144	30%
Neighborhood Stabilization Program	2,250,000	35%
Shelter Plus Care	106,176	2%
TOTAL	$6,361,796	100%

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Affordable Housing Programs

Description	Cost	Type of Activity
Program Delivery Costs	400,417	Salaries/supplies/training
Emergency Repair Program	140,410	Major systems repair
Infill Housing	204,590	Buy properties for future development
Individual Development	57,500	Financial mgt for homeownership
Homebuyer Assistance	200,000	Homes purchased
CHDO Activities	144,270	Homes built and sold
Neighborhood Stabilization	2,250,000	DPA, redevelopment, repair & acquisition
Lead Hazard Control	1,879,144	Lead remediation
Elderly/Multi-family LIHTC	250,000	Participation in a LIHTC development
Southside Revitalization	239,352	New construction/property acquisition
Total	$5,765,683	




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Community & Neighborhood Development Programs

Description	Cost	Type of Activity
Program Delivery Costs	$188,773	Personnel costs
Shelter Plus Care	$106,176	Support public service activities
Public Service Grants	40,300	Assist public service agencies
Community Based Initiatives	0	Neighborhood improvement projects
Relocation Assistance	10,000	Relocation assistance
Total	$345,249	

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Public Service Awards

Applicant	Amount Allocated	Activity
Carl Chavis YMCA	15,000	Provide scholarships to 100 youths for summer camp
Helping Hands	6,000	Provide emergency assistance (food, rent & utilities)
Mary's House	7,200	Permanent housing for homeless recovering mothers & their children
Piedmont Health Services & Sickle Cell	6,100	Parent education program for children aged infant to 8 years old
Senior Resources of Guilford	6,000	Provide meals to 5 homebound senior citizens
TOTAL	$ 40,300	

- CAC received 12 requests totaling $149,850
- Due to funding constraints
  - ✓Reduced public service grants awarded
  - ✓No CBI awards

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Program Administration

Program Administration	HOME	CDBG	TOTAL
Operating Costs	$56,820	$201,949	$258,769
Total	$56,820	$201,949	$258,769

- Section 108 application for small business loan pool submitted;
- General Program Management and Administration;
  - Funds from HUD, DOJ, HHS, General Fund
  - Preparation of plans (5 year consolidated plan due May 15, 2010);
  - Preparation of Analysis of Impediments to Fair Housing Choice
  - Performance reporting for activities funded through Annual Action Plan, American Recovery and Reinvestment Act & Housing and Economic Recovery Act of 2008.
- Salaries & benefits Director & CD Administrator;

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2010-11 Action Plan Schedule

Southside Recreation Center	4-Feb-10
Morehead Recreation Center	11-Feb-10
West End-Community Center	18-Feb-10
Highland Mills	1-Mar-11
CAC Retreat	4-Mar-10
Public Comment Period (projected)	March 16 thru April 16, 2010
Public Hearing-CAC	25-Mar-10
Public Hearing-Council	19-Apr-10
Submit to HUD	14-May-10

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Community Development & Housing Department

Questions or comments:

- City Hall - 883-3349
  - Michael E. McNair, Director
  - Calvin Slade, Affordable Housing Manager
  - Beth Workman, Community Development Administrator
- Community & Neighborhood Development Center – 883-3041
  - Michelle McNair, Community Resource Manager

COMMUNITY DEVELOPMENT & HOUSING

NORTH CAROLINA'S INTERNATIONAL CITY™

MEMORANDUM

DATE: April 27, 2010

TO: Randy McCaslin, Assistant City Manager

FROM: Michael E. McNair, Director

SUBJECT: Neighborhood Stabilization Program Contracts with S.H.A.R.E. and Habitat for Humanity

The City's Neighborhood Stabilization Program (NSP) allocation of $2.625 million must be expended or obligated by July 18, 2010. The City is also required to reserve 30% of its NSP allocation to benefit households with incomes at or below 50% of the area median income ($29,250 for a family of four). Consequently, NSP funds dedicated to low income families must total at least $787,500 to meet the reserve requirement. In order to fulfill to these and other NSP requirements, Community Development and Housing proposes to implement two of the planned NSP projects reported at the April 19th Finance Committee meeting. Project descriptions are below:

- **Purchase and Rehabilitation of Foreclosed Properties**. CD&H proposes to partner with S.H.A.R.E., Inc. to acquire and rehabilitate approximately 10 foreclosed properties in zip codes 27260, 27262, and 27265. Total project costs (acquisition and repair of foreclosed properties) are expected to total $800,000 ($400,000 for acquisition and $400,000 for repairs). After acquisition and rehabilitation, the properties will be sold or rented to persons at or below 50% of area median income. For persons who initially rent the NSP assisted property, S.H.A.R.E will prepare the tenant to purchase the property within 24 months of occupancy. S.H.A.R.E. has been actively reviewing foreclosed property listings and has identified properties for acquisition. CD&H will actively monitor and participate in the property acquisition process to ensure that all federal regulations are met. This project will satisfy the NSP 30% reserve requirement for low-income families.

- **Acquisition and Redevelopment of Vacant Properties.** CD&H proposes to partner with Habitat for Humanity to acquire vacant properties in the Graves Avenue area (adjacent to Washington Terrace Park). The total project costs are expected to total $400,000 ($100,000 for acquisition and $300,000 for construction. NSP funds will be used to purchase vacant/blighted properties contiguous to the Graves Avenue redevelopment site. The properties will be demolished, cleared, and then conveyed to Habitat. Habitat will build up to 6 Energy Star compliant affordable homes that will be sold to eligible homebuyers with incomes below 50% of AMI.

The approval of these projects along will bring us to approximately 72% of NSP funds expended or obligated. Staff requests that Council favorably consider these NSP projects and authorize the City Manager to execute the contracts with S.H.A.R.E, Inc. and Habitat for Humanity of High Point, Archdale and Trinity.

Enclosures: NSP contracts for S.H.A.R.E., Inc. and Habitat for Humanity of High Point, Archdale and Trinity

City of High Point, P.O. 230, 211 South Hamilton Street, High Point, NC 27261 USA
Office: 336.883.3676 Fax: 336.883.3355 TDD 336.883.8517

Financial Services

Jeffrey A. Moore, CPA
DIRECTOR

NORTH CAROLINA'S INTERNATIONAL CITY™

MEMORANDUM

April 29, 2010

MEMO TO: Strib Boynton, City Manager
Members of City Council

FROM: Jeffrey A. Moore, Financial Services Director
Fred Baggett, City Attorney

SUBJECT: Required City Council actions for Proposed RZED Bonds

At its meeting of December 7, 2009, City Council authorized its intent to utilize the City's direct US Treasury allocation of $5,007,000 Recovery Zone Economic Development (RZED) Bonds, with anticipated Local Government Commission's approval of those bonds at its meeting of May 4, 2010. Since the City's proposed revenue bonds are now scheduled for approval for the LGC's meeting of June 1, 2010, the City must request an allocation of RZED bonds to the City. We understand that we can also request, at this time, additional RZED bonds to take full advantage of the interest rate subsidies provided for the issuance of these types of bonds. Our financial advisors, Davenport & Associates, has recommended that we seek authorization to utilize these funds in order to determine if they will result in a lower net interest rate for the City of High Point.

Please include the following actions by City Council for their May 3, 2010 Council meeting.

1. City Council is requested to approve the attached "Resolution Requesting Allocation of Recovery Zone Economic Development Bonds" which makes a formal request of the NC Department of Commerce's Tax Reform Allocation Committee to allow the City to utilize RZED bonds and authorizes the City Manager and the Financial Services Director to execute any documents related to the issuance and acceptance of these bonds.

The attached Resolution authorizes the request of up to $10,200,000 of taxable Recovery Zone Economic Development Bonds for the purposes of paying for the continuing improvements to Westside WWTP as was our original intent. These bonds, if approved, will be issued as part of the $27,000,000 in proposed Series 2010 revenue bonds, not in addition to those proceedings, before Council for approval today.

This resolution is an administrative proceeding for the authorization of these special bonds. As always, we will be available if you have any questions.

Accounting 336.883.3240 | Internal Audit 336.883.3122 | Purchasing 336.883.3219 | Treasury Services 336.883.3230

City of High Point, P.O. Box 230, 211 South Hamilton Street, High Point, NC 27261 USA
Fax: 336.883.8572 Phone: 336.883.3237 TDD 336.883.8517

RESOLUTION REQUESTING ALLOCATION OF RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS

BE IT RESOLVED by the City Council (the "City Council") of the City of High Point, North Carolina (the "City"):

Section 1. The City Council does hereby find and determine as follows:

(a) The City currently operates a water system and sanitary sewer system, both of which provide service to the residents of the City and its environs.

(b) The City received a designated allocation of Recovery Zone Economic Development Bonds from the US Treasury in the amount of $5,007,000.

(c) The City followed the prescribed procedures to utilize its Recovery Zone Economic Development Bonds, including the required "Resolution Designating Recovery Zone and Continued Study of Recovery Zone Economic Development Bonds" adopted by City Council December 7, 2009, the "Declaration of Official Intent to Reimburse Eligible Expenditures" dated December 8, 2009, and completing the "Notice of Intent to Issue Recovery Zone Bonds" dated December 15, 2009.

(d) The City has made substantial progress in the issuance process for the City of High Point's Combined Enterprise System Revenue Bonds, Series 2010, the approval of which is anticipated to be on the Local Government Commission agenda June 1, 2010.

(e) The utilization of Recovery Zone Economic Development Bonds with its interest rate subsidy rebates are a financially preferable measure to providing capital financing.

(f) The use of Recovery Zone Economic Development Bonds for the project is good for the natural resources and the people of the State of North Carolina.

(g) The proposed Recovery Zone Economic Development Bonds, as part of the City of High Point's Combined Enterprise System Revenue Bonds, Series 2010, can be marketed at a reasonable interest cost to the City.

(h) The utilization of Recovery Zone Economic Development Bonds will reduce future water and sewer rate increases for the citizens of High Point as compared to traditional tax exempt revenue bonds.

Section 2. The City Manager and the Financial Services Director of the City are hereby authorized and directed to file an application with the North Carolina Department of Commerce Federal Tax Reform Allocation Committee for approval in the allocation of Recovery Zone Economic Development Bonds in an aggregate principal amount not to exceed $10,200,000. Any such action heretofore taken in connection with the filing of such application is hereby ratified and approved.

Section 3. The North Carolina Department of Commerce Federal Tax Reform Allocation Committee is hereby requested to consider the application during its May 2010 meeting in order to meet the proposed financing schedule for the issuance of the City's proposed revenue bonds.

Section 4. This resolution shall take effect immediately upon its passage.

Upon motion of Council Member ______________, seconded by Council Member __________________, the foregoing resolution entitled "RESOLUTION REQUESTING ALLOCATION OF RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS" was passed by the following vote:

Ayes:____.

Noes:____.

*   *   *   *   *

I, Lisa B. Vierling, City Clerk of the City of High Point, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of so much of the proceedings of said City Council at a regular meeting held on May 3, 2010, as relates in any way to the adoption of the foregoing resolution and that said proceedings are recorded in the minute books of said City Council.

WITNESS my hand and the official seal of the City this 3rd day of May, 2010.

____
City Clerk

[SEAL]

RECOVERY ZONE BONDS
REQUEST FOR REALLOCATION

Attn: North Carolina Tax Reform Allocation Committee
c/o Commerce Finance Division
North Carolina Department of Commerce

Hand Deliveries	US Mail
301 N. Wilmington Street	4318 Mail Service Center
4th Floor, Education Building	Raleigh, North Carolina 27699-4318
Raleigh, North Carolina 27603	

1. Name of governmental entity requesting reallocation: City of High Point ("Unit")

2. Type of Bonds

   [X] Recovery Zone Economic Development Bonds

   [ ] Recovery Zone Facility Bonds

   Original Designation $ 5,007,000
   Re-Allocation 5,193,000
   $10,200,000

   Amount of Recovery Zone Reallocation requested: $ 10,200,000

3. General Description of the Project or Purpose to be financed with Recovery Zone Bonds, as applicable:

   Multiphase upgrade of the City's Westside Wastewater Treatment Plant

4. Location of Project or Purpose (City or Town and County) City of High Point & Davidson County

5. Name, address, phone number, and tax ID number of the proposed issuer and, if Recovery Zone Facility Bonds, private borrower or developer, as applicable.

   City of High Point
   Attn: Jeff Moore, Financial Services Director 56-6000231
   PO Box 230 211 S Hamilton St
   High Point, NC 27261-0230 (336) 883-3238

Return to Jeff

NOTE: A SEP... FOR REALLOCATION MUST BE FILED FOR EACH ...H REALLOCATION IS REQUESTED

6. In addition, the applicant may provide additional information for consideration by the Tax Reform Allocation Committee pursuant to section 04 NCAC 01H .0404 as it deems appropriate in order to support a finding by the Committee that the proposed project meets some or all of the factors to be considered by the Committee in reallocating recovery zone bond allocation. The factors to be considered include the following:

(a) The overall good of the state and the people of North Carolina.

(b) Relative economic need and benefit to the county or large municipality and the area or region affected by the following:

(i) Whether the county or the large municipality is in competition with another state for project benefits such as jobs and tax base;

(ii) Whether the availability of the allocation is a crucial part of attracting a new company or keeping an existing company in place;

(iii) Whether the requested reallocation will benefit a project for which a county or municipality is already issuing Recovery Zone Bonds

(iv) Whether the requested reallocation will benefit a project that was designated by another county or large municipality in connection with that entity's previous waiver of some or all of its own allocation

(c) The ability of the local government or company benefiting from the Recovery Zone Bond to obtain financing and close the issue in a timely manner, including demonstration of a commitment from a bank or other financial institution to purchase or underwrite the Recovery Zone Bonds.

7. The following resolutions must be attached to this Request for Allocation. These actions of the governing body of the appropriate governmental entity or entities may be evidenced by one or more resolutions.

A. Resolutions of the county or large municipality designating recovery zone.

B. Inducement resolution, reimbursement resolution or other documentation of the preliminary approval of the project by the issuing entity, in conformity with applicable federal and state law.

C. Resolution of the requesting governmental entity requesting the allocation authorizing the appropriate officer to file a Request for Reallocation.

The undersigned, on behalf of the Unit set forth below, hereby certifies that it is authorized by the Unit to make the request contained herein on behalf of the Unit.

Unit requesting reallocation: City of High Point, NC

By: ____________________

Signature of Authorized Official

Name (please print) Strib Boynton
Title City Manager
Address: PO Box 230 211 S Hamilton St
High Point, NC 27261-0230
Phone Number of Authorized Official: (336) 883-3293

Date ____________

Department of Electric Utilities

Administration Division

HIGH POINT
NORTH CAROLINA'S INTERNATIONAL CITY™

April 28, 2010

To: Randy McCaslin, Assistant City Manager

From: Garey Edwards, Director of Electric Utilities

Subject: Bid number 24-041410

On April 14, 2010, the City of High Point opened bids for Additions to North Substation. These additions consist of the structural steel and switch purchases for expansion of the station, instrumentation voltage transformers to check status and synch, and addition/expansion of the 100kV and 12kV bus. This expansion is required to accommodate/feed the addition of the proposed Penny Road Substation. We sent bids to six suppliers and received responses from 4 companies, two were a no quote.

Robert Vise of Southeastern Consulting Engineers has reviewed the bid and I have attached his recommendation to this letter.

The Electric Department recommends that Bid 24-041410, for Additions to North Substation, be awarded to **Peak Substation Services** for the amount of **$281,900.00**. Funds have been budgeted in the electric operations budget. They are the lowest responsible bidder and they supplied the most responsive bid that complied with the specifications.

cc: file
Bob Martin
Jeff Moore
Josh Williams
Sherry Smith
Larry Hopkins

City of High Point, P.O. 230, 816 E. Green Dr., High Point, NC 27261 USA
Phone 336.883.3485 Fax: 336.883.3478 TDD 336.883.8517

Reliable Public Power Provider

Southeastern Consulting Engineers, Inc.

April 20, 2010

Mr. Garey Edwards, P.E.
City of High Point
P. O. Box 230
High Point, North Carolina 27261

Ref.: Material Bid Recommendation
for Additions to North Substation

Dear Garey:

The City received proposals on April 14, 2010, from four suppliers solicited for providing electrical material necessary for the proposed improvements to the City's North Substation.

A tabulation of bids received is attached. As shown, the low bid was submitted by Peak Substation Services, LLC.

Our examination of Peak's proposals and Bill of Materials found that the quantity of certain items did not match the specifications. Adjustment of these quantities resulted in a deduct of $1,500.00.

Therefore, we are recommending that this equipment purchase contract be awarded to the low bidder, Peak Substation Services, LLC in the amount of $281,900.00.

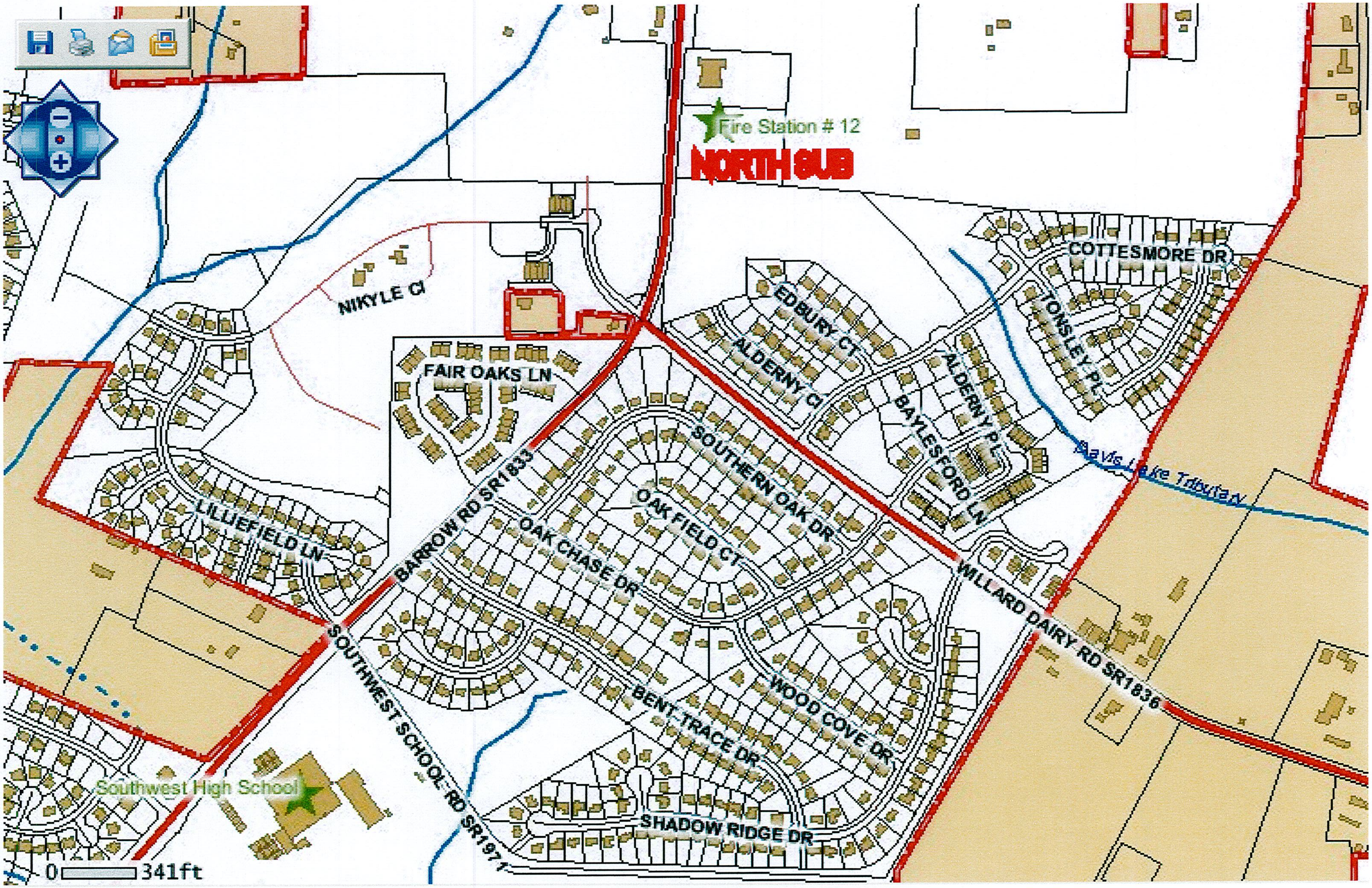
Please notify us of the City's decision in awarding this purchase contract and we will proceed with the execution of the Contract Documents and Performance Bond. If you have any questions or need additional information, please contact us.

Sincerely,

SOUTHEASTERN CONSULTING ENGINEERS, INC.

By Robert E Vise
Robert E. Vise, P.E.
Executive Vice President

REV/lc


Fire Station # 12
NORTH SUB
NIKYLE CI
COTTESMORE DR
EDBURY CT
ALDERNY CT
ALDERNY PL
TONSLEY PL
FAIR OAKS LN
BAYLESFORD LN
SOUTHERN OAK DR
Davis Lake Tributary
OAK FIELD CT
LILLIEFIELD LN
BARROW RD SR1833
OAK CHASE DR
WILLARD DAIRY RD SR1836
SOUTHWEST SCHOOL RD SR1971
WOOD COVE DR
BENT TRACE DR
Southwest High School
SHADOW RIDGE DR
0 341ft

BID INFORMATION AND RECOMMENDATION

BID #24-041410 **DATE OPENED: 04/14/10**

DESCRIPTION: NORTH SUBSTATION ADDITIONS

BID PACKAGES DISTRIBUTED: 6 **DEPARTMENT: ELECTRIC**

SOURCE OF FUNDS: 631799 – 533701 – 631001020905 - 40202 **BUDGETED AMOUNT: $282,000.00**

RECOMMENDED AWARD

DESCRIPTION	UNIT PRICE	TOTAL PRICE
NORTH SUBSTATION ADDITION	**$281,900.00**	**$281,900.00**

PURPOSE: For improvements to the North Substation.

COMMENTS: N/A

BID TABULATION

VENDOR NAME & ADDRESS	TOTAL PRICE	DELIVERY
PEAK SUBSTATION SERVICES, LLC PO BOX #67 BIRMINGHAM, AL 35201	**$281,900.00**	**14-16 WKS.**
CLARK SUBSTATIONS 3309 HIGHWAY 31 CALERA, AL 35040	$285,885.00	12-16 WKS.
M.D. HENRY 120 CLARK DRIVE PELHAM, AL 35124	$334,200.00	16-18 WKS.
DIS-TRAN PO BOX #5109 ALEXANDRA, LA 71360	$434,927.00	18-20 WKS.

The **ELECTRIC DEPARTMENT** and **PURCHASING DIVISION** recommend that the purchase of **NORTH SUBSTATION ADDITIONS** be awarded to **PEAK SUBSTATION SERVICES, LLC**, the lowest responsible and responsive bidder meeting specifications for the total amount of **$281,900.00.**

DATE OF RECOMMENDATION: April 22, 2010

Strib Boynton

Approved by:
Strib Boynton, CITY MANAGER

PLANNING AND ZONING COMMISSION RECOMMENDATION

On February 23, 2010, a public hearing was held before the Planning and Zoning Commission regarding the request described below. All members of the Commission were present except Mr. Andrew Putnam.

City of High Point **Street Abandonment Case 10-05**

A request by the Technical Review Committee to abandon an unimproved alley (15 feet in width), lying east of N. Hamilton Street between Guilford Avenue and Louise Avenue.

Mr. Schroeder presented these request to the Commission and recommended approval of the case as outlined in the staff report.

Speaking in favor of street abandonment case was Ms. Brenda Grays of 307 E. Farris Avenue, abutting neighbor. She stated that she is in favor of the abandonment as she has been taking care of the property.

Speaking in opposition to street abandonment case was Ms. Holly Bullock of 307 Louise Avenue in High Point, abutting neighbor. She expressed concern that she will become liable for any accidents and responsibility for trees within the area abandoned. Commission member Wagner responded to her concerns.

The Planning & Zoning Commission recommended ***approval*** of Street Abandonment Case 10-05 with the retention of a utility easement by a vote of 7-0.

CITY OF HIGH POINT
PLANNING AND DEVELOPMENT DEPARTMENT

STAFF REPORT
STREET ABANDONMENT CASE 10-05
February 23, 2010

Request	
Applicant: City of High Point Technical Review Committee	**Proposal:** Abandonment of an unimproved alley (15 feet in width), lying east of N. Hamilton Street between Guilford Avenue and Louise Avenue.

Adjacent Streets		
Name:	**Classification:**	**Right-of-Way and Pavement Width:**
Guilford Avenue	Local Street	50 ft. right-of-way – 30 ft. curb & gutter
E. Farriss Avenue	Local Street	60 ft. right-of-way – 30 ft. curb & gutter
Louise Avenue	Local Street	50 ft. right-of-way – 24 ft. curb & gutter

Adjacent Property Zoning and Current Land Use		
North	Residential Single Family – 7 (RS-7)	Single Family Residence
East	Residential Single Family – 7 (RS-7)	Single Family Residence
South	Residential Single Family – 7 (RS-7)	Single Family Residence
West	Residential Single Family – 7 (RS-7)	Single Family Residence

Analysis

The right-of-way being considered for abandonment is approximately 0.30 acres in area being approximately 15 feet in width by 860 feet (containing two equal parts north and south of E. Farriss Avenue) in length. The right-of-way contains privately maintained driveways. One driveway is located on the north side of E. Farriss Avenue and serves 307 E. Farriss Avenue. The second privately maintained driveway is located on the north side of Louise Avenue and serves 305 Louise Avenue. No public utilities are located within the 15-foot alley.

Findings

The Technical Review Committee (TRC) reviewed this request on May 30, 2007 and July 29, 2009 and identified no issues that would prevent its abandonment. A citizen initiated street abandonment was reviewed by TRC on October 31, 2007 to close the alley between 305 and 307 Louise Avenue, but the applicant did not continue with the request. An early notice was sent to abutting property owners on January 29, 2010.

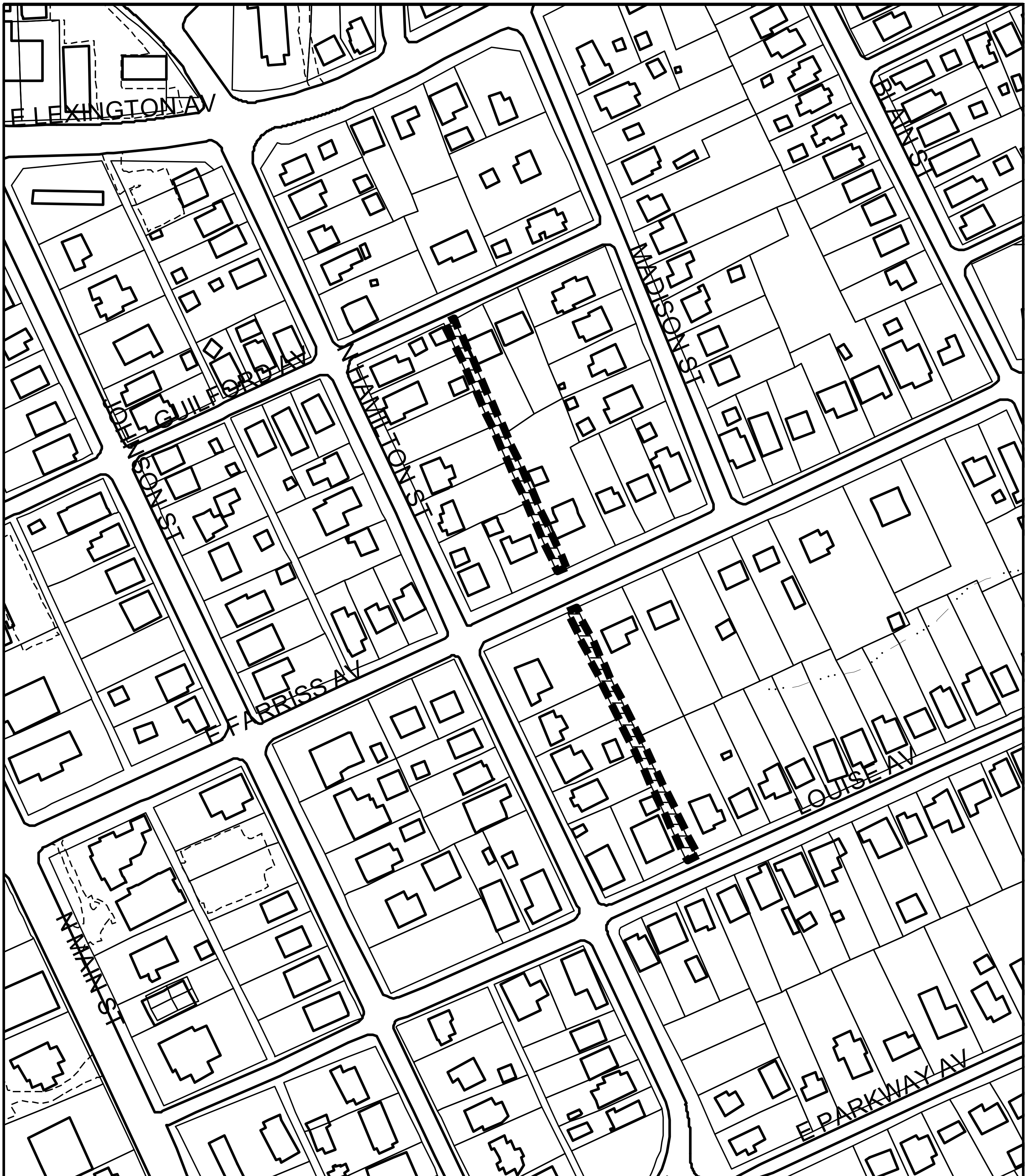
This abandonment of the public's interest and conveyance of the right-of-way to the abutting property owners, as provided by state statutes, is found not to be contrary to the public's interest and found not to deprive owners in the vicinity of the right-of-way or in the subdivision reasonable means of ingress and egress to their property.

Recommendation

The Planning and Development Department recommends approval of the requested street right-of-way abandonment based on preliminary findings that it is not contrary to the public interest, and that no property in the vicinity of the street abandonment would be deprived of reasonable means of ingress or egress.

Report Preparation

This report was prepared by Planning and Development Department staff member Mark Schroeder, AICP, Senior Planner and reviewed by Bob Robbins, AICP, Development Administrator, and Lee Burnette, AICP, Director.



STREET ABANDONMENT REQUEST SA10-05

Applicant: Technical Review Committee
Area: 0.25 acres

Location of requested street abandonment

Department of Planning and Development

City of High Point

Date: February 8, 2010

N

Scale: 1'=200'

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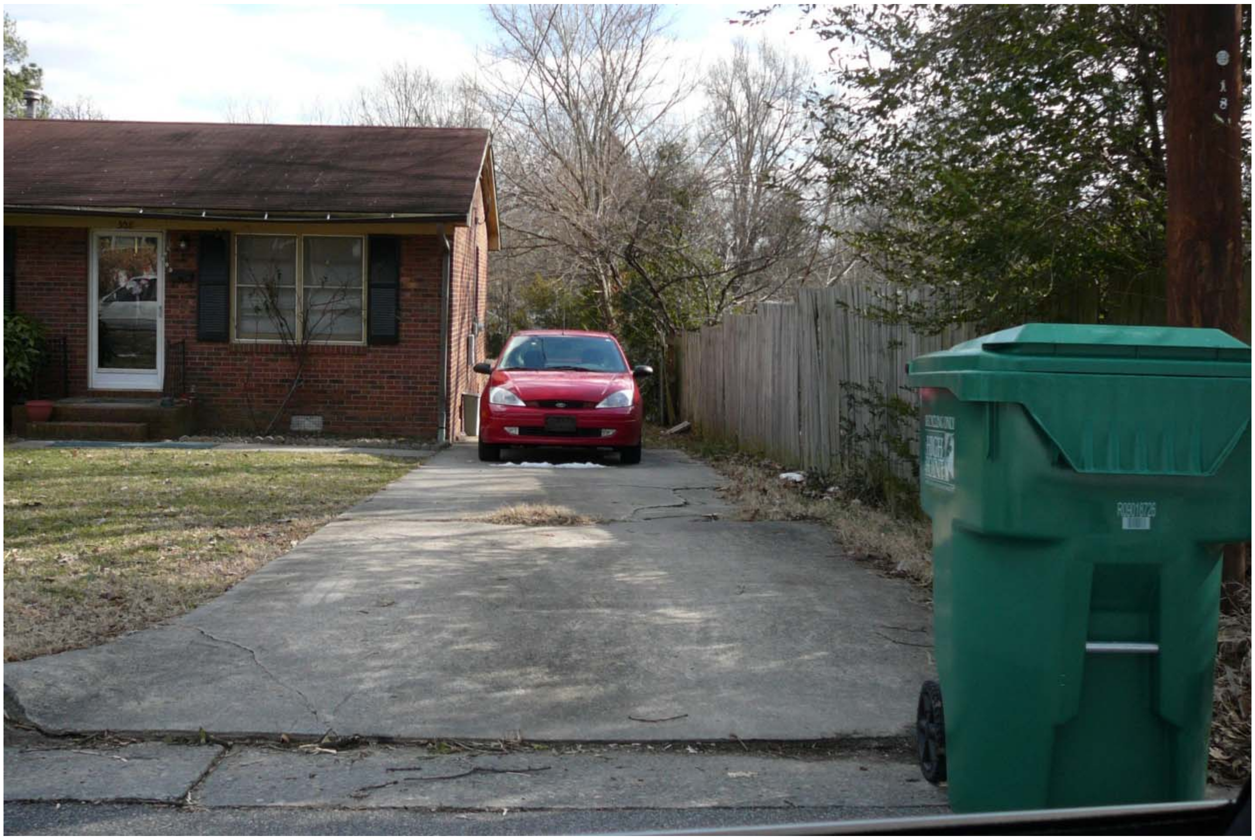
Attachments: Photographs (February, 2010) and Aerial (February, 2008)



Looking south from Guilford Avenue.

Looking north from E. Farriss Avenue.

Attachments: Photographs (February, 2010) and Aerial (February, 2008)

Looking south from E. Farriss Avenue.

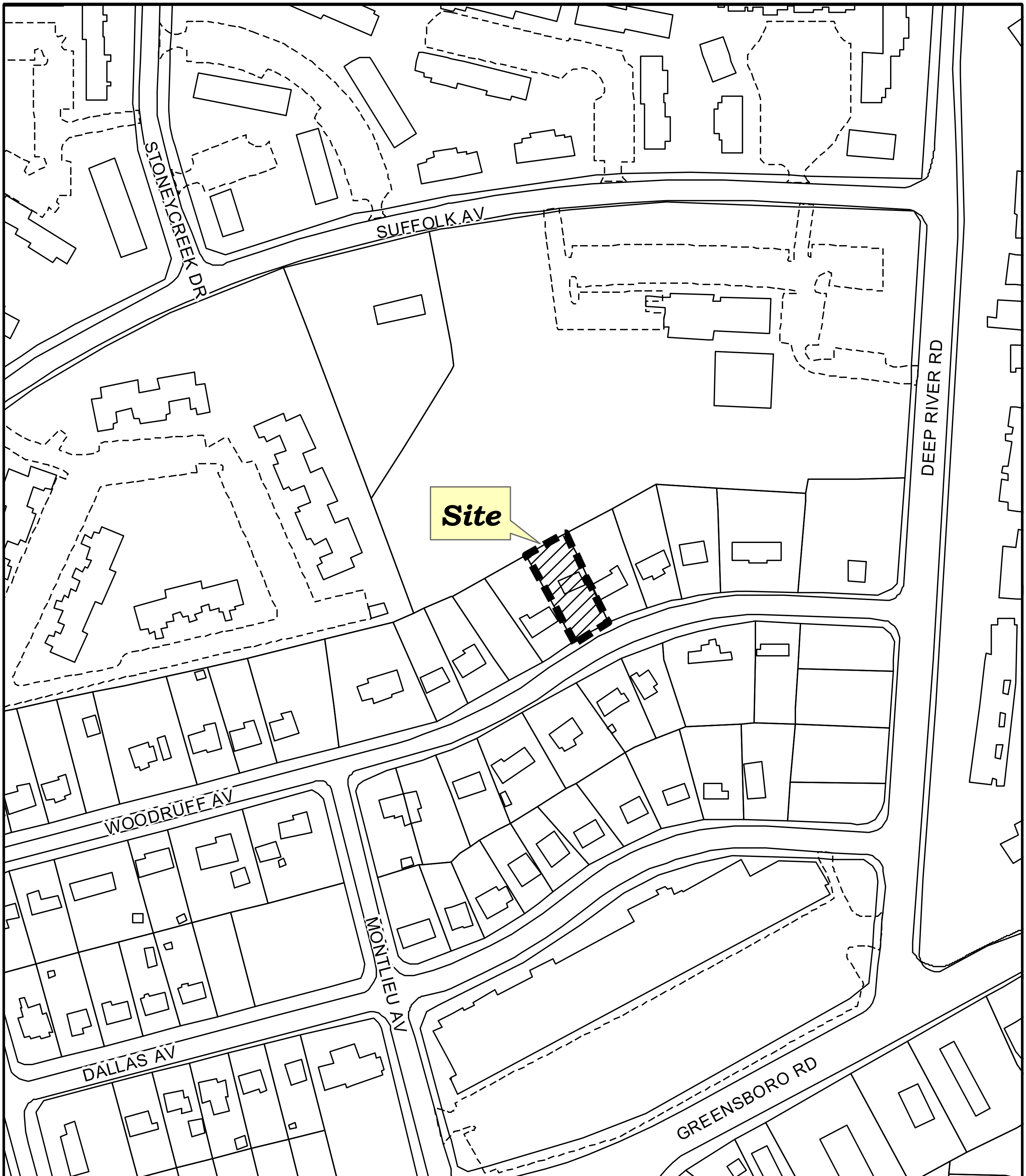
Looking north from Louise Avenue.

Attachments: Photographs (February, 2010) and Aerial (February, 2008)

Aerial with the abandonment area highlighted.

DEPARTMENT OF PLANNING AND DEVELOPMENT
INSPECTION SERVICES
HOUSING ENFORCEMENT DIVISION

ORDINANCE REQUEST:	Ordinance to Vacate
PROPERTY ADDRESS:	2613 Woodruff Av
OWNER:	Juan Hernandez - Gamez Lexington State Bank
FIRST INSPECTION 03-01-2010	Number of Violations: Major 2 Minor 13 1) rotted rear porch ceiling 2) improper wiring installation at rear porch
HEARING RESULTS: 03-17-2010	The owner did not appear for the hearing. During the hearing, the following findings of fact were established. There are numerous violations of the Minimum Housing Code. All utilities have been placed on hold. The inspection was made as a result of neighborhood complaints. The ordinance is requested to allow the inspector to close and placard the dwelling as required by state statute.
ORDER(S) ISSUED: 03-17-2010	Order to Repair compliance date of 04-19-2010
APPEALS:	No appeals to date.
OWNER ACTIONS:	There have been no permits issued and repairs have not started.
EXTENSIONS:	None requested by the owner.
CURRENT STATUS: 04-23-2010	Conditions still exist. Dwelling is vacant and secure.



2613 Woodruff Avenue

Ordinance to Vacate/Close

Location of subject property

Department of Planning and Development

City of High Point

Date: April 26, 2010

N

Scale: 1'=200'

y:/ba-pz/Inspection/vacate

2613 Woodruff Avenue

NORTH CAROLINA'S INTERNATIONAL CITY™

MEMORANDUM

DATE: April 27, 2010

TO: Randy McCaslin, Assistant City Manager

FROM: Michael E. McNair, Director

SUBJECT: Neighborhood Stabilization Program Contracts with S.H.A.R.E. and Habitat for Humanity

The City's Neighborhood Stabilization Program (NSP) allocation of $2.625 million must be expended or obligated by July 18, 2010. The City is also required to reserve 30% of its NSP allocation to benefit households with incomes at or below 50% of the area median income ($29,250 for a family of four). Consequently, NSP funds dedicated to low income families must total at least $787,500 to meet the reserve requirement. In order to fulfill to these and other NSP requirements, Community Development and Housing proposes to implement two of the planned NSP projects reported at the April 19th Finance Committee meeting. Project descriptions are below:

- **Purchase and Rehabilitation of Foreclosed Properties**. CD&H proposes to partner with S.H.A.R.E., Inc. to acquire and rehabilitate approximately 10 foreclosed properties in zip codes 27260, 27262, and 27265. Total project costs (acquisition and repair of foreclosed properties) are expected to total $800,000 ($400,000 for acquisition and $400,000 for repairs). After acquisition and rehabilitation, the properties will be sold or rented to persons at or below 50% of area median income. For persons who initially rent the NSP assisted property, S.H.A.R.E will prepare the tenant to purchase the property within 24 months of occupancy. S.H.A.R.E. has been actively reviewing foreclosed property listings and has identified properties for acquisition. CD&H will actively monitor and participate in the property acquisition process to ensure that all federal regulations are met. This project will satisfy the NSP 30% reserve requirement for low-income families.

- **Acquisition and Redevelopment of Vacant Properties.** CD&H proposes to partner with Habitat for Humanity to acquire vacant properties in the Graves Avenue area (adjacent to Washington Terrace Park). The total project costs are expected to total $400,000 ($100,000 for acquisition and $300,000 for construction. NSP funds will be used to purchase vacant/blighted properties contiguous to the Graves Avenue redevelopment site. The properties will be demolished, cleared, and then conveyed to Habitat. Habitat will build up to 6 Energy Star compliant affordable homes that will be sold to eligible homebuyers with incomes below 50% of AMI.

The approval of these projects along will bring us to approximately 72% of NSP funds expended or obligated. Staff requests that Council favorably consider these NSP projects and authorize the City Manager to execute the contracts with S.H.A.R.E, Inc. and Habitat for Humanity of High Point, Archdale and Trinity.

Enclosures: NSP contracts for S.H.A.R.E., Inc. and Habitat for Humanity of High Point, Archdale and Trinity

MEMORANDUM

DATE: **April 14, 2010**

TO: Randy McCaslin, Assistant City Manager

FROM: Michael E. McNair, Director

SUBJECT: Public Hearing

RE: 2010-14 Consolidated Plan and 2010-11 Annual Action Plan

The Community Development and Housing Department requests a public hearing on the 2010-14 Consolidated Plan and 2010-11 Annual Action Plan at Council's regularly scheduled meeting on April 19th. The department has completed necessary activities for preparation and submission of the 5 year Consolidated Plan which includes the 2010-11 Annual Action Plan to the Department of Housing and Urban Development (HUD). The final step prior to submission is Council approval. A synopsis of the annual plan describing the activities and programs proposed for the 2010-11 program year has been included in the agenda package for Council's review. The plan must be submitted to HUD no later than May 15, 2010.

The consolidated planning process involves identification, analysis, and prioritization of community needs requires the development of strategies to address these needs. Our consolidated planning process found that many of the community needs identified five years ago still require priority attention. The annual action plan is designed to implement strategies and programs to accomplish objectives identified in the consolidated plan. Consequently, the annual describes the proposed projects to be undertaken during 2010-11 with HUD funds. It also contains goals and measurable objectives for the proposed projects. The process to develop the plan included the following:

- Four community meetings (Highland Mills, Macedonia, Morehead Recreation Center and Southside Recreation Center) were held during to discuss programs and seek citizen input;
- The Citizen Advisory Council (CAC) received presentations from public service grant applicants in February 2009;
- The CAC reviewed a draft of the proposed plan during its March meeting;
- A draft of the proposed plan was released for public comment for the period of March 16th through April 15th; and
- The CAC conducted a public hearing of the action plan on March 25th and voted unanimously to recommend that Council approve the plan.

The proposed consolidated planning process has met HUD citizen participation requirements for action plan development such as public availability of the proposed plan, public hearings on the plan, and the public comment period. We ask that Council favorably consider approval of the 2010-14 Consolidated Plan and the 2010-11 One Year Action Plan.

City of High Point, P.O. 230, 211 South Hamilton Street, High Point, NC 27261 USA
Office: 336.883.3676 Fax: 336.883.3355 TDD 336.883.8517

2010-2011 Annual Action Plan

Community Development & Housing

Synopsis

Michael E. McNair, Director

Affordable Housing Activities

According to data used to develop the City's 20010-14 Consolidated Plan, a large percentage of extremely low-income and very low-income households in High Point experience one or more housing problems. Households with housing problems are those households occupying units without a complete kitchen or bathroom, that contain more than one person per room, or that pay more than 30 percent of their income to cover housing expenses. More than one-quarter of all households in our community (at any income level) experience a housing problem, and over one-quarter experiences a cost burden of 30 percent or more. Many very low-income and extremely low-income individuals experience severe cost burdens. More than ten percent of all households in High Point experience a cost burden of 50 percent or more, while more than one-half of all extremely low-income households fall into this category. The availability of affordable housing is only a local as well as national issue.

Many low-income families in High Point are faced with multiple undesirable choices when seeking housing. They must choose between paying more than they can afford, living in substandard housing or living in overcrowded housing. These choices have corresponding negative impacts in their quality of life. The scarcity of affordable housing in our community is reflected in the extreme concentration of low-income families in older areas of the core-city. Unfortunately, public health records indicate these areas also have the greatest risk for lead based paint hazards. In response to housing needs identified in the Consolidated Plan, Community Development &Housing's affordable housing strategies are focused in three areas:

- Increasing the supply of safe, sanitary and decent affordable housing (single family and multifamily housing development)
- Improving the condition of the existing low income housing stock (housing rehabilitation)
- Improving the accessibility to affordable housing (homebuyer education and down payment assistance)

The projected allocation of resources for affordable housing activities is summarized in the table below.

Affordable Housing	**HOME Program**	**CDBG Program**	**Other Funds**	**TOTAL**
Affordable Housing Program Delivery	0	400,417	0	400,417
Community Housing Development Organizations	144,270	0	0	144,270
Emergency Repair Program	0	140,410	0	140,410
Homebuyer Assistance	200,000	0	0	200,000
Infill Housing Development (HOME match)	204,590	0	0	204,590
Individual Development Accounts Program	0	17,500	40,000	57,500
Neighborhood Stabilization Program	0	0	2,250,000	2,250,000
Lead Hazard Control Program	0	0	1,879,144	1,879,144
Elderly or Multi-family LIHTC development	250,000	0	0	250,000
Southside Revitalization Activities	239,352	0	0	239,352
TOTAL	**$1,038,212**	**$558,327**	**$4,169,144**	**$5,765,683**

All planned housing activities contained in the 2010-11 Annual Action Plan are designed to implement affordable housing and are consistent with needs/priorities identified in the 2011-2016 Consolidated Plan.

Homebuyer Assistance Program

Budget:	$200,000
Activity:	Construction of affordable homes
Source:	HOME
National Objective:	Low-Mod income housing
Eligibility Citation:	24CFR Part 92.205 (a) (1)
Goal:	Assist low-to-moderate income families purchase homes.
Objective:	Improving access to affordable housing for low/mod families.
Outcome:	Affordability
Performance measure:	Number of homes purchased

Homebuyer assistance is critical to the department's goal of providing decent, safe, and sanitary housing. The program provides down payment and closing cost assistance to first time homebuyers to reduce out of pocket costs in the form of a deferred low interest rate loan. Homebuyer assistance is offered for the purchase of homes in the city limits of High Point. Traditionally, assistance is up to $5,000 that can be used for closing costs and/or lowering of the down payment. Homebuyer assistance up to $7,500 is available in Macedonia and Southside; and up to $10,000 for targeted properties in the West End community. These assistance packages are designed to attract homebuyers to these neighborhoods.

Basic program requirements include:

- Completion of a 8-hour Homebuyer Education class offered by Consumer Credit Counseling Services and sponsored by CD&H
- Obtaining a loan from a participating lender
- Meeting income eligibility requirements established for the program
- Purchasing a home within the city limits of High Point
- Homebuyers agree to attend two post-purchase counseling sessions within the first 12 months of ownership and
- Homebuyers must contribute a minimum $500 of their money toward the purchase

HUD defines "affordable" as housing that costs no more that 30 percent of a monthly household income. Thus, a worker who earns the current minimum wage of $7.25 per hour should pay no more than $377.00 per month for rent and basic utilities, an amount that does not cover the rent on a sanitary and decent one-bedroom apartment in any county in America. According to the North Carolina Housing Coalition a worker needs a housing wage $13.44 per hour or $2,330.00 a month to afford a two-bedroom apartment in North Carolina[1]. Increased home prices and rents have pushed the dream of home ownership out of reach for many of the city's working poor. Our programs are designed income eligible families, able to afford the monthly rent, but cannot raise the required down payment or closing costs required. This barrier to entry is where the City's programs lend aid to access affordable housing. During the current program year, the City has already completed 18 homebuyer assistance loans enabling them to purchase

[1] The hourly wage needed to afford (at no more than 30% of gross income) a 2-bedroom apartment at Fair Market Rent.

their dream home and begin to build wealth. This next year, we anticipate assisting additional households increased production from infill and CHDO development activity.

The sales price of homes purchased with assistance from this program cannot exceed the Federal Housing Administration (FHA) basic standard mortgage limit for Guilford County. Loans are secured by a promissory note and deed of trust that outlines recapture provisions in accordance with 24 CFR Part 92.254. Liens coinciding with the loan terms are placed on all properties.

Homebuyer Education

Realizing The Dream[2] education workshops are being offered monthly at rotating locations throughout High Point to assist future first time homebuyers with the home purchasing process. Locations include the Macedonia Family Resource Center, Roy B. Culler Jr. Senior Center, Southside Recreation Center, Morehead Recreation Center, Oakview Recreation Center, greater First United Baptist Church, Allen Jay Recreation Center and the Community & Neighborhood Development Center. Last year 12 classes were offered and 249 participants attended, averaging 20.8 attendees per workshop. This represents an increase of 45 additional citizens served over the 2009-2010 program year. Other notable statistics include: Annual pre-test scores for the 2009 program year identified an annual increase in knowledge (variance) of 78.37%. The demographic distribution of homebuyer education participants are presented below:

Social characteristics:

- Gender breakdown was 29% male and 71% female
- Average household income for attendees was $21,978
- Average household size of 2.6 people

Ethnic breakdown:

- African-American – 82%
- Caucasian – 7%
- Hispanic – 2%
- Asian – 2%
- Other – 4%
- Unknown – 2%
- Multi-racial – 1%

Consumer Credit Counseling Service has been a partner with the City of High Point to offer this valuable information. The classes are eight hours in length, free to the public and all participants receive a certificate when completed. The classes comprehensively cover the home purchasing process. Topics covered include a homeownership overview, financing a home, budgeting, saving and credit counseling, working with a real estate professional, predatory lending, fair housing and foreclosure prevention.

Lender Participation

In order to purchase a house, an applicant must be able to obtain a loan. CD&H is committed to ensure low to moderate-income applicants receive quality loan products and has partnered with the local lending community to help homebuyers obtain an affordable first mortgage. The department conducts two free lender certification workshops for mortgage lenders who are interested in working with low income, first

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2 The HUD-approved curriculum, Realizing the American Dream Trainer's Manual, 4th Edition, and its complementing Homebuyer's Manual, are the definitive resources for homebuyer training and education. Updated in late 2009, both manuals are available in English, Spanish, Mandarin Chinese and Vietnamese. Developed by industry experts, the manuals cover the entire homeownership process and are sequentially organized in six modules that are presented in a format that de-mystifies the complexities of home buying by simplifying instruction and learning. New features in the 4th edition include a more attractive look with more photos and graphics, an even more user-friendly format than before, many useful "green" tips and the latest information on changes in credit and mortgage financing practices. The Trainer's Manual includes teaching tools and, participatory activities, worksheets and a CD with PowerPoint presentations for each of the modules in order to simplify instruction.

time homebuyers. The mortgage lender must complete the workshop in order to become a Participating Lender for the Homebuyer Assistance Program. These workshops equip lenders with the information and forms necessary to submit a complete package for underwriting. A Participating Lender is a lending institution that cooperates with CD&H in the Homebuyer Assistance Program. Participating lenders must meet the following criteria:

- Offer confirming loans with 1% or less origination fee;
- Charge no brokers fees or costs for providing the loan or other associated charges;
- Loan-to-value not less than 90%
- Maximum loan amount cannot exceed FHA Mortgage limit;
- Market interest rate
- Inform, educate, and facilitate the application process; and
- Ensure applicant's income eligibility.
- Certification is granted to the individual loan officer attending the lender certification workshop. Currently, there are thirty-four individual mortgage loan officers from twenty-one lending institutions certified to facilitate and submit a package for the down payment and closing costs assistance program on behalf of an eligible first time homebuyer. These certifications provide a common groundwork to help streamline the application process[3] and ensure the access of low to moderate-income families to affordable mortgage products. Participating lenders agree to refrain from predatory lending practices in accordance with guidelines established by the Community Reinvestment Association of North Carolina (CRA-NC)[4]. A current listing of participating lenders can be found at http://www.high-point.net/cd/downpayment.cfm#lenders .

Individual Development Accounts

Budget:	$57,500
Activity:	Assistance toward home purchase
Source:	CDBG; AFI
National Objective:	Benefit low-mod income
Eligibility Citation:	570.201 (n)
Goal:	Personal financial literacy; homeownership
Objective:	Assist 10 households/create economic opportunities
Outcome:	Affordability
Performance Measures:	Number of homes purchased

According to the NC Housing Coalition, the idea for Individual Development Accounts (IDA) was created by author Michael Sherraden in his 1992 book, *Assets and the Poor*. It was further advanced by the Corporation for Enterprise Development in the mid 1990's. One half of all Americans own less than $1,000 in net financial assets, and one third of American children grow up in households with zero or negative financial assets.

[3] Since participating lenders agree to submit down payment and closing costs assistance packages to the department, prospective homebuyers will only have to fill out one application for approval.

[4] The Community Reinvestment Association of North Carolina's mission is to promote and protect community wealth. They advocate for change in the lending practices of financial institutions to promote wealth building for underserved communities and to end predatory lending practices that strip wealth

IDAs are part of an asset-building strategy that concentrates on building family security by improving long-term economic well-being and emphasizing beneficial behaviors rather than merely offering temporary assistance. IDAs can be used to reward the monthly savings of working-poor families who are building towards purchasing an asset, most commonly buying their first home, paying for post-secondary education, or starting a small business.

The City's focus with the IDA will be on home ownership. CD&H records indicate that a substantial number of the Homebuyer Education Program graduates have not purchased a home over the last three years. This indicates additional financial training is needed to help potential low-to-moderate income homebuyers in High Point. The City will continue to partner with the Guilford Homeownership Center to facilitate an IDA program in High Point. Financial literacy classes will target potential homebuyers who have attended the homebuyer education class but who also realize that they need additional training and assistance in financial management.

Life After Closing – Foreclosure Prevention

The City is considering implementation of *LIFE AFTER CLOSING*, a foreclosure prevention program. Guilford County ranks in the top ten percent of foreclosures in North Carolina. In an effort to sustain High Point neighborhoods, the City of High Point will implement a foreclosure prevention program that will include an in-depth educational component for homeowners who have taken advantage of the Homebuyer Assistance Program and obtained down payment loans to assist in the home purchase. This course will cover the following key topics according to national industry standards:[5]

Budgeting for Homeownership • Staying financially fit as a new homeowner • Budgeting • Maintaining good credit • Home equity: your home as an asset • Retirement savings • Taxes: property and income	Financing and Sustaining Homeownership • Foreclosure prevention • Mortgage options: refinancing, home equity loans and home improvement loans • Record keeping • Lending abuses •
Maintaining and Improving Your Home • Home maintenance and improvements • Home safety • Energy conservation	Community Involvement • Building community

The course will consist of weekly two- hour sessions that will be held for five consecutive weeks. Participants will be provided with budgeting binders to collect and track their expenses and important housing documents. On completion of the five sessions, each participant will be provided a coupon which entitles them to 10% off of the principle balance of their homebuyer assistance loan with the City of High Point.

[5] The National Standards for Homeownership Education and Counseling allow organizations and homeownership professional to demonstrate that all clients receive consistent, quality service in homeownership education and counseling. The standards create a level of consistency in the industry and add to the professionalism of homeownership educators and counselors.

Community Housing Development Organization (CHDO) Activities

Budget:	152,229
Activity:	Construction of affordable housing
Source:	HOME Investment Partnerships Program
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR Part 92.300
Goal:	Provide affordable homeownership opportunities
Objective:	Providing Affordable Housing (12 homes)
Outcome:	Affordability
Performance Measures:	Projected number of affordable sites

Community Housing Development Organizations (CHDO) are nonprofit organizations whose purpose is to provide decent and affordable housing to low to moderate-income persons. The city is required to set aside fifteen percent of its HOME funds for CHDO activities. Currently there are two certified CHDOs: Triad Economic Development Corporation (Triad) and Habitat for Humanity of High Point, Trinity and Archdale (Habitat). Triad has constructed and sold two homes on Windley Street. Habitat has been contracted to build eleven (11) Energy-Star compliant single family homes in the 1700 block of Graves Avenue, an area directly adjacent to Washington Terrace Park. To date, Habitat has constructed and sold 5 homes on Graves Avenue.

In addition to TRIAD and Habitat, CD&H has identified two agencies interested in becoming CHDOs in 2010-2011, Unity Builders and Caring Services. Both Unity Builders and Caring Services received technical assistance training during the prior fiscal year on becoming a CHDO. UBI will complete the necessary requirements to be a certified CHDO during the upcoming fiscal year. Caring Services has been involved in providing transitional housing for many years. Caring Services has been involved in low-moderate housing activities in High Point and has existing working relationship with CD&H.

E. **Infill Housing**

Budget:	$204,590
Activity:	Acquisition and new construction
Source:	Local (HOME match)
National Objective:	Affordable Housing
Eligibility Citation:	24 CRF 92.205 (a)(1)
Goal:	Encourage Core City redevelopment to improve quality of life; stabilize neighborhoods
Objective:	Assemble properties to build 10 affordable homes
Outcome:	Affordability
Performance Measures:	Properties acquired for redevelopment

The Infill housing program has been reconfigured to focus on acquiring strategically located properties and preparing them for redevelopment by affordable housing producers. CD&H has focused on acquiring property in Southside & Washington Drive areas for the development of affordable housing by CHDOs. As a result of infill activities, we expect that 6 affordable housing units will be completed in the Southside neighborhood through infill activities. Approximately 4 affordable housing units will be completed in the Graves Street adjacent to Washington Terrace Park. Construction of affordable housing was enhanced by creation of a new residential RS-5 zoning district thereby removing one impediment sited in the report. In keeping with the need for affordable housing within the Core City area and in consultation with the Planning Department, we will approve and implement site plans specifically designed to comply with the new RS-5 zoning characteristics and the City of High Point's land use plan.

Funds designated for the 2010-2011 Infill Housing Development Program will be utilized primarily to acquire and develop property pursuant to the Southside Redevelopment Plan and the Core City Plan. The City will continue to explore targeted acquisition opportunities that come on the market. In addition to Southside, the Department will continue to explore housing development opportunities in the West End and the Washington Drive communities. According to the National Association of Counties, nearly 85% of new housing in the United States targets middle and upper-income households, not working families. In light of this, CD&H seeks to offer attractive affordable housing throughout the Core City.

Southside Revitalization Plan

Budget:	$239,352
Source:	HOME
Activity:	Affordable Housing Infrastructure
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR 92.205(a) (1)
Goal:	Construct11 units of affordable housing
Objective:	Provide decent housing; suitable living environment
Outcome:	Affordability
Performance Measures:	Number of new units of affordable housing

Like so many inner city neighborhoods across the country, Southside began to decline after World War II when suburban development was the main focus. Southside has transitioned significantly in the last couple of decades from a flourishing, vibrant, and diverse neighborhood to one with acute socio-economic problems. Issues identified in Southside by residents, businesses, property owners, and community groups are:

1. Old, dilapidated buildings next to residential buildings
2. Abandoned and boarded-up houses
3. Lack of sidewalks and other pedestrian amenities
4. Inadequate recreational facilities
5. High crime rate

As a result of the identified issues, the Department commissioned Neighboring Concepts to study the area in the summer of 2004. The purpose of the plan was to provide the guide for development and redevelopment in the Community. The plan would provide a framework to guide future public and private sector decision-making towards long-term objectives. The final report, The Southside Revitalization Plan, was completed and submitted to the neighborhood association for review. This plan was subsequently included in the Core City Plan and approved by Council in February 2007.

Since approval of the plan, several activities have been completed in Southside. CD&H focus has been on the following activities:

- Acquisition of land and demolition of dilapidated housing
- Re-zoning of Southside
- Addition of pedestrian amenities
- Improvement of recreational facilities
- Identification of a developer for Southside housing development

CD&H responded to the concerns expressed by citizens of Southside, which citied driving at excessive speeds up and down Vail Avenue. As a result, the construction of a traffic roundabout was completed in May of 2008. The roundabout was put in place to slow down traffic and to make the proposed Phase I redevelopment a safer place for families. The device serves several purposes:

- Ties into existing sidewalks to improve neighborhood walk ability
- Provides handicapped accessible and safer crossings at Cassell and Vail
- Provides an entrance to the Southside Park/connect with the proposed linear park that will extend down Cassell Street

In order to prepare the Southside Neighborhood for future housing development, CD&H partnered with the Planning & Development department to co-sponsor a text amendment to the City of High Point's development ordinance to establish a new zoning category, RS-5. The RS-5 Residential Single Family District is primarily intended to accommodate high-density single family detached dwellings in the Core City where public water and sewer service is required. The text amendment was unanimously recommended to Council and approved at its regularly scheduled meeting on March 3, 2008.

CD&H began a search for an experienced affordable housing developer during the 2007-08 Program Year. After discussions with several developers, CD&H made the decision to partner with Unity Builders, Inc (UBI). UBI has a three dimensional housing assistance program with the primary goals of providing:

- Affordable housing, through homeownership, for low-income residents
- Affordable low-rent apartments for low-income residents
- Transitional housing with a structured support system for families and individuals in crisis situations

In partnership with the City of Burlington, NC, UBI constructed and sold 22 units of affordable housing. UBI made a decision in 2008 to move its location to the City of High Point and will focus its housing development efforts in the Southside Neighborhood. In partnership with CD&H, UBI has agreed to build 11 units of affordable housing. The proposed and completed activities will create an environment that is conducive to new housing construction and neighborhood revitalization. Through the partnership and commitment of CD&H and residents of Southside, and local community groups, Southside will gradually be redeveloped into a thriving area of the City of High Point. The Southside neighborhood has proposed to name the subdivision Vail Woods; the name was accepted by CD&H and the developer.

The primary focus in Southside has been the acquisition of land and the demolition of dilapidated housing in preparation for Phase 1 of housing development. CD&H has acquired properties on George Place, Vail Avenue, and Mobile Street. In many cases, the property purchased by CD&H was boarded-up, abandoned or dilapidated. Phase 1 of housing redevelopment was presented to the Technical Review Committee and it was approved. As CD&H prepares for Phase 2, additional blighted and abandoned properties will be acquired for the purpose demolition and creation of new affordable housing. During 2009 -2010, eleven

(11) new lots were created from the properties acquired for new development. Eight (8) of the new lots were conveyed to Unity Builders for the purpose of building eight (8) new affordable housing units.

HUD Lead-Based Paint Hazard Control Grant

Before lead hazard remediation…

…remediation in process.

The City of High Point's $3,000,000 HUD grant was awarded October 1 2008 to carry out a lead-based paint remediation program on private residential housing serving low to very-low-income families. The Grant Award ends September 30, 2011.

Goals and Objectives: the city's primary goal is the elimination and/or control of identified lead hazards in two hundred twenty-nine (229) housing units involving low to very-low income families with children under six years of age (with a priority given to units occupied by children with an Elevated Blood Lead Level); the city expects to remediate 94 residential units by June 30, 2010.

Additionally, the city's lead hazard control grant funds to the Guilford County Department of Public Health resulted in hiring an *Environmental Health Specialist* dedicated to the City of High Point. Other ongoing objectives include:

1) Increase the number of children screened for lead poisoning
2) Increase public awareness of lead-based paint prevention through ***Lead Safe High Point*** Initiative
3) Promote primary prevention strategies for families with children under six years of age who have low-level lead poisoning of 5 µg/dL < 9 µg/dL
4) Promote NC Department of Public Health's Preventative Maintenance Program
5) Provide EPA certified lead supervisor/worker and Renovation, Repair and Painting Rule training to contractors, management companies, building inspectors and others
6) Promote comprehensive fair housing initiatives, in cooperation with the city Human Relations Department, to housing providers, civic and community-based organizations, and elected and appointed officials
7) Updates to the city web-based Safe Housing Registry

Eligible Residential Housing Units: the program is available to all housing units city-wide occupied by eligible very low to moderate income families. However six census tracts/neighborhoods located in the core-city that have socioeconomic and environmental risk factors which demonstrate the likely prevalence of lead-based paint exposure (including age of housing, poverty, crime, low educational scores, and concentrated ethnicity) include the following census tracts and neighborhoods: 136.02 (Five Points); 138

(Washington Drive); 139 (East Central); 140 (Southside & West End); 142 (Macedonia), and 143 (Undesignated). Current data confirms a higher concentration of children with elevated blood lead levels within these tracts. Applicants must meet each of the following criteria: 1) Residential building was constructed prior to 1978; 2) occupied by very low to moderate income person or family; 3) contains lead-based paint, dust or soil.

The following free services will be available to eligible applicants:

1. **L*ead Inspection***: an analysis of all coated surfaces to confirm the presence of lead paint coatings (paint, varnish, shellac) in a dwelling for lead with an x-ray fluorescence analyzer – an electronic device used to find lead-based paint.
2. ***Risk Assessment***: an analysis report explaining the results of the inspection and to confirm the presence of lead-based paint hazards.
3. ***Remediation Services:*** activity which eliminates or controls lead paint hazards that have/can cause poisoning.
4. ***Clearance***: an environmental test to confirm, by a visual inspection (exterior) and taking dust samples (interior) that lead-based paint hazards have been remediated and that proper clean up using Lead Safe Work Practices has occurred.

The City of High Point has established the following prioritization schedule for identified units: (1) presence of children less than six years of age identified with elevated blood lead levels; (2) presence of children less than six years of age as part of a Primary Prevention Program, a proactive approach to control lead hazards before children are poisoned; (3) units that are located in the identified targeted areas; (4) Cost Value Benefit (remediation vs. structure value); (5) degree of lead hazards; (6) units earmarked for existing rehabilitation programs; and (7) units located outside of the targeted areas.

The City of High Point Community Development & Housing Department has affirmed their support of state and federal goals to end lead-based paint poisoning by 2010.

Neighborhood Stabilization Program

Budget:	2,250,000
Activity:	Stabilization of neighborhoods through acquisition, rehabilitation, and redevelopment of foreclosed or vacant properties
Source:	Neighborhood Stabilization Program
Goal:	Providing or improving permanent residential structures for occupation by an NSP-eligible household
Objective:	Providing affordable housing
Outcome:	Affordability
Performance Measures:	Units of housing acquired, rehabilitated, redeveloped with NSP funds

On July 30, 2008, Congress passed the Housing and Economic Recovery Act of 2008 to assist communities devastated by foreclosures. The legislation recognized that unoccupied foreclosed homes can lead to declines in neighboring house values, increased crime and significant disinvestment. To mitigate these harmful effects, Congress appropriated $3.92 billion to communities hardest hit by foreclosures and delinquencies. The Department of Housing and Urban Development (HUD) was tasked to design a program and distribute funds to states and local governments. The Neighborhood Stabilization Program (NSP) was developed as a result of the legislation. North Carolina was allocated approximately $52.3 million in NSP funds that was distributed to local governments and non-profits.

The City of Charlotte received a direct allocation of $5.4 million; they were only city in the state to receive a direct allocation. The Division of Community Assistance (DCA) is the state agency charged with administration and allocation of NSP funds through a competitive process. The City of High Point's $5.2 million application scored 6th of the 23 total applications submitted by other local governments; we were awarded $2.625 million. Great emphasis has been placed by HUD and DCA for expeditious implementation of programs. DCA must commit all of its funds in 18 months and completely expend them in 48 months. To ensure meeting this deadline, DCA will allow grantees only 12 months to commit allocated NSP funds. DCA has promised to recapture NSP funds if grantees are not making satisfactory progress.

NSP is focused on creating homeownership opportunities from foreclosed and vacant properties. Funds are to be used for the acquisition, repair and resale of such identified properties located in approved areas. NSP also established a new income category known as low to moderate to middle income (LMMI) that encompasses households up to 120% of the area median income (AMI); 120% of the AMI for a family of four is $70,200. In order to ensure that lower income households are impacted by this program, 30% of the funds must benefit households at or below 50% of the AMI. The city's plan activities for use NSP funds are summarized below:

- **Purchase & Rehabilitation.** City of High Point will partner with S.H.A.R.E., Inc. (S.H.A.R.E.) to for the purpose of acquiring and rehabilitating approximately 11 foreclosed properties in zip codes 27260, 27262, and 27265; total project activity cost(acquisition and repair of foreclosed properties) are expected to total $500,000. After the properties are acquired and rehabilitated, the properties will be sold or rented to persons at or below 50% of Area Median Income. For those persons that initially rent the NSP assisted property, a plan will be put in place to prepare tenant for the future purchase of the NSP assisted property within 24 months of occupancy. S.H.A.R.E. has been actively reviewing foreclosed property listing and has identified properties that could potentially be acquired to meet the 30% requirement. City will actively monitor and participate in the property acquisition process to ensure that all federal regulations are met during the acquisition process.

- **Down Payment Assistance & Rehabilitation Program**: The City projects to expend $400,000 of NSP funds to provide down payment assistance and/or rehabilitation of foreclosed homes purchased by NSP eligible homebuyers. City's NSP Down Payment Assistance Program and NSP Rehabilitation Program have gained momentum over the past 3 months. The City has partnered with the High Point Regional Association of Realtors in promoting the availability of NSP funding for the acquisition of foreclosed properties.

- **Use E: Redevelopment - Contract with Habitat**: City will partner with Habitat for Humanity to redevelopment of vacant or foreclosed properties located near the existing Habitat development on Graves Avenue (adjacent to Washington Terrace Park). The total project costs are expected t total $400,000. Habitat focuses on providing homeownership to those below 50% of median income. NSP funds will be used to purchase vacant/blighted properties contiguous to the designated Graves avenue redevelopment site. The properties will be demolished, cleared, and then conveyed to Habitat. This project will result in a minimum of 4 affordable homes that will be sold to NSP eligible homebuyers below 50% of AMI.

- **Elderly Development (LIHTC)** – The City proposes to utilize $500,000 of NSP funds to financially participate in a development that will provide 56 units of affordable housing to income eligible persons age 55 and older. Total development costs are projected at approximately $5.5 million.

- **City Acquisition of Vacant Land & Property:** In order to sustain housing development momentum in areas of High Point that have been designated for redevelopment, City will acquire vacant land and properties in areas of greatest need for the primary purpose of demolition and redevelopment. Southside Neighborhood, Washington Drive Neighborhood, and East Green Street will be the primary areas targeted for the purchase of NSP eligible property that will be used to create new housing that meets NSP guidelines. The City has existing inventory of property in some of these neighborhoods and the ability use NSP funds to purchase additional property will maximize the positive impact on the targeted neighborhoods.

Urgent Repair Program

Budget:	$140,410
Activity:	Rehabilitation
Source:	CDBG
National Objective:	Low and Moderate Income Housing
Eligibility Citation:	24 CFR Part 570.202 (a) (1)
Goal:	Provide emergency housing rehabilitation services for recipients of lead hazard control services; improve quality of existing low/mod housing stock; acquire dilapidated housing for repair and/or demolition; mitigate blighting influences & lead-based paint hazards
Objective:	Provide decent housing
Outcome:	Affordability
Performance Measures:	Number of emergency repairs

The rehabilitation of the City's aging housing stock is geared towards ensuring the continued livability and viability of High Point's limited affordable housing units. The Urgent Repair Program is designed to provide quick action in response to homeowners experiencing a system failure that may endanger their health (such as heating systems failure in the winter). With the award of the 2008 HUD Lead-Based Paint Hazard Control Grant, priority for Urgent repairs will be given to homes built before 1978; homes determined to have destabilized lead; and households that are low-moderate income. This requirement is being implemented to meet requirements of the 2008 HUD Lead-Based Paint Hazard Control Grant and also to leverage CDBG funds. Urgent repairs typically completed include the following:

- **Roofing**: Roofing repairs made in a timely manner can prevent further loss from damage to the structure, reduce the incidence of childhood lead poisoning and improve indoor air quality by eliminating moisture intrusion into the living spaces.
- **Heating, Ventilation and Air conditioning**: Heating, air-conditioning and ventilation repairs done in a timely manner can prevent loss of life (due to hypothermia), improve indoor air quality, measurably increase the efficiency of out-dated equipment, reduce the burden of high utility bills and ensure a greater degree of affordability for strapped homeowners.

- **Electrical**: Electrical service upgrades to distribution panels and new wiring when necessary improve safety and allow for additional load to be added when replacing and modernizing HVAC systems.
- **Plumbing/Sewer**: Hot water heating failures are addressed to meet minimum housing requirements. Additional plumbing modifications and repairs are sometimes needed to repair broken water and sewer lines.

Future Elderly/Multi-family LIHTC Development

Budget:	$250,000
Activity:	Multi-Family Housing
Source:	HOME
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR 92.205(a)(1
Goal:	Development of a Low Income Housing Tax Credit complex.
Objective:	Provide decent housing
Outcome:	Affordability
Performance Measures:	Completion of an affordable elderly or multi-family rental complex

The City's 2010-2014 Consolidated Plan confirmed the availability of affordable rental housing in High Point continues to be insufficient to meet the needs of its low-income families. According to the National Low Income Housing Coalition (NCLIHC), the current Fair Market Rent (FMR) for a Guilford county two-bedroom apartment is $699. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn $2,330 monthly or $27,960 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a housing wage of $13.44. Consequently, a worker earning minimum wage ($7.25 per hour) must work 75 hours per week, 52 weeks per year In order to afford the FMR for a two-bedroom apartment in Guilford County. Alternatively, a household must include 1.9 minimum wage earners working 40 hours per week year-round in order to make the same two-bedroom FMR affordable. Low-income households unable to afford prevailing rents must confront housing that is too expensive, overcrowded or substandard.

The Consolidated Plan's recommendation to help address the deficit in affordable rental housing is to leverage existing City resources by utilizing the federal low income tax credit (LIHTC) program. Consequently 2010-11 budget includes $250,000 to participate in a future LIHTC development at an undetermined site. When a suitable suit and developer partner has been identified, staff will seek Council's guidance to proceed further.

The Federal Low-Income Housing Tax Credit (Housing Credit) was authorized by Congress in 1986 to encourage the construction and rehabilitation of quality rental housing that is affordable for low-income families and elderly persons. Housing Credit rental properties are privately owned and privately managed. In exchange for the financing provided through the tax credit, owners agree to keep rents affordable for a period between 15 and 30 years for families and individuals with incomes at or below 60% of the local median income. In 2007, each state may allocate $1.95 of tax credits per capita, giving North Carolina an annual allocation of approximately $17 million.

Community and Neighborhood Development Activities

The Community and Neighborhood Development Division (CNDD) is charged with developing and implementing the department's non-housing strategies to promote stronger neighborhoods and implement community capacity development activities. This year the division will continue to focus community building activities such as leadership development, youth development, basic skills, and homelessness. The division partners with various organizations to enhance services to low/mod neighborhoods and coordinates community programs. Division activities include providing neighborhood capacity building opportunities, helping residents acquire needed skills, enhancing public services, providing resource coordination for ex-offenders, assisting in homeless activities and assisting residents who are required to relocate due to housing code enforcement violations. Additional services provided by CNDD include but are not limited to:

- Coordinating multiple programs from HUD and the Community Capacity Development Office (CCDO) in one place will continue to allow the department to optimize effectiveness to benefit low to moderate-income neighborhoods.
- The division will continue to be responsible for managing the Shelter Plus Care Program funds for chronic homeless individuals. The budget for this program includes finding a decent and safe place for homeless individuals to live. The program delivery cost is provided by Open Door Ministries.
- The computer lab will continue to provide available computer service for public use. The computers are also used to assist in the Volunteer Income Tax Assistance (VITA) program.
- Finally, the division is responsible for providing technical and analytical support to the Citizen's Advisory Council and the Weed and Seed Steering Committee.

The action plan allocates $345,249 for Community and Neighborhood Development activities. The plan's allocation reflects CDBG funds and Shelter Plus Care Program funds but does not include funding for Weed and Seed activities. All of the community and neighborhood development activities are consistent with community needs and priorities identified in the 2011-2016 Consolidated Plan.

Community and Neighborhood Development

	CDBG	Other Funds	Total
Community Capacity Building Delivery Costs	188,773	0	188,773
Shelter Plus Care Program	0	106,176	106,176
Public Service Grants	40,300	0	40,300
Relocation due to Housing Code Enforcement	10,000	0	10,000
TOTAL	**$239,073**	**$106,176**	**$345,249**

Neighborhood Associations

<u>West End Neighborhood Association</u>
The West End Neighborhood Association meets the third Thursday at 6:30 PM each month at the English Road Baptist Church, 1111 English Road.

The members will work on getting more residents involved in neighborhood activities that the association, West End Ministries, or any other organization sponsors. The association plans to have stationery with the association's letterhead (WEM advised the Association could use their address) to send letters to landlords regarding tenants and boarded up properties; to residents to keep areas neat; and other needed correspondence (i.e. letter to Lowe's to get on the list for free plants). The members also scheduled a spring clean-up and will determine the best time to schedule a fall clean-up. The members will remain diligent regarding crime and will call the police department whenever they see suspicious activity with as many details as possible; an address where the activity is taking place and advise the police department the caller lives in the West End. The association will write and approve By-Laws-Laws and elect officers this next year. The CNDD staff is currently facilitating the meeting and continues to search for West End residents that will step up to the challenge of leading the association.

<u>Westgate Neighborhood Watch Group</u>
The Westgate Neighborhood Watch Group decided to become inactive due to resident attendance on scheduled meeting days. The neighborhood has not experienced any further criminal incidents and that has led to the interest decline.

<u>Five Points Neighborhood Association</u>
The Five Points Neighborhood Association usually meets on the second Tuesday of every month at Washington Terrace Park, 101 Gordon Street. The association has no held formal meetings since the Association's president returned to school. The president advised CNDD they communicate by phone if a situation arises that needs their attention. Association goals for the next year are:

- Ridding the community of criminal activity including gang activity, and drug production and sales
- Attracting new and viable businesses in the Five Points Business Hub
- Establishing a well-lit and secure environment for pedestrian traffic with greenscapes
- Establishing a community center that offers educational and self-help programs for all members of the family
- Making this the most attractive entrance into High Point

<u>Habitat Woods Neighborhood Association</u>
The residents at Habitat Woods are currently working on creating a neighborhood watch program that will alleviate the foot traffic coming into the neighborhood from Enterprise Street and bring the neighbors together to watch each other's properties. Members have designated a resident to lead a neighborhood beautification effort in the spring. The association meets once a month on the first Thursday at Washington Terrace Park.

During the first meeting the residents were upset about two criminal incidents that took place in the neighborhood and wanted a resolution to the easy accessibility into the area. The other problem was the retention pond behind several properties that needed cleaned up and fenced. The residents advised that no fences could be built on the properties to stop the foot traffic into or out of the neighborhood. The CNDD staff researched the fence and retention pond problems and was able to advise the Habitat Woods residents that fences were permitted within the City's codes and the retention pond area belonged to Guilford County, who were willing to clean up the area. The association is planning a neighborhood clean-up and other activities to bring the neighborhood together.

Highland Mills Neighborhood Association

The Highland Mills Neighborhood Association proposes significant changes to increase their membership for the year 2010. Residents will also select a new chairperson and a chair assistant to be trained by current chairperson prior to his release of the position. Special events are planned for the neighborhood residents, a ceremony to announce the unveiling of the neighborhood signs the Association designed, built and installed at selected entrances, a "Neighborhood Clean-Up Day with encouragement to the residents to clean and remove debris from areas in excess of their own , observance of National Night Out festivities and a Fall Health Fair sponsored by a local Pharmacy that will include blood-pressure and cholesterol screening and flu shots to the senior residents. A sub-committee will publish a monthly newsletter of all the Neighborhood's scheduled activities, events and notification of the next meeting.

Southside Neighborhood Association

The Southside Neighborhood Association plans to apply for a 501©3 non-profit status to enable them to apply for local grants and various foundations funds. Scheduled events for the upcoming months include Senior members of the association using their own special recipes to plan a Neighborhood Bake Sale for Mother's Day, a Southside Neighborhood Reunion for former and present residents of the Southside area late July or early August, observance of National Night Out festivities with the Youth Council as lead participants and a Christmas Program to include residents, area children and agencies at the Southside Recreation Center.

Washington Drive Neighborhood Association

The Washington Drive Neighborhood Association plans include collaborative efforts to work closely with the High Point Police Department and their announcement of the Washington Drive Initiative of 2010. The goal of the Initiative is to improve the lives of residents in the Washington Drive area by employing a comprehensive, data driven, and strategic approach to ending street level drug sales. The Association has planned selective meetings that will take place throughout the year with area residents, businesses and local churches. Extensive training is planned to initiate a membership drive to increase neighborhood participation, leadership training for selected leaders of the association and a neighborhood clean-up with businesses, residents and a local school. The Association will also apply for grant funds to assist with the preparation of the National Night Out activities, and a meeting with Minimum Housing Code Enforcement to review substandard/boarded housing in the area with expired compliance dates.

Macedonia Neighborhood Association

The Macedonia Neighborhood Association will focus this year on getting back to the basics of neighborhood organization. This will include: conducting community surveys that will poll homeowners and renters on issues and concerns, developing policies and procedures for the association, developing new by-laws, and setting a consistent meeting day and time for the Macedonia Association meetings. The Association will continue to host meet and greet events this year that will allow residents to voice their concerns about neighborhood issues, homeowner concerns, neighborhood clean-ups and needed programs and activities at the Macedonia Family Resource Center. The goal of increasing the number of members will allow the association to form committees to work on those issues and concerns that were identified through the community surveys. The Community Development and Housing Department staff will continue to assist the Macedonia Neighborhood Association with this process.

The Neighborhood Association continues to be involved with the Macedonia Baseball League that is designed to offer a quality sports league for a very low participation fee. Members of the association volunteer time at the park working the concession stand as well as cleaning up after each game. The High

Point Weed and Seed program will continue to fund the Macedonia Baseball League this year with grant funds totaling $10,000.00.

The Macedonia Family Resource Center will continue to provide daily programs to address the needs of those living in the Macedonia area. Programs at the center include:

- Free computer classes
- GED classes
- Technology Access Point (TAP) that allowed residents to access the main library database and check out books and have them delivered to the center.
- Youth Centered Programs and activities
- English as second language classes
- VITA (Volunteer Income Tax Assistance) Free Tax Preparation Program

Spring Brook Meadows

The Spring Brook Meadow residents began meeting in the summer of 2009 to address community issues and concerns. They will continue to focus this upcoming year on those issues such as: HOA accountability, increasing resident involvement, establish a cohesive relationship with the management company, complete the organizational process with the Spring Brook Meadows Association and the election of new officers. The Community Development and Housing Department staff will continue to meet monthly with the Spring Brook Meadows resident to assist them with this process of organizing and becoming an active neighborhood association.

Burns-Hill Neighborhood Association

The Burns-Hill Neighborhood Association will become the fourth VITA (Volunteer Income Tax Assistance) site, providing free tax preparation for residents of the Burns Hill area. The Association will continue to be actively involved in neighborhood issues such as: crime, organizing neighborhood youth, neighborhood beatification, increased membership, social events and neighborhood planned activities. The Neighborhood Association members will also focus this year on developing a 5 year action plan that will layout their goals and projects for the next five years. The Burns Hill Association president recently indicated that the group will continue activities in the area that include but not limited to:

- Community clean-ups that allow residents to take pride in their neighborhood and also recruit new members to join the Neighborhood Association.
- Back to school celebration for the youth, this provides the youth with free school supplies.
- Resident awards ceremony, which acknowledges those residents in the East Central that are setting the example for residents in the area.
- Conduct workshops on organizing successful neighborhood watch groups.
- Participate in National Night Out, which brings awareness to neighborhood issues and also was used to recruit new Neighborhood Association members.
- Community Health Walk, which will allow residents to walk and patrol the neighborhood while engaging in a fitness activity.
- Several Community yard sales
- Neighborhood Café

Broadstone Village Homeowners

The Broadstone Village homeowners are in the final stages of dissolving all three Neighborhood Associations into one master HOA. Once this process is complete the Broadstone residents will focus on the organization and planning for the complete transfer of the Homeowner's Association from the builder/management company to the homeowners. In preparation of the transfer of the Homeowner's Association to the homeowners, residents will continue to meet with the board to discuss neighborhood issues and concerns. Many of the concerns from last year will continue to be a focus for the upcoming year. The continued concerns for homeowners include: vandalism to the pool and clubhouse, area youth being disrespectful toward the homeowners, speeding cars throughout neighborhood, lack of lawn care maintenance and a gang presence in the area.

<u>Pershing Street Neighborhood Watch</u>

The Pershing Street Neighborhood Watch will continue to focus on crime and safety issues in the Pershing Street/Lake Avenue area of High Point. Residents are actively involved in surveying the area for criminal activities and negative elements that affect the quality of life in the Pershing Street area. The Pershing Street members will continue to recruit homeowners this year in efforts to raise neighborhood safety awareness to more residents in the area. The HPPD, along with the City of High Point's Community Development and Housing Department will continue to assist the Pershing Street Neighborhood Watch with the facilitation of meetings and continued criminal analysts of area crime.

Relocation Assistance Due to Code Enforcement

Budget:	$10,000
Activity:	Relocation
Source:	CDBG
National Objective:	Low-moderate income area
Eligibility Citation:	570.201(1) and 570.606(d)
Goal:	Assist low/mod residents forced to move due to code enforcement
Objective:	Availability/Accessibility
Outcome:	Sustainability
Public Service Access:	Improved
Performance Measures:	Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01,145.02, 145.03, 146

Relocation Assistance is available to homeowners and renters who are required to move from their residence due to the enforcement of the City's Minimum Housing Code. The number of rooms in the substandard unit cited for code enforcement determines the amount of funds the occupant will receive to secure a standard unit. Since the relocations are not caused by federally funded activities, occupants are not eligible for Uniform Relocation Assistance (URA) benefits. However, the High Point City Council has authorized use of the URA moving cost schedule to determine levels of assistance. Funds can be used to pay moving expenses and/or rental security deposits. Reimbursements are based on the URA schedule for the state of North Carolina listed below:

North Carolina Residential Moving Fixed Cost Schedule

With Furniture						Without Furniture					
Number of rooms	1	2	3	4	5	6	7	8	Each additional	1	Each additional
Assistance	$500	$700	$900	$1,100	$1,300	$1,500	$1,650	$1,800	$150	$350	$50

Public Service Grants

Budget	$40,300
Activity	Public Service Subrecipient
Source	CDBG
National Objective	Low-Mod income clientele
Eligibility Citation	570.201 (e); 570.208 (a)(1) and 570.208 (a)(2)
Goal	Provide public services to benefit low-mod income residents
Objective	Suitable living environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Census tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146

The City of High Point annually sets aside a portion of its Community Development Block Grant entitlement to fund public service activities provided by local community based organizations and non-profits for the benefit of low to moderate-income residents. Eligible activities include labor, supplies and materials, employment, crime prevention, child-care; health; drug abuse; education; fair housing counseling; and energy conservation. The funds are allocated through a competitive process and the Citizens Advisory Council (CAC) reviews all applications and makes recommendations to the City Council. A total of thirteen applications were submitted for funding. The CAC recommended the following public services grants:

Carl Chavis Memorial YMCA

Budget: $15,000
Activity: CDBG Public Service Subrecipient
Source: CDBG
National Objective: Low to Moderate-Income Limited Clientele-
Eligibility Citation: 570.201(e); 570.208(1)(1) and (a)(2)
Goal: Provide scholarships to 100 youths for summer camp
Objective: Creating Suitable Living Environment
Outcome: Affordability
Public Service Access: Improved
Performance Measures: Projected numbers to be served: 20

Carl Chavis YMCA is a grassroots organization serving low-to-moderate income youth and families. The project, ***Just 4 Real*** will provide the opportunity for 20 young ladies to increase low self-image and self-esteem, while increasing reading, writing, spelling and vocabulary skills through self-expression in a self-published product that creates a positive image of African Americans in print media, as it develops a sense of media literacy. CDBG funds will be used for software costs, (Adobe Creative Suite), magazine printing, computers, and salary.

Helping Hands Ministry

Budget: $6,000
Activity: CDBG Public Service Subrecipient
Source: CDBG
National Objective: Low to Moderate-Income Limited Clientele
Eligibility Citation: 570.201(e); 570.208(1)(1) and (a)(2)
Goal: Provide emergency assistance (food, rent & utilities)
Objective: Creating Suitable Living Environment
Outcome: Sustainability
Public Service Access: Improved
Performance Measures: Projected numbers to serve: 3000

Helping Hands is a well established Community Emergency Assistance Program that has served the High Point area since 1996.   The program provides food assistance, emergency rent and utilities. They are a partner agency of the Community Resource Network (CRN) of High Point and collaborate with other emergency assistance programs in High Point, including Open Door Ministries, Salvation Army and West End Ministries. CDBG funds will be used for a part time position (15 hours a week) for a Capital Income Coordinator whose goal is to improve coordination of available resources in High Point to meet the needs of 3000 families and individuals in the most effective and efficient manner.

Mary's House, Inc.

Budget:	$7,200
Activity:	CDBG Public Service Recipient
Source:	CDBG
National Objective:	Low-mod income clientele
Eligibility Citation:	570.201(e) and (a)(2); 570.208(a)(1)
Goal:	Permanent housing for homeless recovering mothers & their children
Objective:	Creating decent housing
Outcome:	Affordability
Public Service Access:	Improved
Performance Measures:	Number to be served: 6

Mary's House, Inc. is a fully licensed therapeutic agency that provides transitional and permanent housing, life skills, training and a supportive community for homeless women in recovery from substance abuse.   The program is one of few in the United States that allows women to raise their children while in treatment for addiction issues. ***Mary's Homes-High Point*** is an expansion project that will provide six permanent housing vouchers for homeless, recovering mothers and their children. CDBG funds will be used for office supplies, vehicle fuel, bus passes, storage space, and partial case manager salary.

Piedmont Health Services & Sickle Cell Agency

Budget:	$6,100
Activity:	CDBG Public Service Recipient
Source:	CDBG
National Objective:	Low-mod income clientele
Eligibility Citation:	570.201(e) 570.208(a)(1) and (a)(2)
Goal:	Provide parent education program for children aged infant to 8 years old.
Objective:	Economic Opportunity
Outcome:	Sustainability
Public Service Access:	Improved
Performance Measures:	Projected umber to be served: 100

Piedmont Health Services and Sickle Cell agency provides outreach, education, screening and case management for people with high-risk health problems. The project, ***Lunch & Learn to Prevent Illness*** will provide health sessions that will be held on the third Thursday of each month for ten months at 11:00 a.m.-1:00 p.m. The sessions will address health topics such as HIV, Hepatitis C, diabetes, heart disease, cancer, mental illness and nutrition. CDBG funds will be used for educational materials, medical supplies, screening fees, lunches, printing, staff mileage, office supplies and skills-building materials.

Senior Resources of Guilford County

Budget:	$6,000
Activity:	CDBG Public Service Recipient
Source:	CDBG
National Objective:	Low-mod income clientele
Eligibility Citation:	570.201(e) 570.208(a)(1) and (a)(2)
Goal:	Provide meals to 5 homebound senior citizens
Objective:	Creating suitable living environment
Outcome:	Affordability
Public Service Access:	Improved
Performance Measures:	Projected umber to be served: 5

Senior Resources of Guilford mission is to serve diverse communities of older adults and their families by advocating and providing supportive services that enhance the independence, health and quality of adult lives. The project, ***Mobile Meals*** will provide nutritious home delivered meals to five homebound seniors ages 60 or older, who have been assessed by their case assistance staff and are eligible due to their inability to shop or prepare a meal for themselves and do not have a responsible person who is willing or able to assist them. CDBG funds will be used to purchase food.

Shelter Plus Care

The Shelter-Plus-Care program provides permanent housing assistance to homeless people with disabilities. The Department of Housing and Urban Development (HUD) funds this program to assist a population that has been hard to reach. The program targets homeless people with disabilities such as severe mental illness, chronic substance abuse, dual diagnoses (co-occurring mental illness and substance abuse), and/or HIV/AIDS.

The program builds on the premise that housing and services need to be linked to ensure stability of housing for this hard to serve population. The City of High Point, as the grantee, has partnered with Open Door Ministries, the service provider, to offer the chronic homeless housing and supportive services. The supportive services must match, with equal value, the housing funding. The Shelter-Plus-Care component the city sponsors is Tenant-Based Rental Assistance (TRA).

The City of High Point serves as the fiscal agent for the Shelter Plus Care Program while Open Door Ministries is the service provider. The program is entering its fourth year and has assisted ten chronically homeless people with disabilities to "come off the streets." Open Door Ministries provides ongoing supportive services from helping find furniture to making sure the client is receiving proper medical care.

The city will provide yearly inspections at each residence to maintain the appropriate living conditions for each client and make the rent payments. Open Door Ministries will provide case management, direct supportive services, and maintain the services provided documentation for each client. The client will be responsible for utility payments and if a client receives a disability award from the Social Security Administration a pro-rated rent payment is required.

Expected revenue for the next year is approximately $3800.00 from six clients. Open Door Ministries will be assisting the remaining clients with applying for Social Security Disability payments. If Open Door Ministries succeeds in acquiring the disability payments, the revenue is added to the program monies and another homeless person could be brought into the program.

Guilford/High Point/Greensboro Task Force on Ending Homelessness

The Homeless Prevention Coalition of Guilford County, Inc. (HPCGC) is a tax exempt 501 c (3) organization. The HPCGC Executive Board meets the first Thursday of each month at 9:30 a.m. at the YMCA of Jamestown and the membership meetings are held every 2nd Thursday of each month at Jamestown Presbyterian Church at 9:30 a.m.

The Homeless Prevention Coalition of Guilford County (HPCGC) is a diverse, community-based coalition working to end homelessness in Guilford County, North Carolina through advocacy, information, funding, and networking. The final step of the Ten Year Plan was to execute strategies, action steps and programs to End Homeless in Guilford County, High Point and Greensboro. The Plan initiated action steps that produced Partners to End Homeless.

Partners Ending Homelessness is an initiative that focuses on actively implementing, evaluating and updating Guilford County's Ten Year Plan to end chronic homelessness. Chronic homelessness is defined as an individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years. The initiative focuses also on generating housing, strengthening prevention & supportive service efforts, increasing coordination and access through the continuum of care in our community

The goal of the strategic alliance between the Homeless Prevention Coalition of Guilford County and Partners Ending Homelessness is to create greater awareness and buy-in from the larger communities around the issue of homelessness. A merger between the Homeless Prevention Coalition of Guilford County and Partners Ending Homelessness is in process. The proposed by-laws were accepted unanimously and the new organization will retain the name Partners' Ending Homelessness. The merger is scheduled to be complete and in operation beginning July 1, 2010. The website address for Partners Ending Homelessness is http://www.partnersendinghomelessness.org/.

The Homeless Prevention Coalition of Guilford County will continue to meet monthly as a service-providers' group until the effective date of July 1, 2010. As the only membership group in the new merger, the Coalition will be responsible for electing the new Board of Directors.

The Point-in-Time Count will partner with the Welfare Reform Liaison Project to distribute hygiene bags to homeless participants during the count. The scheduled time of the Point-In-Time Count takes place the last week in January and all activities are compiled and released by mid March or early April 2010.

NEIGHBORHOOD STABILIZATION PROGRAM AGREEMENT BETWEEN
CITY OF HIGH POINT, NORTH CAROLINA
AND
S.H.A.R.E. OF NORTH CAROLINA, INC.

THIS AGREEMENT, made this the 4th day of May 2010 by the CITY OF HIGH POINT, NORTH CAROLINA (hereinafter called "Grantee") located in Guilford County, and S.H.A.R.E. OF NORTH CAROLINA, INC. (hereinafter called S.H.A.R.E.), located at 2100 E. Wendover Ave., Greensboro, North Carolina in Guilford County, a non-profit corporation organized under the laws of the State of North Carolina, having its principal place of business in Guilford County, North Carolina.

WHEREAS, the Grantee desires to make available to S.H.A.R.E. certain funds from the Neighborhood Stabilization Program (NSP) program as prescribed under the Housing and Economic Recovery Act of 2008 (HERA) with said grant being made available through the North Carolina Department of Commerce, Division of Community Assistance (DCA) and being designated as grant number 08-N-1890 as known as the "grant"; and

WHEREAS, the Grantee desires to partner with a non-profit affordable housing developer to implement the Neighborhood Stabilization Program and S.H.A.R.E. is a recognized non-profit organization as described by the Department of Housing and Urban Development and City of High Point Community Development & Housing Department; and

WHEREAS, S.H.A.R.E. agrees to abide by each paragraph of this Contract and its attachments and all procedures, rules and regulations imposed upon the Grantee by HUD in connection with its receiving the federal grant referenced above; and

WHEREAS, S.H.A.R.E. has been awarded NSP funds by the Grantee for eligible activities as set forth in HERA section 2301 (c)(3) and to meet the national objective for low- and moderate-income benefit activities as set forth in HERA section 2301 (f)(3); and

WHEREAS, S.H.A.R.E. further agrees that all activities conducted under the contract shall be of a type authorized by the provisions of Part 8, Article 19 of Chapter 160A of the General Statutes of North Carolina, as amended by Chapter 206 of the Session of laws of 1987.

NOW, THEREFORE, in consideration of the mutual promises herein exchanged by and between the parties, it is agreed as follows:

SECTION 1. SCOPE OF SERVICES

S.H.A.R.E. promises to perform, or cause to be performed, the services outlined in Attachment A: Scope of Services. The services shall be completed within 36 months of the date of the execution of this Contract.

The services described in Attachment A: Scope of Services must commence within 60 days of the execution date of this Contract. Failure to promptly begin the services specified in Attachment A, as determined solely by the Grantee, shall result in the Grantee exercising its authority to de-obligate the funds committed to the Grantee in accordance with Section 21, below. Contract activities performed prior to the execution date of this Contract are not considered a part of this Contract and are not billable.

SECTION 2. PAYMENT UNDER THE CONTRACT

Payments by the Grantee under this Contract are limited to reimbursement of eligible expenditures made or eligible expenses incurred by S.H.A.R.E., except where advance payments are explicitly authorized in writing by the Grantee at the sole discretion of the Grantee.

All expenditures and expenses shall be incurred in accordance with the provisions of this Contract. Payments shall be made by the Grantee in accordance with the provisions of this Contract and only for activities listed in Attachment A.

A schedule of payments is included as a part of this Contract in Attachment A. Payments shall be made based upon this schedule and shall only be made after S.H.A.R.E. has presented documentation of expenses that meets the approval of the Grantee. It is expressly understood and agreed by S.H.A.R.E. that payment by the Grantee shall not exceed the maximum sum of **$400,000.00** for all of the services specified in Attachment A.

Further, S.H.A.R.E. understands and agrees that any payment made under this Contract by the Grantee is limited to funds made available under the Grant referenced above. The Grantee shall make payments upon receipt of a request for payment from S.H.A.R.E.. The request shall include documentation of expenditures and expenses incurred and work undertaken by S.H.A.R.E., where applicable, and any other documentation that the Grantee may require from S.H.A.R.E., not limited to the reports described in Attachment A: Scope of Services, with required documentation to be in the form and substance satisfactory to the Grantee.

Grantee retains the right to reduce the amount of the contract based upon cost variances incurred during the acquisition of properties.

SECTION 3. PROGRAM INCOME

Any income earned or received by S.H.A.R.E. as a direct result of the sale of an NSP assisted property is considered program income (i.e. the sale of acquired rehabilitated property). Program income must be returned to the Grantee upon receipt unless otherwise authorized. The Grantee may authorize S.H.A.R.E. to utilize program income for the acquisition and/or rehabilitation of Grantee approved properties. S.H.A.R.E. shall report the receipt and any expenditures of Program Income to the Grantee during the month following the month in which the money was received, and following the month it was expended.

SECTION 4. APPLICABLE FEDERAL. STATE AND GRANTEE REQUIREMENTS

S.H.A.R.E. shall perform within, and cause its subcontractors and any ultimate recipients of funds under this Contract to comply with, and to be eligible under, the same Federal and State laws, regulations and administrative requirements which apply to the Grantee. A compilation of references which may apply to this Contract is included as Attachment B. The references that are checked within Attachment B apply to this Contract, and are hereby made an integral part of it.

SECTION 5. ASSIGNMENT OF CONTRACT PROHIBITED

S.H.A.R.E. shall not use this Contract or its anticipated proceeds to borrow money. S.H.A.R.E. shall not assign any interest in this Contract.

SECTION 6. CONFLICT OF INTEREST

S.H.A.R.E. shall permit no officer or employee of S.H.A.R.E., no member of the Grantee's governing body and no other public official of any governing body in the to exercise any functions or responsibilities in the review or approval of the administration or execution of this project to (1) participate in any discussion relating to this Contract if it affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested; or (2) have any interest, direct or indirect, in this Contract or the proceeds thereof.

S.H.A.R.E. shall permit no members of or delegates to the Congress of the United States to be admitted to any share or part thereof or to receive any benefit. S.H.A.R.E. covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required to be performed under this Contract. S.H.A.R.E. further covenants that no person having any such interest shall be employed in the performance of this Contract. S.H.A.R.E. shall make no loans, no guarantees, or commitment of these funds to its directors or officers.

S.H.A.R.E. shall be subject to and shall comply with the conflict of interest provisions of the CDBG regulations as published at 24 CFR Part 570.611,24 CFR Part 84.42 and 24 CFR Part 85.36.

SECTION 7. POLITICAL ACTIVITY

S.H.A.R.E. shall not permit any of the funds, materials, property or services provided under this Contract to be used for any partisan political activity, or to further the election or defeat of any candidate for public office, or for public Grantee or propaganda purposes designed to support or defeat legislation pending before the United States Congress, the State of North Carolina, Guilford County or the City of High Point.

SECTION 8. LIABLE FOR LEASES

Prior to S.H.A.R.E. entering into any lease arrangement that involves the use of funds from this Contract; S.H.A.R.E. shall submit a copy of the proposed lease to the Grantee for review and approval and shall not enter into any lease arrangement that is disapproved by the Grantee.

When any lease is paid for in whole or in part by funds from this Contract, S.H.A.R.E. shall notify the lessor of the date that this Contract is to terminate, and S.H.A.R.E. shall make provisions for payment of the lease from other funds should S.H.A.R.E. desire to continue the lease after the date of termination of the Contract.

S.H.A.R.E. assumes all liability for any damage(s) that occurs to property, either real or personal, which it acquires or possesses under a lease.

SECTION 9. IDENTIFICATION OF DOCUMENTS

All reports, maps and other documents completed as a product of this Contract, other than documents used in the administration of the Contract such as reports to the Grantee, shall have placed thereon by S.H.A.R.E. the following statement:

> *NOTE:*
> *This grant was made available to the City* of *High Point under provisions* of *the Housing and Economic Recovery Act* of *2008 and is referred to* as *grant number* ***08-N-1890**."*

SECTION 10. FINANCIAL RECORDS

S.H.A.R.E. shall establish and maintain a financial management system that will account for all funds received under this Contract and expenditures made in execution of the project activities, and such system shall be created and maintained in accordance with (GAAP) generally accepted accounting practices and procedures. The system shall include the following:

1. Grantee will retain fiscal responsibility for the disbursement of grant funds and S.H.A.R.E. will have fiscal responsibility for the collection and maintenance of program income.

2. S.H.A.R.E. shall maintain such records and accounts, including property, personal and financial records to insure a proper accounting for all project funds. S.H.A.R.E. shall retain these records for three (3) years after the date of final payment under this Contract from the Grantee to S.H.A.R.E.. However, at any time after the Contract termination, S.H.A.R.E. will turn these records over to the Grantee for retention, after completion and acceptance of required audits.

3. On request of the Grantee, S.H.A.R.E. shall provide an accounting for all funds paid to it by the Grantee under this Contract. More specifically, S.H.A.R.E.'s financial management system shall provide for:

   a) Accurate, current and complete disclosure of the financial results of activities under this Contract in accordance with generally accepted business practices. If S.H.A.R.E.'s accounting records are maintained on a cash basis, S.H.A.R.E. must develop information of accounts payable and accounts receivable through an analysis of the documents in the file, or on the basis of its best estimates.

b) Records that identify in detail the source and application of funds under this Contract. These records shall contain information pertaining to Contract awards and authorizations, encumbrances and unencumbered balances, assets, liabilities, outlays and income.

c) Effective internal control over and accountability for all funds, property and other assets attributable to the Contract. S.H.A.R.E. shall adequately safeguard all such assets and shall assure that they are used solely for the performance of this Contract.

d) Comparison of actual expenditures with budgeted amounts for those expenditures and comparison of financial information with performance or productivity data, including the production of unit cost information whenever required by the Grantee.

e) Procedures for determining the allowability and allocability of costs.

4. S.H.A.R.E. financial records shall be audited by a certified public accountant, licensed in good standing to practice in the State of North Carolina, at least annually. The audit must be conducted in accordance with standards established by the American Institute of Certified Public Accountants (AI CPA). S.H.A.R.E. must also submit a financial review in accordance with the standards established by AICPA.

   The audit and review must be submitted to the Grantee within 120 days after S.H.A.R.E.'s budget year end. Should there be an exception taken during the audit, S.H.A.R.E. shall resolve the findings and recommendations within thirty (30) days after completion of the audit.

5. S.H.A.R.E. shall provide any information that the Grantee may reasonably request pertaining to S.H.A.R.E.'s financial management under this Contract.

SECTION 11. AUDITS AND INSPECTIONS

At any time during normal business hours and as often as the Grantee, HUD, DCA or the Comptroller General of the United States may deem necessary, S.H.A.R.E. shall make available to the Grantee, HUD, or representatives of the Comptroller General, for examination, all of S.H.A.R.E.'s records with respect to matters covered by this Contract. The Grantee, HUD or representatives of the Comptroller shall be permitted to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials payable, records or personnel, and other data relative to all matters covered by this Contract.

SECTION 12. FIDELITY INSURANCE

Fidelity Insurance is not applicable to this contract. Grantee will retain fiscal responsibility for the grant.

SECTION 13. REPORTING

S.H.A.R.E. shall submit monthly reports to the Grantee within five (5) days following the end of the month for which the activity is being reported. S.H.A.R.E. shall provide to the Grantee any other information determined by the Grantee to be necessary or appropriate for the proper monitoring of this Contract.

Delays by S.H.A.R.E. in making any report to the Grantee required by this Contract may, at the Grantee's sole discretion, result in delays in payment to S.H.A.R.E. of part or all of S.H.A.R.E.'s requests for funds. A delay in making a disbursement by the Grantee to S.H.A.R.E. does not change the time requirements of S.H.A.R.E. to submit reports to the Grantee.

SECTION 14. PROOF OF CONTRACTING REQUIREMENTS

If S.H.A.R.E. should choose to execute a subcontract using funds from this Contract, S.H.A.R.E. shall first request permission from the Grantee to enter into a subcontract. The request for permission will include all documentation as required under OMB Circulars A-133 and A-87, Federal procurement standards and the draft contract language. Once approved S.H.A.R.E. will, within ten (10) days of execution of such subcontract, provide a copy of that document to the GRANTEE.

Any such subcontracts shall require the subcontractor to comply with all applicable federal, state and local laws and regulations. All subcontracts shall be in a form and substance acceptable to GRANTEE.

SECTION 15. PROHIBITION AGAINST SOLICITING AND ACCEPTING FAVORS AND PROCUREMENT

Officials and employees of S.H.A.R.E. shall neither solicit nor accept gratuities, favors or anything of monetary value from subcontractors or potential subcontractors. S.H.A.R.E. further agrees that all procurement transactions that S.H.A.R.E. may enter into as a result of this Contract shall be conducted in a manner so as to provide maximum open and free competition and in accordance with the provisions of all applicable Uniform Administrative Requirements as described in the CDBG regulations at 24 CFR Part 570.502. Subrecipients engaged in procurement activities with CDBG funds are also required to maintain a contract administration system that ensures that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders as described at 24 CFR Part 85.36.

SECTION 16. MAINTENANCE OF EFFORT

S.H.A.R.E. shall maintain a level of aggregate expenditures for its other projects or activities which is not less than the level of aggregate expenditures that existed prior to the execution of this Contract. S.H.A.R.E. shall promptly notify the Grantee of any matters which have a material tendency to affect compliance with this requirement.

SECTION 17. EQUAL OPPORTUNITY

S.H.A.R.E. shall comply with the non-discrimination requirements as required by U.S. Executive Order 11246. Excerpts of Executive Order 11246 are attached to this Contract as Attachment C.

SECTION 18. EMPLOYMENT OPPORTUNITIES FOR SMALL BUSINESSES AND LOWER INCOME PERSONS

S.H.A.R.E. shall take affirmative steps to assure that historically disadvantaged small businesses and lower income persons of the project area (defined as the City of High Point) are utilized whenever possible as sources of supplies, equipment, construction and services.

SECTION 19. RELIGIOUS ORGANIZATIONS

S.H.A.R.E. agrees and understands that no Neighborhood Stabilization Program funds provided under this Contract shall be used for any religious activities, to promote any religious interests, or for the benefit of a religious organization in accordance with the federal regulations as specified in 24 CFR 570.2000).

SECTION 20. TERMINATION OF CONTRACT

(1) For Cause:
If through any cause, S.H.A.R.E. shall fail to fulfill in a timely and proper manner its obligations under this Contract, or if S.H.A.R.E. shall violate any of the covenants, agreements or stipulations of the Contract; or if the grant from DCA under which this Contract is made is terminated, reduced, impounded, suspended or withheld by DCA, the Grantee shall thereupon have the right to terminate this Contract. Termination shall be accomplished by the Grantee giving written notice to S.H.A.R.E. at least ten (10) days prior to the date that the Contract is to be terminated.

In the event that DCA reduces the amount of its grant, however, the parties hereto may amend this Contract so that it will accommodate and reflect the action taken by DCA.

(2) For Convenience:
The Contract may also be terminated by the Grantee without cause and independently from any action by DCA pertaining to the federal grant under which this Contract has been funded, at the convenience and the sole discretion of the Grantee.

The Grantee shall provide S.H.A.R.E. with at least thirty (30) days written notice prior to the effective date of termination under this paragraph. In the event of termination for convenience, the Grantee shall make payment for the services performed and authorized expenditures incurred, if any, prior to the termination date, by S.H.A.R.E. in accordance with this Contract. In the event of termination, all property, finished or unfinished documents, data, studies and reports purchased or prepared by S.H.A.R.E. under this Contract, and under the control of S.H.A.R.E., shall become the property of the Grantee and shall be delivered to the Grantee within thirty (30) days of the completion of the certified audit of this Contract pursuant to Section 10, Part 5, above.

At the sole discretion of the Grantee, it retains the right to reduce the amount of the contract.

SECTION 21. HOLD HARMLESS PROVISION

S.H.A.R.E. is deemed to be an independent contractor with respect to the services to be performed under this Contract. No person performing any of the work or services described hereunder shall be considered an officer, agent, servant or employee of the Grantee, nor shall any such person be entitled to any benefits available or granted to employees of the City of High Point. The Grantee shall not be obligated to pay S.H.A.R.E. any payments, fees, expenses, or compensation other than the Contract amount.

To the fullest extent permitted by law, S.H.A.R.E. agrees to indemnify and hold harmless the Grantee and its Elected Officials, agents, officers and employees from any and all costs, damages, claims, judgments and expenses, including attorney's fees, that may arise in any manner from, as a result of, relating to, or in connection with S.H.A.R.E.'s performance of this Contract.

SECTION 22. REVERSION OF ASSETS

Upon the expiration of this Contract or termination with or without cause, S.H.A.R.E. shall transfer to the Grantee any NSP funds that have not been expended in accordance with Attachment A: Scope of Services on hand at the time of expiration and any accounts receivable attributable to the use of NSP funds.

Any real property under the control of S.H.A.R.E., improved in whole or in part with NSP funds, and using NSP funds in excess of twenty-five thousand dollars ($25,000), must continue to meet the National Objective described in this Contract until five (5) years after expiration or termination of this Contract, or such longer period of time as determined to be appropriate by the Grantee, or be disposed of in a manner to cause the Grantee to be reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditure of non-NSP and Non-City of High Point funds for acquisition of, or improvements to, the property.

S.H.A.R.E. shall repay to the Grantee the full amount of any funds deemed lost, misapplied, unaccounted for or inadequately accounted for, in violation of this Contract.

SECTION 23. GRANTEE DISCRIMINATION POLICY

The City of High Point opposes discrimination on the basis of race, sex, and other protected classes. City of High Point urges all of its contractors to provide a fair opportunity for minorities and women to participate in their work force and as subcontractors and vendors under any Grantee contract.

SECTION 24. **ENVIRONMENTAL REVIEW REQUIREMENT**

An environmental review shall be completed by the Grantee prior to the commencement of construction on any property conveyed to a nonprofit or for profit in accordance with the procedure described in Attachment A: Scope of Services.

SECTION 25. RECORDS TO BE MAINTAINED

S.H.A.R.E. shall maintain all records required by the Federal regulations specified in 24 CFR 507.506 that are pertinent to the activities to be funded under this Contract. These records shall be retained for a period of five (5) years beginning at the time S.H.A.R.E. receives notice in writing from the Grantee that this project is complete. Such records shall include, but not be limited to:

1. This Contract and any amendments;
2. 24 CFR Part 570 regulations;
3. Records providing a full description of each activity undertaken;
4. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
5. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG Program;
6. Financial records as required by 24 CFR Part 570.502, OMB Circular A-110, and OMB Circular A-122;
7. Other records necessary to document compliance with Subpart K of 24 CFR 570.

SECTION 26. ATTACHMENTS.

The following documents are attached to this Contract and are hereby made a part of it by reference:

- Attachment A - Scope of Services
- Attachment B - Certifications & Compliance Requirements
- Attachment C - Executive Order 11246 - Equal Employment Opportunity

SECTION 27. PRIMARY CONTACTS.

Unless otherwise required under this Contract, notices permitted or required to be given will be deemed sufficient if sent by e-mail, fax, mail, or courier service, addressed to the individual specified below, or to such other individuals as the respective parties may designate by notice from time to time. Notices so given shall be effective upon receipt by the party to whom the notice is given.

For the Grantee:
Michael E. McNair, Director
Community Development & Housing
City of High Point
211 South Hamilton St.
High Point, NC 27260
Tel: 336-883-3676
Fax: 336-883-3355

For S.H.A.R.E.:
Bill Waller, Executive Director
S.H.A.R.E. of North Carolina, Inc.
2100 E. Wendover Avenue
Greensboro, NC 27405
Tel: 336-275-7077
Fax: 336-275-7078

SECTION 29. SOLE AGREEMENT.

This document, and the attachments incorporated herein contain the entire agreement between the parties with respect to the subject matter of this Contract and no statements, promises or inducements made by either party, or any representative of either party, with respect to the subject matter of this Contract, that is not contained in this Contract shall be valid and binding.

This Contract may not be enlarged, modified or altered except in writing and signed by all parties.

SECTION 30. WARRANTY OF AUTHORITY.

Each individual signing below warrants that he or she has the power and authority to sign on behalf of the entity listed above their signature, that such signature alone is binding on such entity, and that the governing body of such entity has duly authorized the execution of this Contract.

IN TESTIMONY WHEREOF, the parties hereto have caused this Contract be duly executed by their authorized agents.

COMMUNITY DEVELOMENT & HOUSING DEPARTMENT

BY: ____

Michael E. McNair, Director

CITY OF HIGH POINT MUNICIPAL GOVERNMENT

This instrument has been pre-audited in the manner required by the local government budget and fiscal control act.

BY: ________________________________

Jeffrey A. Moore, Finance Director

APPROVED AS TO FORM:

BY: _________________________________

JoAnne L. Carlyle, Asst. City Attorney

By: ________________________________

Strib Boynton, City Manager

ATTEST:

BY: ______________________________

Lisa B. Vierling, City Clerk

S.H.A.R.E. of North Carolina, Inc.

BY:_________________________________

Bill Waller, Executive Director

ATTACHMENT A

SCOPE OF SERVICES

1. Purpose

Neighborhood Stabilization Program (NSP) funds awarded under this Contract from the Grantee to S.H.A.R.E. will be used for the rehabilitation of approximately ten (10) foreclosed properties in the City of High Point to include zip codes 27260, 27262, and 27265. Grantee will complete all acquisition activities including environmental reviews prior to the conveyance of property to S.H.A.R.E. for rehabilitation. The properties acquired by the Grantee with NSP Funds and subsequently conveyed to S.H.A.R.E. for rehabilitation will be designated for sale or lease to low income families that are below 50% of Area Median Income.

S.H.A.R.E. shall rehabilitate up to ten (10) affordable houses not to exceed the Federal Housing Administration (FHA) mortgage limit for the respective year on lots in the areas of greatest need as determined by the Grantee. S.H.A.R.E. agrees to sell or lease rehabilitated properties to NSP eligible, first-time homebuyers that are at or below 50% of Area Median Income as defined by HUD. S.H.A.R.E. agrees to provide the Grantee with purchase contracts, good faith estimates, and adequate income documentation, and lease agreements to enable the Grantee to determine that buyers meet Grantee and HUD qualification guidelines. S.H.A.R.E. also agrees to provide the Grantee with copies of final appraisals of properties prior to the closing. S.H.A.R.E. understands that it may not sell properties for more than the cost of acquisition and rehabilitation. S.H.A.R.E. shall find interested low-income buyers who are interested in owning their own homes; assist them in qualifying for financing with which to purchase the rehabilitated property. S.H.A.R.E. will also ensure that each homebuyer or lessee completes 8 hours of homebuyer education prior to occupying the subject property.

Prior to the commitment or commencement of any activity, S.H.A.R.E. agrees to appraise the Grantee of its intentions and plans to encumber NSP funds to be provided under this Agreement.

2. Affordability Requirement

All Grantee NSP Funds must be used to support NSP eligible activities to stabilize neighborhoods, and create affordable housing. Rehabilitated units must be offered for homeownership at or below cost, or retained by any Grantee approved entity for affordable rental housing. The first priority will be to address targeted families at less than 50% of median income. The individual households or families who occupy the completed single family homes may not have household income of more than 50% of the HUD determined Area Median Income, as that may be revised from time to time by HUD. The 2009 Median Family Income Chart is included below for illustrative purposes.

3. Technical Services

The Grantee will provide technical service to assist with the administration of this NSP program. These services will include the completion of environmental reviews for identified properties, work write-ups for acquired properties, bid documents and contract monitoring for rehab projects.

4. Covenants to be imposed by S.H.A.R.E.

Prior to selling any properties rehabilitated with Grantee NSP Funds to NSP eligible Homebuyers, S.H.A.R.E. will record restrictive covenants requiring a period of affordability based upon the below affordability schedule:

Rehabilitation, construction, or acquisition of existing housing per unit amount of NSP funds:

Under $15,000	**5 years affordability**
$15,000 - $40,000	**10 years affordability**
$40,000+	**20 years affordability**

The wording of the restrictive covenants must be approved by the City Attorney's Office.

5. Payment for Services

The maximum amount to be paid to S.H.A.R.E. under this contract shall be $400,000, covering eligible property acquisition, property rehab and new construction costs. The maximum amount billable per property under this contract is $50,000. S.H.A.R.E. may bill the Grantee for administration fees based upon an agreed upon rate between Grantee and S.H.A.R.E.. Grantee will approve reimbursement of construction and administrative costs submitted by S.H.A.R.E. based upon the required documentation of the expenses incurred, with such documentation as may reasonably require.

A. <u>BUDGET AND USE OF FUNDS</u>

The NSP allocation in the amount of $400,000 can only be used to reimburse S.H.A.R.E. for the payment of such reasonable and normal housing rehabilitation costs as follows:

***Hard Costs**:*

- Building materials and labor
- Site preparation and improvements
- Required repairs and rehabilitation items as listed in the Property Inspection Summary Report.

Soft Costs:

- Permits
- Professional fees

These funds will be restricted to the aforementioned costs incurred in the development of affordable housing in the City of High Point.

S.H.A.R.E. shall rehabilitate up to ten (10) houses in the zip codes of 27260, 27262, and 272765 and utilize up to $40,000.00 per house for eligible NSP expenses.

S.H.A.R.E. may be reimbursed up to $4,000 per unit for related soft costs which are reasonable and necessary costs incurred by S.H.A.R.E. and associated with the financing, or development (or both) of new construction or acquisition of housing assisted with NSP funds. These costs include, but are not limited to:

1. Architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups.
2. Costs to process and settle the financing for a project, such as private lender origination fees, credit reports, fees for title evidence, fees for recordation and filing of legal documents, building permits, attorneys fees, private appraisal fees and fees for an independent cost estimate, builders or developers fees.
3. Staff and overhead costs directly related to carrying out the project, such as work specifications preparation, loan processing inspections, and other services related to assisting potential owners, and homebuyers, e.g., housing counseling, may be charged to project costs only if the project is funded and the individual becomes the owner or tenant of the HOME-assisted project.

6. TARGET POPULATION

This program is intended to assist NSP eligible, low-income first-time homebuyers interested in buying a home in the City of High Point.

S.H.A.R.E. shall find interested low/moderate income buyers who are interested in owning their own homes; assist them in qualifying for financing with which to purchase the property. S.H.A.R.E. will also ensure that each homebuyer completes a homebuyer education workshop prior to occupying the rehabilitated property. Each homebuyer must complete 8 hours of homebuyer education.

Prior to the commitment or commencement of any activity, S.H.A.R.E. agrees to appraise the Grantee of its intentions and plans to encumber the NSP funds to be provided under this Agreement.

7. Enforceability

All terms of this Contract shall continue to be enforceable by the Grantee so long as any obligations of S.H.A.R.E. under this Contract have not been fulfilled.

8. ***Section 92.351 Affirmative marketing*.**

S.H.A.R.E. must adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing 5 or more NSP-Assisted housing units. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. (The affirmative marketing procedures do not apply to families with Section 8 tenant-based rental housing assistance provided with HOME funds.)

9. **Section 92.355 Lead-based Paint**

S.H.A.R.E. must comply with lead hazard control regulations. Housing assisted with NSP funds is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, M and R of the title.

10. **Leasing of Rehabilitated Property**

S.H.A.R.E. may lease rehabilitated property to NSP eligible homebuyers that are below 50% of Area Median Income that will be able to purchase the leased property within 24 months of the inception of the lease. Prior to leasing the property to the potential homebuyer, S.H.A.R.E. must submit income documentation and application information to Grantee for approval of the lease. S.H.A.R.E. must put in place a plan of action for preparing the lessee for homeownership. S.H.A.R.E. may retain monthly lease payments as cost for property management. In cases where the rehabilitated property is leased, Grantee will not provide additional funds for the maintenance, management, insurance, property taxes and operation of the leased property.

City of High Point

Community Development and Housing Department

2009 Income Limits & Fair Market Rents

Persons In Household	Very Low Income (30% Median)	Low Income (50% Median)	Moderate Income (80% Median)	Area Median Income
1	$12,300	$20,500	$32,750	$40,938
2	$14,050	$23,400	$37,450	$46,813
3	$15,800	$26,350	$42,100	$52,625
4	$17,550	$29,250	$46,800	$58,500
5	$18,950	$31,600	$50,550	$63,188
6	$20,350	$33,950	$54,300	$67,875
7	$21,750	$36,250	$58,050	$72,563
8	$23,150	$38,600	$61,800	$77,250

2009 Median Family Income in High Point is $58,500

FAIR MARKET RENTS
Efficiency - $549 1 bedroom - $627 2 bedroom - $699 3 bedroom - $886 4 bedroom - $947

ATTACHMENT B
CERTIFICATIONS AND COMPLIANCE REQUIREMENTS

In addition to the specific requirements of this Contract, S.H.A.R.E. is responsible for complying with all terms and conditions set for in the documents listed below that have been checked by the GRANTEE Project Manager. Electronic versions of these documents will be provided for you upon request, or you may retrieve them from the Internet.

1. _X_ 24 CFR Part 84 Uniform Administrative Requirements for Grants and Cooperative Agreements to Hospitals, Institutes of Higher Education and Non-profit Organizations, which sets forth rules for administering grant funds.

2. _X_ Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-7), and as supplemented by Department of Labor regulations (29 CFR, Part 5), which requires fair wages be paid to construction workers on any project that funded in whole or in part with federal dollars.

3. _X_ Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by the Department of Labor regulations (29CFR, Part 5), which requires affirmative nondiscrimination against workers and applicants for work on construction projects funded in whole or in part with federal dollars.

4. _X_ Title VI of the Civil Rights Act of 1964 (PL88-352) and regulations issued pursuant thereto (24 CFR Part 1) on nondiscrimination in federally assisted programs.

5. _X_ Section 109 of the Housing and Community Development Act of 1974 and regulations issued pursuant thereto (24 CFR Part 570.602 et seq., known as subpart K), which requires that no person in the United States shall on the grounds of age, race, color, national origin, religion, disability or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance

6. _X_ Executive Order 11246 and the regulations issued pursuant thereto (41 CFR Chapter 60) on nondiscrimination in employment.

7. _X_ Copeland "Anti-Kick Back" Act (18 U.S.C. 874), which protects workers wages on projects funded in whole or in part by federal funds.

8. _X_ Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations at 24 CFR Part 135 for training and employment of lower-income residents of projected areas and awarding of contracts.

9. _X_ Lead Based Paint Poisoning Prohibition (PL91-695), which requires that hazards posed by the presence of lead be addressed and made safe.

10. __ North Carolina General Statute 143-128 et seq. which proscribes procedures for bidding and structuring contracts on publicly funded construction projects.

11. _X_ Hatch Act (5 U.S.C. 1501-1508) prohibiting federal, state and local government employees from benefiting from federal grants.

12. _X_ Building design, construction or alteration must comply with "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped" (#A-117.1-R 1971).

13. _X_ Executive Order 11296 relating to evaluation of flood hazard in areas where construction or rehabilitation will be funded in whole or in part by federal funds.

14. _X_ Title VIII of the Civil Rights Act of 1968 (PL 90-284), as amended Fair Housing Policy, which requires that no person shall be prohibited from purchasing or renting a home based on age, race, color, national origin, religion, disability or sex.

15. _X_ Executive Order 11063 on equal opportunity in housing and non-discrimination.

16. _X_ Section 306 of the Clean Air Act (42 U.S.C. 1857(h)) sets forth monitoring and reporting procedures for any program that affects air quality.

17. _X_ Environmental Protection Agency regulations (40 CFR, Part 15), which sets requirements for protecting the environment on federally funded projects.

18. _X_ Age Discrimination Act of 1967, as amended.

19. _X_ The Rehabilitation Act of 1973, as amended, Sections 503 and 504, which prohibits discrimination against the handicapped.

20. _X_ OMB Circular A-122 "Cost Principles for Non-Profit Organizations" which sets forth parameters for expenditures made with federal grant money.

21. _X_ Treasury Circular 1075 relating to the use of Community Development funds within 72 hours after drawdown, which requires that the Grantee manage the grant funds on a specific timetable.

22. _X_ Community Development Administrative Regulations 24 CFR 570, which describes all requirements and prohibitions for the administration of a program funded in whole or in part with federal Community Development Block Grant funds.

23. _X_ N. C. Fair Housing Law, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing.

24. _X_ City of High Point Fair Housing Ordinance, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing in High Point.

25. _X_ OMS Circular A-133 “Audits of States, Local Governments and Nonprofit Organizations", which sets forth requirements and methodologies for auditing programs funded in whole or in part with federal grant money.

26. _X_ All terms and conditions of the Grant Agreement between the North Carolina Department of Commerce and the City of High Point (Grant Number 08-N-1890) and all applicable laws, including procurement standards set forth in 4 N.C.A.C 19L.0908.

ATTACHMENT C
EQUAL EMPLOYMENT OPPORTUNITY
U. S. Executive Order 11246 (excerpts)

During the performance of this Contract, S.H.A.R.E. (the contractor) agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
2. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract officer, advising the labor union or workers' representative of the contractor's commitments under Section 2020 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and, by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965 or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
7. The contractor will include the provisions of Paragraphs 1 through 7 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

MEMORANDUM OF UNDERSTANDING AMONG DAVIDSON COUNTY, CITY OF HIGH POINT, CITY OF LEXINGTON, TOWN OF MIDWAY, CITY OF THOMASVILLE, AND TOWN OF WALLBURG CONCERNING IMPROVING WATER QUALITY CONDITIONS IN HIGH ROCK LAKE

WHEREAS, the North Carolina Department of Environment and Natural Resources (hereinafter referred to as "DENR"), has determined that High Rock Lake is impaired and currently unable to fully support biological life, due to water quality violations for pH (measurement of water chemistry), chlorophyll-a, and turbidity; and

WHEREAS, DENR is currently engaged in a Total Maximum Daily Load assessment (hereinafter referred to as "TMDL") to determine the sources of pollution that are impairing water quality conditions on High Rock Lake, and the sediment and nutrient reductions necessary to restore conditions that fully support biological life; and

WHEREAS, the TMDL assessments conducted for the Tar-Pamlico River Basin, Neuse River Basin, the B. Everett Jordan Lake Reservoir, and the Falls Lake Reservoir have led to state requirements for land use regulation, stormwater control and nutrient removal controls which local jurisdictions must implement in affected areas; and

WHEREAS, the High Rock Lake watershed in Davidson County (designated as the Yadkin-Pee Dee River Subbasin 03-07-7 by DENR) includes 65.9 linear miles of waters impaired for aquatic life and secondary use, and 56.7 linear miles of waters impaired for fish consumption; and

WHEREAS, Hamby Creek and North Hamby Creek are recognized by DENR as priority restoration streams due to their severe degradations and contributions to High Rock Land; and

WHEREAS, Davidson County is the most urbanizing rural county in the Upper Yadkin-Pee Dee River Basin; and

WHEREAS, the jurisdictions addressed herein have cumulatively committed more than $175,000 in staff support, resources, and water quality data for two federal and state funded grant projects that began January 2008 to restore ecologically-supportive conditions to 28.7 linear miles of impaired streams in the High Rock Lake watershed; and

WHEREAS, the jurisdictions addressed herein have cumulatively explored recreational opportunities in the High Rock Lake watershed, which depends on clean, safe and fishable waters; and

WHEREAS, the jurisdictions herein recognize the significant current and future environmental, recreational, and economic benefits provided by an ecologically-supportive High Rock Lake; and

WHEREAS, the jurisdictions herein desire to share a unified vision for the on-going restoration, preservation and maintenance of water quality in the High Rock Lake watershed through consistency in planning, development and management of watershed lands and waters, and

WHEREAS, the jurisdictions herein recognize the value of creating a partnership for the purposes of improving their likelihood of receiving grants and loans to support watershed improvement efforts; and

WHEREAS, the jurisdictions herein also recognize the value of creating a partnership for the purposes of working with DENR in a unified and proactive manner on potential land use regulations resulting from the High Rock Lake TMDL;

NOW, THEREFORE, the listed parties hereto mutually agree:

1. To form the "High Rock Lake Watershed Improvement Partnership," to improve water quality conditions in their common watershed catchment, High Rock Lake, and to do so with a common vocabulary; with the sharing of land use and planning information; and with the shared interest in recognizing measures that will most effectively improve Lake conditions;

2. To designate staff representatives to form a partnership task force and organize themselves as necessary for purposes of collecting information and data, sharing it with staff and elected officials in their jurisdictions, and discussing partnership-related concerns with DENR and other organizations, such as the Yadkin-Pee Dee River Basin Association;

3. To anticipate the impacts of potential state regulations recommended by the High Rock Lake TMDL, in an effort to minimize the costs of addressing nutrient and sediment reductions and to maintain local control over the management of land development in affected jurisdictions;

4. To recognize current and potential future stresses placed on the High Rock Lake watershed that are causing impairment;

5. To proactively plan, and recommend to participating local governments implementation and maintenance of best management practices to address current and future watershed stresses and thereby improve water quality conditions in the High Rock Lake watershed;

6. To seek and receive input to be shared with all partnership members and DENR from citizens, non-profit organizations, private property owners, and other interested parties regarding the restoration of the High Rock Lake watershed to ecologically-supportive conditions through the consistent planning, development and management of watershed lands and water, and

7. To meet as needed to discuss matters of mutual concern affecting the current and future restoration, preservation and maintenance of water quality in the High Rock Lake watershed.

Nothing in this agreement shall affect or interfere with fulfillment of the obligations and rights of the parties hereto to plan, develop and manage the lands, waters and programs administered by each jurisdiction in accordance with land, water and program management responsibilities authorized under state law.

This agreement may be revised by mutual consent of all parties as necessary, through the issuance of a written amendment, signed and dated by all parties.

Any party may terminate its participation in this Memorandum of Understanding by providing 60 days written notice. Unless terminated by written notice, this Memorandum of Understanding will remain in force for a period of **5** years ending on **June 30, 2015.** At the end of that time, the parties will assess the benefits accrued and determine if this agreement should be revised and/or reaffirmed.

The motion to adopt the Memorandum of Understanding was made by Councilman Whitley and seconded by Councilman Alexander.

Approved and Adopted on this the 6th day of May, 2010 by the High Point City Council.

____
Mayor of High Point
Rebecca Smothers

____
City Clerk of High Point
Lisa Vierling

Financial Services

Jeffrey A. Moore, CPA
DIRECTOR

NORTH CAROLINA'S INTERNATIONAL CITY™

MEMORANDUM

April 27, 2010

MEMO TO: Strib Boynton, City Manager
Members of City Council

FROM: Jeffrey A. Moore, Financial Services Director
Fred Baggett, City Attorney

SUBJECT: Required City Council actions for Proposed Revenue Bonds

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Please include the following actions by City Council for their May 3, 2010 Council meeting.

1. City Council must authorize the staff to apply for the water and sewer revenue bonds capability. The City's bond attorneys have prepared the attached resolution which will establish certain legal findings of facts and authorize the filing of the application with the Local Government Commission. City Council is requested to approve the attached "Resolution Making Certain Findings and Determinations Authorizing the Filing of an Application with the Local Government Commission, Requesting the Local Government Commission to Sell Bonds at a Private Sale, Approving the Financing Team and Authorizing the Distribution of a Preliminary Official Statement in Connection With the Issuance of Revenue Bonds By the City of High Point."

The attached Resolution authorizes the issuance of up to $27,000,000 in new revenue bonds for the purposes of paying for continuing improvements to Westside WWTP and the water lines and water tank for taking water from Randleman Dam as well as to provide for water and sewer lines for extension of Hartley Drive and the relocation of water and sewer lines for Lindsay Street and replacement of the Corporation Drive sewer lift station.

In addition, we have identified that the bond market is currently favorable for refunding almost all of the City's outstanding revenue bonds. This is a similar situation as with the refunding of part of our outstanding G.O. debt currently authorized. The resolution provides staff the authorization to issue up to $110,000,000 for refunding these bonds, depending on the bond market on the date of sale. Staff will not pursue refunding bonds for any bonds that do not provide for at least 2% savings. While the timing of the sale will not provide for any reduction in proposed rate increases for next fiscal year, it will help offset increasing rate pressures in future years.

These are necessary legal proceedings for the issuance of these bonds. As always, we will be available if you have any questions.

The City Council of the City of High Point, North Carolina held a regular meeting in Council Chambers of the Municipal Building at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 4:45 p.m. on May 3, 2010.

Present: Mayor Rebecca R. Smothers, presiding, and Council Members ______________

____

Absent: Council Members ____

____

Also Present: ____

____

* * * * *

_______________________ introduced the following resolution the title of which was read and copies of which had been previously distributed to each Council Member:

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION, REQUESTING THE LOCAL GOVERNMENT COMMISSION TO SELL BONDS AT A PRIVATE SALE, APPROVING THE FINANCING TEAM, AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE OF REVENUE BONDS BY THE CITY

BE IT RESOLVED by the City Council (the “City Council”) of the City of High Point, North Carolina (the “City”):

Section 1. The City Council does hereby find and determine as follows:

(a) The City currently operates a water system and sanitary sewer system, both of which provide service to the residents of the City and its environs.

(b) Pursuant to a Trust Agreement, dated as of November 1, 2004 (the “Trust Agreement”), between the City and Wachovia Bank, National Association, as succeeded by U.S.

Bank National Association, as trustee (the "Trustee"), the City created a combined enterprise system (the "Combined Enterprise System"), consisting of the City's water system and sanitary sewer system. The Trust Agreement provides for the issuance of Combined Enterprise System Revenue Bonds thereunder, to be secured by the net receipts of the Combined Enterprise System as set forth therein, to finance improvements to the Combined Enterprise System and to refund all or a portions or any bonds issued the Trust Agreement.

(c) In order to better serve and provide for the future needs of the residents of the City and its environs, the City will acquire, construct and equip certain improvements to the City's water system and sanitary sewer system, including, without limitation, the construction and installation of upgrades to the Westside Wastewater Treatment Plant, the construction, relocation and extension of water and sewer mains and lines, the installation of an elevated tank, and the replacement and upgrade of a sanitary sewer lift station (collectively, the "Series 2010 Project").

(d) The Series 2010 Project is necessary to secure adequate and reliable water and sewer service and to promote the present and future welfare of the residents of the City and its environs.

(e) The City also desires to refund all or a portion of the outstanding (i) City of High Point, North Carolina Combined Enterprise System Revenue Bonds, Series 2004, (ii) City of High Point, North Carolina Combined Enterprise System Revenue Bonds, Series 2006 and (iii) City of High Point, North Carolina Combined Enterprise System Revenue Bonds, Series 2008 (the "Prior Bonds") if the City can realize significant debt service savings through the refunding of all or a portion of the Prior Bonds.

(f) The City wishes to commence procedures for the issuance of revenue bonds at this time for the purpose of providing funds, together with any other available funds, to (i) pay the costs of the Series 2010 Project, (ii) refund all or a portion of the Prior Bonds, (iii) pay all or a portion of the interest on such revenue bonds during construction of the Series 2010 Project, (iv) fund any necessary debt service reserve fund and (v) pay certain other costs associated with the issuance and sale of such revenue bonds.

(g) The amount of the proposed revenue bonds will be sufficient, but not excessive, for the purpose of paying the costs associated with the Series 2010 Project and the refunding of the Prior Bonds.

(h) The proposed Series 2010 Project is feasible.

(i) The annual audits of the City show the City to be in strict compliance with debt management policies, and the budgetary and fiscal management policies of the City are in compliance with law.

(j) The proposed revenue bonds can be marketed at a reasonable interest cost to the City.

(k) The projected rate increases for water and sewer service in connection with the issuance of the proposed revenue bonds will be reasonable.

(l) The net present value debt service savings to be realized by the refunding of the Prior Bonds will equal or exceed 2.00% of the refunding bonds (on both an aggregate and per series basis).

Section 2. The City Manager, the Financial Services Director and the City Attorney of the City are hereby authorized and directed to file an application with the Local Government Commission for approval of the issuance of revenue bonds in an aggregate principal amount not to exceed $137,000,000 for the purpose of providing funds, together with any other available funds, to (a) pay the costs of the Series 2010 Project, (b) refund all or portion of the Prior Bonds, (c) pay all or a portion of the interest on such revenue bonds during construction of the Series

2010 Project, (d) fund any necessary debt service reserve fund and (e) pay certain other costs associated with the issuance and sale of such revenue bonds. In the event that none of the Prior Bonds are refunded, the aggregate principal amount of such revenue bonds shall not to exceed $27,000,000. Any such action heretofore taken in connection with the filing of such application is hereby ratified and approved.

Section 3. The Local Government Commission is hereby requested to sell the proposed revenue bonds at a private sale without advertisement.

Section 4. The following financing team members are hereby approved by the City in connection with the proposed revenue bond issue:

Bond Counsel:	Womble Carlyle Sandridge & Rice, PLLC
Underwriters:	Wells Fargo Bank, National Association
	BB&T Capital Markets, a division of Scott & Stringfellow, LLC
	Citigroup Global Markets Inc.
Underwriters' Counsel:	Dewey & LeBoeuf LLP
Trustee/Bond Registrar	U.S. Bank National Association
Financial Advisor	Davenport & Company LLC
Financial Consultant	Black & Veatch Corporation

Section 5. The Preliminary Official Statement relating to the offering for sale of the Series 2010 Bonds in substantially the form presented at this meeting is hereby approved. The City Council hereby authorizes and approves the use and distribution of the Preliminary Official Statement in substantially the form presented at this meeting in connection with the offering for sale of the Series 2010 Bonds by the Underwriters.

Section 6. This resolution shall take effect immediately upon its passage.

Upon motion of Council Member _______________, seconded by Council Member ____________________, the foregoing resolution entitled “RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION, REQUESTING THE LOCAL GOVERNMENT COMMISSION TO SELL BONDS AT A PRIVATE SALE, APPROVING THE FINANCING TEAM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE OF REVENUE BONDS BY THE CITY” was passed by the following vote:

Ayes:____.

Noes:____.

* * * * *

I, Lisa B. Vierling, City Clerk of the City of High Point, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of so much of the proceedings of said City Council at a regular meeting held on May 3, 2010, as relates in any way to the adoption of the foregoing resolution and that said proceedings are recorded in the minute books of said City Council.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of the City this 3rd day of May, 2010.

____
City Clerk

[SEAL]

City of High Point

Strib Boynton
City Manager

HIGH POINT
NORTH CAROLINA'S INTERNATIONAL CITY™

Memo To: Mayor Smothers and City Council Members

From: Strib Boynton

Date: April 25, 2010

Subject: 2010-2011 Retail Electric and Renewable Rider Rates

The recession of the past 18-24 months has been tough on the 19 member communities that form Agency1 of ElectriCities. High Point is the single largest community in Agency 1. Our electricity comes primarily from the Catawba nuclear plant located in York County, South Carolina.

Overall, system wide load is down 3.9% as there has been less consumer demand for electricity, and in turn, sales to member communities have been lower. Less consumer demand has also translated into less demand for wholesale power, and in turn, that has translated into lower surplus power sales. At the same time, the cost of nuclear fuel, property taxes (from York County), and other operating and capital costs have continued to rise.

As a result, we were originally expecting a 9.0% wholesale electric rate increase this coming summer. The demand for Agency 1 revenues this coming year has been reduced by aggressive cost cutting and a partial restructuring of the Agency 1 debt.

In turn, I am very pleased that the wholesale rate increase that we will have to pay to purchase power for our customers has now been reduced from 9.0% to 4.8%. While no one likes rate increases, I am also very pleased that we have been able to greatly minimize Agency 1 and in turn High Point rate increases the past few years, compared to the significantly higher rate increases experienced by customers of Duke Energy, Eastern Agency, Progress Energy, Dominion and TVA. I encourage you will take a few minutes to review the attached table and chart comparing cumulative rate increases since 2003.

Our estimated cost of wholesale power will increase about $3.9 million or 4.8%, from $81.1 million in 2009-2010 to an estimated $85.0 million in 2010-2011. Wholesale power will represent 77.0% of our $110.4 million 2010-2011 Electric Fund budget. We are constantly scrutinizing costs, and as such, the $110.4 million 2010-2011 Electric Fund budget will be up $2.5 million or 2.3%, from the approved $107.9 million 2009-2010 budget.

As you know from our earlier March 18, 2010 briefing, we are recommending approval of the 4.8% retail electric rate increase for statements going out on or after June 1, 2010. We are also recommending approval of corresponding increases in the residential, commercial and industrial renewable riders required by North Carolina SB 3 to help finance North Carolina's required commitment to renewable energy. The impact of the retail rate and the renewable rider is outlined in the attached table.

Discussion of the recommendation is schedule for your May 3, 2010 City Council meeting. While not required, I recommend that we hold a Public Hearing on the rate and renewable rider changes at 5:30 p.m. on May 17, 2010 City Council meeting before formal consideration of the rate and renewable riders.

Please call me if you have any questions or if you desire any additional information prior to Monday's City Council meeting.

Thanks.
Steve

Impact of 2010-2011 Electric Rate and Renewable Rider Increase

	Current	Proposed	Change
Residential	$107.65	$112.82	$5.17
Renewable	$ +.52	$ +.55	$+.03
Change	$108.17	$113.37	$5.20
Commercial	$608.69	$637.91	$29.22
Renewable	$ +2.60	$ +2.21	$ -.39
Change	$611.29	$640.12	$28.83
Industrial	$1,537.54	$1,611.34	$73.80
Renewable	$ +26.04	$ +31.42	$+5.38
Change	$1,563.58	$1,642.76	$79.18

Residential = 1,000 KWH
Commercial = 5,900 KWH
Industrial = 16,000 KWH

City of High Point
Electric Rate Rider REPS
Renewable Energy Portfolio Standards (REPS) Charge

Applicability
The Renewable Energy Portfolio Standards Charge set forth in this Rider is applicable to all customer accounts receiving electric service from the City of High Point ("City"), except as provided below. These charges are collected for the expressed purpose of enabling the City to meets its Renewable Energy Portfolio Standards compliance obligations as required by the North Carolina General Assembly in its Senate Bill 3 ratified on August 2, 2007.

Billing
Monthly electric charges for each electric meter computed under the City's applicable electric rate schedule will be increased by an amount determined by the table below:

Customer Type	Monthly Charges
Residential Account	$ 0.55
Commercial Account	$ 2.21
Industrial Account	$31.42

Exceptions
Auxiliary Service Accounts
The following service schedules will not be considered accounts because of the low energy use associated with them and the near certainty that customers served under these schedules already will pay a per account charge under another residential, commercial or industrial service schedule:

- Rate 17 – Outdoor Lighting Service
- Rate 29 – Flood Lighting Service
- Rate Z – Street Lighting Service

Sales Tax
Applicable North Carolina sales tax will be added to charges under this Rider.

Effective for bills rendered on or after June 1, 2010.

Adopted__________________.

NEIGHBORHOOD STABILIZATION PROGRAM AGREEMENT BETWEEN
CITY OF HIGH POINT, NORTH CAROLINA
AND
HABITAT FOR HUMANITY OF HIGH POINT, ARCHDALE AND TRINITY

THIS AGREEMENT, made this the 4th day of May, 2010 by the CITY OF HIGH POINT, NORTH CAROLINA (hereinafter called "Grantee") located in Guilford County, and HABITAT FOR HUMANITY OF HIGH POINT, ARCHDALE AND TRINITY (hereinafter called the "CHDO"), located at 1547 English Road, High Point, North Carolina in Guilford County, a non-profit corporation organized under the laws of the State of North Carolina, having its principal place of business in Guilford County, North Carolina.

WHEREAS, the Grantee desires to make available to the CHDO certain funds from the Neighborhood Stabilization Program (NSP) program as prescribed under the Housing and Economic Recovery Act of 2008 (HERA) with said grant being made available through the North Carolina Department of Commerce, Division of Community Assistance (DCA) and being designated as grant number 08-N-1890 as known as the "grant"; and

WHEREAS, the Grantee desires to partner with a Community Housing Development Organization (CHDO) to implement the Neighborhood Stabilization Program and the CHDO is a recognized Community Housing Development Organization as described by the Department of Housing and Urban Development and approved by the NCHFA and City of High Point Community Development & Housing Department; and

WHEREAS, the CHDO agrees to abide by each paragraph of this Contract and its attachments and all procedures, rules and regulations imposed upon the Grantee by HUD in connection with its receiving the federal grant referenced above; and

WHEREAS, the CHDO has been awarded NSP funds by the Grantee for eligible activities as set forth in HERA section 2301 (c)(3) and to meet the national objective for low- and moderate-income benefit activities as set forth in HERA section 2301 (f)(3); and

WHEREAS, the CHDO further agrees that all activities conducted under the contract shall be of a type authorized by the provisions of Part 8, Article 19 of Chapter 160A of the General Statutes of North Carolina, as amended by Chapter 206 of the Session of laws of 1987.

NOW, THEREFORE, in consideration of the mutual promises herein exchanged by and between the parties, it is agreed as follows:

SECTION 1. SCOPE OF SERVICES

The CHDO promises to perform, or cause to be performed, the services outlined in Attachment A: Scope of Services. The services shall be completed within 36 months of the date of the execution of this Contract.

The services described in Attachment A: Scope of Services must commence within 60 days of the execution date of this Contract. Failure to promptly begin the services specified in Attachment A, as determined solely by the Grantee, may result in the Grantee exercising its authority to de-obligate the funds committed to the Grantee in accordance with Section 21, below. Contract activities performed prior to the execution date of this Contract are not considered a part of this Contract and are not billable.

SECTION 2. PAYMENT UNDER THE CONTRACT

Payments by the Grantee under this Contract are limited to reimbursement of eligible expenditures made or eligible expenses incurred by the CHDO, except where advance payments are explicitly authorized in writing by the Grantee at the sole discretion of the Grantee.

All expenditures and expenses shall be incurred in accordance with the provisions of this Contract. Payments shall be made by the Grantee in accordance with the provisions of this Contract and only for activities listed in Attachment A.

A schedule of payments is included as a part of this Contract in Attachment A. Payments shall be made based upon this schedule and shall only be made after the CHDO has presented documentation of expenses that meets the approval of the Grantee. It is expressly understood and agreed by the CHDO that payment by the Grantee shall not exceed the maximum sum of **$300,000.00** for all of the services specified in Attachment A. If cost of acquisition, demolition, and site preparation exceeds projected budget, Grantee reserves the right to reduce the amount the contract.

Further, the CHDO understands and agrees that any payment made under this Contract by the Grantee is limited to funds made available under the Grant referenced above. The Grantee shall make payments upon receipt of a request for payment from the CHDO. The request shall include documentation of expenditures and expenses incurred and work undertaken by the CHDO, where applicable, and any other documentation that the Grantee may require from the CHDO, not limited to the reports described in Attachment A: Scope of Services, with required documentation to be in the form and substance satisfactory to the Grantee.

SECTION 3. APPLICABLE FEDERAL. STATE AND GRANTEE REQUIREMENTS

The CHDO shall perform within, and cause its subcontractors and any ultimate recipients of funds under this Contract to comply with, and to be eligible under, the same Federal and State laws, regulations and administrative requirements which apply to the Grantee. A compilation of references which may apply to this Contract is included as Attachment B. The references that are checked within Attachment B apply to this Contract, and are hereby made an integral part of it.

SECTION 4. ASSIGNMENT OF CONTRACT PROHIBITED

The CHDO shall not use this Contract or its anticipated proceeds to borrow money. The CHDO shall not assign any interest in this Contract.

SECTION 5. CONFLICT OF INTEREST

The CHDO shall permit no officer or employee of the CHDO, no member of the Grantee's governing body and no other public official of any governing body in the to exercise any functions or responsibilities in the review or approval of the administration or execution of this project to (1) participate in any discussion relating to this Contract if it affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested; or (2) have any interest, direct or indirect, in this Contract or the proceeds thereof.

The CHDO shall permit no members of or delegates to the Congress of the United States to be admitted to any share or part thereof or to receive any benefit. The CHDO covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required to be performed under this Contract. The CHDO further covenants that no person having any such interest shall be employed in the performance of this Contract. The CHDO shall make no loans, no guarantees, or commitment of these funds to its directors or officers.

The CHDO shall be subject to and shall comply with the conflict of interest provisions of the CDBG regulations as published at 24 CFR Part 570.611,24 CFR Part 84.42 and 24 CFR Part 85.36.

SECTION 6. POLITICAL ACTIVITY

The CHDO shall not permit any of the funds, materials, property or services provided under this Contract to be used for any partisan political activity, or to further the election or defeat of any candidate for public office, or for public Grantee or propaganda purposes designed to support or defeat legislation pending before the United States Congress, the State of North Carolina, Guilford County or the City of High Point.

SECTION 7. CHDO LIABLE FOR LEASES

Prior to the CHDO entering into any lease arrangement that involves the use of funds from this Contract; the CHDO shall submit a copy of the proposed lease to the Grantee for review and approval and shall not enter into any lease arrangement that is disapproved by the Grantee.

When any lease is paid for in whole or in part by funds from this Contract, the CHDO shall notify the lessor of the date that this Contract is to terminate, and the CHDO shall make provisions for payment of the lease from other funds should the CHDO desire to continue the lease after the date of termination of the Contract.

The CHDO assumes all liability for any damage(s) that occurs to property, either real or personal, which it acquires or possesses under a lease.

SECTION 8. IDENTIFICATION OF DOCUMENTS

All reports, maps and other documents completed as a product of this Contract, other than documents used in the administration of the Contract such as reports to the Grantee, shall have placed thereon by the CHDO the following statement:

> *NOTE:*
> *This grant was made available to the City* of *High Point under provisions* of *the Housing and Economic Recovery Act* of *2008 and is referred to* as *grant number* ***08-N-1890****."*

SECTION 9. FINANCIAL RECORDS

The CHDO shall establish and maintain a financial management system that will account for all funds received under this Contract and expenditures made in execution of the project activities, and such system shall be created and maintained in accordance with (GAAP) generally accepted accounting practices and procedures. The system shall include the following:

1. Grantee will retain fiscal responsibility for the disbursement of grant funds and the CHDO will have fiscal responsibility for the collection and maintenance of program income.

2. The CHDO shall maintain such records and accounts, including property, personal and financial records to insure a proper accounting for all project funds. The CHDO shall retain these records for three (3) years after the date of final payment under this Contract from the Grantee to the CHDO. However, at any time after the Contract termination, the CHDO will turn these records over to the Grantee for retention, after completion and acceptance of required audits.

3. On request of the Grantee, the CHDO shall provide an accounting for all funds paid to it by the Grantee under this Contract. More specifically, the CHDO's financial management system shall provide for:

    a) Accurate, current and complete disclosure of the financial results of activities under this Contract in accordance with generally accepted business practices. If the CHDO's accounting records are maintained on a cash basis, the CHDO must develop information of accounts payable and accounts receivable through an analysis of the documents in the file, or on the basis of its best estimates.

b) Records that identify in detail the source and application of funds under this Contract. These records shall contain information pertaining to Contract awards and authorizations, encumbrances and unencumbered balances, assets, liabilities, outlays and income.

c) Effective internal control over and accountability for all funds, property and other assets attributable to the Contract. The CHDO shall adequately safeguard all such assets and shall assure that they are used solely for the performance of this Contract.

d) Comparison of actual expenditures with budgeted amounts for those expenditures and comparison of financial information with performance or productivity data, including the production of unit cost information whenever required by the Grantee.

e) Procedures for determining the allowability and allocability of costs.

4. The CHDO's financial records shall be audited by a certified public accountant, licensed in good standing to practice in the State of North Carolina, at least annually. The audit must be conducted in accordance with standards established by the American Institute of Certified Public Accountants (AI CPA). The CHDO must also submit a financial review in accordance with the standards established by AICPA.

   The audit and review must be submitted to the Grantee within 120 days after the CHDO's budget year end. Should there be an exception taken during the audit, the CHDO shall resolve the findings and recommendations within thirty (30) days after completion of the audit.

5. The CHDO shall provide any information that the Grantee may reasonably request pertaining to the CHDO's financial management under this Contract.

SECTION 10. AUDITS AND INSPECTIONS

At any time during normal business hours and as often as the Grantee, HUD, DCA or the Comptroller General of the United States may deem necessary, the CHDO shall make available to the Grantee, HUD, or representatives of the Comptroller General, for examination, all of the CHDO's records with respect to matters covered by this Contract. The Grantee, HUD or representatives of the Comptroller shall be permitted to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials payable, records or personnel, and other data relative to all matters covered by this Contract.

SECTION 11. FIDELITY INSURANCE

Fidelity Insurance is not applicable to this contract. Grantee will retain fiscal responsibility for the grant.

SECTION 12. REPORTING

The CHDO shall submit monthly reports to the Grantee within five (5) days following the end of the month for which the activity is being reported. The CHDO shall provide to the Grantee any other information determined by the Grantee to be necessary or appropriate for the proper monitoring of this Contract.

Delays by the CHDO in making any report to the Grantee required by this Contract may, at the Grantee's sole discretion, result in delays in payment to the CHDO of part or all of the CHDO's requests for funds. A delay in making a disbursement by the Grantee to the CHDO does not change the time requirements of the CHDO to submit reports to the Grantee.

SECTION 13. PROOF OF CONTRACTING REQUIREMENTS

If the CHDO should choose to execute a subcontract using funds from this Contract, the CHDO shall first request permission from the Grantee to enter into a subcontract. The request for permission will include all documentation as required under OMB Circulars A-133 and A-87, Federal procurement standards and the draft contract language. Once approved the CHDO will, within ten (10) days of execution of such subcontract, provide a copy of that document to the GRANTEE.

Any such subcontracts shall require the subcontractor to comply with all applicable federal, state and local laws and regulations. All subcontracts shall be in a form and substance acceptable to GRANTEE.

SECTION 14. PROHIBITION AGAINST SOLICITING AND ACCEPTING FAVORS AND PROCUREMENT

Officials and employees of the CHDO shall neither solicit nor accept gratuities, favors or anything of monetary value from subcontractors or potential subcontractors. The CHDO further agrees that all procurement transactions that the CHDO may enter into as a result of this Contract shall be conducted in a manner so as to provide maximum open and free competition and in accordance with the provisions of all applicable Uniform Administrative Requirements as described in the CDBG regulations at 24 CFR Part 570.502. CHDOs engaged in procurement activities with CDBG funds are also required to maintain a contract administration system that ensures that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders as described at 24 CFR Part 85.36.

SECTION 15. MAINTENANCE OF EFFORT

The CHDO shall maintain a level of aggregate expenditures for its other projects or activities which is not less than the level of aggregate expenditures that existed prior to the execution of this Contract. The CHDO shall promptly notify the Grantee of any matters which have a material tendency to affect compliance with this requirement.

SECTION 16. EQUAL OPPORTUNITY

The CHDO shall comply with the non-discrimination requirements as required by U.S. Executive Order 11246. Excerpts of Executive Order 11246 are attached to this Contract as Attachment C.

SECTION 17. EMPLOYMENT OPPORTUNITIES FOR SMALL BUSINESSES AND LOWER INCOME PERSONS

The CHDO shall take affirmative steps to assure that historically disadvantaged small businesses and lower income persons of the project area (defined as the City of High Point) are utilized whenever possible as sources of supplies, equipment, construction and services.

SECTION 18. RELIGIOUS ORGANIZATIONS

The CHDO agrees and understands that no Neighborhood Stabilization Program funds provided under this Contract shall be used for any religious activities, to promote any religious interests, or for the benefit of a religious organization in accordance with the federal regulations as specified in 24 CFR 570.2000).

SECTION 19. TERMINATION OF CONTRACT

(1) For Cause:
If through any cause, the CHDO shall fail to fulfill in a timely and proper manner its obligations under this Contract, or if the CHDO shall violate any of the covenants, agreements or stipulations of the Contract; or if the grant from DCA under which this Contract is made is terminated, reduced, impounded, suspended or withheld by DCA, the Grantee shall thereupon have the right to terminate this Contract. Termination shall be accomplished by the Grantee giving written notice to the CHDO at least ten (10) days prior to the date that the Contract is to be terminated.

In the event that DCA reduces the amount of its grant, however, the parties hereto may amend this Contract so that it will accommodate and reflect the action taken by DCA.

(2) For Convenience:
The Contract may also be terminated by the Grantee without cause and independently from any action by DCA pertaining to the federal grant under which this Contract has been funded, at the convenience and the sole discretion of the Grantee.

The Grantee shall provide the CHDO with at least thirty (30) days written notice prior to the effective date of termination under this paragraph. In the event of termination for convenience, the Grantee shall make payment for the services performed and authorized expenditures incurred, if any, prior to the termination date, by the CHDO in accordance with this Contract. In the event of termination, all property, finished or unfinished documents, data, studies and reports purchased or prepared by the CHDO under this Contract, and under the control of the CHDO, shall become the property of the Grantee and shall be delivered to the Grantee within thirty (30) days of the completion of the certified audit of this Contract pursuant to Section 10, Part 5, above. At the sole discretion of the Grantee, Grantee reserves the right to reduce amount of the contract due to market variables.

SECTION 20. HOLD HARMLESS PROVISION

The CHDO is deemed to be an independent contractor with respect to the services to be performed under this Contract. No person performing any of the work or services described hereunder shall be considered an officer, agent, servant or employee of the Grantee, nor shall any such person be entitled to any benefits available or granted to employees of the City of High Point. The Grantee shall not be obligated to pay the CHDO any payments, fees, expenses, or compensation other than the Contract amount.

To the fullest extent permitted by law, the CHDO agrees to indemnify and hold harmless the Grantee and its Elected Officials, agents, officers and employees from any and all costs, damages, claims, judgments and expenses, including attorney's fees, that may arise in any manner from, as a result of, relating to, or in connection with the CHDO's performance of this Contract.

SECTION 21. REVERSION OF ASSETS

Upon the expiration of this Contract or termination with or without cause, the CHDO shall transfer to the Grantee any NSP funds that have not been expended in accordance with Attachment A: Scope of Services on hand at the time of expiration and any accounts receivable attributable to the use of NSP funds.

Any real property under the control of the CHDO, improved in whole or in part with NSP funds, and using NSP funds in excess of twenty-five thousand dollars ($25,000), must continue to meet the National Objective described in this Contract until five (5) years after expiration or termination of this Contract, or such longer period of time as determined to be appropriate by the Grantee, or be disposed of in a manner to cause the Grantee to be reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditure of non-NSP and Non-City of High Point funds for acquisition of, or improvements to, the property.

The CHDO shall repay to the Grantee the full amount of any funds deemed lost, misapplied, unaccounted for or inadequately accounted for, in violation of this Contract.

SECTION 22. GRANTEE DISCRIMINATION POLICY

The City of High Point opposes discrimination on the basis of race, sex, and other protected classes. City of High Point urges all of its contractors to provide a fair opportunity for minorities and women to participate in their work force and as subcontractors and vendors under any Grantee contract.

SECTION 23. ENVIRONMENTAL REVIEW REQUIREMENT

An environmental review shall be completed by the Grantee prior to the commencement of construction on any property conveyed to a nonprofit or for profit in accordance with the procedure described in Attachment A: Scope of Services.

SECTION 24. RECORDS TO BE MAINTAINED

The CHDO shall maintain all records required by the Federal regulations specified in 24 CFR 507.506 that are pertinent to the activities to be funded under this Contract. These records shall be retained for a period of five (5) years beginning at the time the CHDO receives notice in writing from the Grantee that this project is complete. Such records shall include, but not be limited to:

1. This Contract and any amendments;
2. 24 CFR Part 570 regulations;
3. Records providing a full description of each activity undertaken;
4. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
5. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG Program;
6. Financial records as required by 24 CFR Part 570.502, OMB Circular A-110, and OMB Circular A-122;
7. Other records necessary to document compliance with Subpart K of 24 CFR 570.

SECTION 25. ATTACHMENTS.

The following documents are attached to this Contract and are hereby made a part of it by reference:

- Attachment A - Scope of Services
- Attachment B - Certifications & Compliance Requirements
- Attachment C - Executive Order 11246 - Equal Employment Opportunity

SECTION 26. PRIMARY CONTACTS.

Unless otherwise required under this Contract, notices permitted or required to be given will be deemed sufficient if sent by e-mail, fax, mail, or courier service, addressed to the individual specified below, or to such other individuals as the respective parties may designate by notice from time to time. Notices so given shall be effective upon receipt by the party to whom the notice is given.

For the Grantee:
Michael E. McNair, Director
Community Development & Housing
City of High Point
211 South Hamilton St.
High Point, NC 27260
Tel: 336-883-3676
Fax: 336-883-3355

For the CHDO:
Susan Wood, Executive Director
Habitat for Humanity of High Point, Archdale, and Trinity
1547 English Road
High Point, NC 27262
Tel: 336-887-8388
Fax: 336-887-4454

SECTION 27. SOLE AGREEMENT.

This document, and the attachments incorporated herein contain the entire agreement between the parties with respect to the subject matter of this Contract and no statements, promises or inducements made by either party, or any representative of either party, with respect to the subject matter of this Contract, that is not contained in this Contract shall be valid and binding.

This Contract may not be enlarged, modified or altered except in writing and signed by all parties.

SECTION 28. WARRANTY OF AUTHORITY.

Each individual signing below warrants that he or she has the power and authority to sign on behalf of the entity listed above their signature, that such signature alone is binding on such entity, and that the governing body of such entity has duly authorized the execution of this Contract.

IN TESTIMONY WHEREOF, the parties hereto have caused this Contract be duly executed by their authorized agents.

COMMUNITY DEVELOMENT & HOUSING DEPARTMENT

BY: ______________________________________
Michael E. McNair, Director

CITY OF HIGH POINT MUNICIPAL GOVERNMENT

This instrument has been pre-audited in the manner required by the local government budget and fiscal control act.

BY: ______________________________
Jeffrey A. Moore, Finance Director

APPROVED AS TO FORM:

BY: _______________________________
JoAnne L. Carlyle, Asst. City Attorney

By: ______________________________
Strib Boynton, City Manager

ATTEST:

BY: _____________________________
Lisa B. Vierling, City Clerk

CHDO: HABITAT FOR HUMANITY OF HIGH POINT, ARCHDALE AND TRINITY

BY:________________________________
Susan Wood, Executive Director

ATTACHMENT A

SCOPE OF SERVICES

1. Purpose

Neighborhood Stabilization Program (NSP) funds awarded under this Contract from the Grantee to CHDO will be used for the new construction of approximately six (6) new homes in the Washington Drive and Graves Avenue redevelopment area. Grantee will complete all acquisition activities including environmental reviews prior to the conveyance of property to CHDO for new housing construction. The properties acquired by the Grantee with NSP Funds and subsequently conveyed to CHDO for new construction will be designated for sale to low income families that are at or below 50% of Area Median Income.

The CHDO shall construct at least six (6) affordable houses not to exceed the Federal Housing Administration (FHA) mortgage limit for the respective year on lots in the Graves Avenue Project area approved by the GRANTEE. The CHDO agrees to sell developed properties to NSP eligible, first-time, low-income homebuyers as defined by HUD. The CHDO agrees to provide the Grantee with purchase contracts, good faith estimates, and adequate income documentation to enable the Grantee to determine that buyers meet Grantee and HUD qualification guidelines. The CHDO also agrees to provide the Grantee with copies of final appraisals of properties prior to the closing. The CHDO understands that it may not sell properties for more than the appraised values. The CHDO shall find interested low-income buyers who are interested in owning their own homes and assist them in qualifying for financing with which to purchase the property. The CHDO will also conduct homebuyer education workshops for low-income buyers.

Prior to the commitment or commencement of any activity, the CHDO agrees to appraise the Grantee of its intentions and plans to encumber the NSP funds to be provided under this Agreement.

2. Affordability Requirement

All Grantee NSP Funds must be used to support NSP eligible activities to stabilize neighborhoods, and create affordable housing. Rehabilitated or newly-constructed units must be offered for homeownership at or below cost, or retained by any Grantee approved entity for affordable rental housing. The first priority will be to target families at less than 50% of Area Median Income. The individual households or families who occupy the completed single family homes may not earn more than 50% of the HUD determined Area Median Income, as that may be revised from time to time by HUD. The 2009 Median Family Income Chart is included below for illustrative purposes.

3. Technical Services

The Grantee will provide technical service to assist with the administration of this NSP program. These services will include the completion of environmental reviews for identified properties, work write-ups for acquired properties, bid documents and contract monitoring for rehab projects.

4. Covenants to be imposed by CHDO

Prior to selling any properties constructed with Grantee NSP Funds to NSP eligible Homebuyers, CHDO will record restrictive covenants requiring a period of affordability based upon the below affordability schedule:

Rehabilitation, acquisition, or construction of existing housing per unit amount of NSP funds:

Under $15,000	**5 years affordability**
$15,000 - $40,000	**10 years affordability**
$40,000+	**20 years affordability**

The wording of the restrictive covenants must be approved by the City Attorney's Office.

5. Payment for Services

The maximum amount to be paid to CHDO under this contract shall be $300,000, covering eligible new construction costs. The maximum amount billable per property under this contract is $50,000. CHDO may bill the Grantee for administration fees based upon an agreed upon rate between Grantee and CHDO. Grantee will approve reimbursement of construction and administrative costs submitted by CHDO based upon the required documentation of the expenses incurred, with such documentation as may reasonably require. At the sole discretion of the Grantee, the contract amount may be reduced due to market variables.

A. BUDGET AND USE OF FUNDS:

The NSP allocation in the amount of $300,000 can only be used to reimburse the CHDO for the payment of such reasonable and normal housing development costs as follows:

***Hard Costs**:*

- Land acquisition directly related to producing units
- Building materials and labor
- Site preparation and improvements
- Water and sewer taps

Soft Costs:

- Construction loan fees and interest
- Professional fees
- Gap financing.

These funds will be restricted to the aforementioned costs incurred in the development of affordable housing in the Graves Avenue Project area in the City of High Point.

CHDO shall construct at least six (6) houses on the Graves Avenue site and utilize up to $50,000.00 per house for eligible NSP expenses.

The CHDO may be reimbursed up to $4,000 per unit for related soft costs which are reasonable and necessary costs incurred by the CHDO and associated with the financing, or development (or both) of new construction or acquisition of housing assisted with NSP funds. These costs include, but are not limited to:

1. Architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups.
2. Costs to process and settle the financing for a project, such as private lender origination fees, credit reports, fees for title evidence, fees for recordation and filing of legal documents, building permits, attorneys fees, private appraisal fees and fees for an independent cost estimate, builders or developers fees.
3. Staff and overhead costs directly related to carrying out the project, such as work specifications preparation, loan processing inspections, and other services related to assisting potential owners, and homebuyers, e.g., housing counseling, may be charged to project costs only if the project is funded and the individual becomes the owner or tenant of the HOME-assisted project.

6. TARGET POPULATION

This program is intended to assist NSP eligible, low-to-moderate income first-time homebuyers interested in buying a home in the City of High Point.

The CHDO shall find interested low/moderate income buyers who are interested in owning their own homes and assist them in qualifying for financing with which to purchase the property with a fully constructed home. The CHDO will also conduct homebuyer education workshops for low to moderate-income buyers. Each homebuyer must complete 8 hours of homebuyer education.

Prior to the commitment or commencement of any activity, the CHDO agrees to appraise the Grantee of its intentions and plans to encumber the NSP funds to be provided under this Agreement.

7. Enforceability

All terms of this Contract shall continue to be enforceable by the Grantee so long as any obligations of CHDO under this Contract have not been fulfilled.

8. Energy Star Qualifications

CHDO agrees to construct homes that meet ENERGY STAR qualifications. New homes must meet strict guidelines for energy efficiency set by the U.S. Environmental Protection Agency.

***9. Section 92.351 Affirmative marketing**.*

CHDO must adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing 5 or more NSP-Assisted housing units. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. (The affirmative marketing procedures do not apply to families with Section 8 tenant-based rental housing assistance provided with HOME funds.)

10. Section 92.355 Lead-based Paint

CHDO must comply with lead hazard control regulations. Housing assisted with NSP funds is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, M and R of the title.

City of High Point

Community Development and Housing Department

2009 Income Limits & Fair Market Rents

Persons In Household	Very Low Income (30% Median)	Low Income (50% Median)	Moderate Income (80% Median)	Area Median Income
1	$12,300	$20,500	$32,750	$40,938
2	$14,050	$23,400	$37,450	$46,813
3	$15,800	$26,350	$42,100	$52,625
4	$17,550	$29,250	$46,800	$58,500
5	$18,950	$31,600	$50,550	$63,188
6	$20,350	$33,950	$54,300	$67,875
7	$21,750	$36,250	$58,050	$72,563
8	$23,150	$38,600	$61,800	$77,250

2009 Median Family Income in High Point is $58,500

FAIR MARKET RENTS
Efficiency - $549 1 bedroom - $627 2 bedroom - $699 3 bedroom - $886 4 bedroom - $947

ATTACHMENT B
CERTIFICATIONS AND COMPLIANCE REQUIREMENTS

In addition to the specific requirements of this Contract, the CHDO is responsible for complying with all terms and conditions set for in the documents listed below that have been checked by the GRANTEE Project Manager. Electronic versions of these documents will be provided for you upon request, or you may retrieve them from the Internet.

1. _X_ 24 CFR Part 84 Uniform Administrative Requirements for Grants and Cooperative Agreements to Hospitals, Institutes of Higher Education and Non-profit Organizations, which sets forth rules for administering grant funds.

2. _X_ Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-7), and as supplemented by Department of Labor regulations (29 CFR, Part 5), which requires fair wages be paid to construction workers on any project that funded in whole or in part with federal dollars.

3. _X_ Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by the Department of Labor regulations (29CFR, Part 5), which requires affirmative nondiscrimination against workers and applicants for work on construction projects funded in whole or in part with federal dollars.

4. _X_ Title VI of the Civil Rights Act of 1964 (PL88-352) and regulations issued pursuant thereto (24 CFR Part 1) on nondiscrimination in federally assisted programs.

5. _X_ Section 109 of the Housing and Community Development Act of 1974 and regulations issued pursuant thereto (24 CFR Part 570.602 et seq., known as subpart K), which requires that no person in the United States shall on the grounds of age, race, color, national origin, religion, disability or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance

6. _X_ Executive Order 11246 and the regulations issued pursuant thereto (41 CFR Chapter 60) on nondiscrimination in employment.

7. _X_ Copeland "Anti-Kick Back" Act (18 U.S.C. 874), which protects workers wages on projects funded in whole or in part by federal funds.

8. _X_ Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations at 24 CFR Part 135 for training and employment of lower-income residents of projected areas and awarding of contracts.

9. _X_ Lead Based Paint Poisoning Prohibition (PL91-695), which requires that hazards posed by the presence of lead be addressed and made safe.

10. _X_ North Carolina General Statute 143-128 et seq. which proscribes procedures for bidding and structuring contracts on publicly funded construction projects.

11. _X_ Hatch Act (5 U.S.C. 1501-1508) prohibiting federal, state and local government employees from benefiting from federal grants.

12. _X_ Building design, construction or alteration must comply with "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped" (#A-117.1-R 1971).

13. _X_ Executive Order 11296 relating to evaluation of flood hazard in areas where construction or rehabilitation will be funded in whole or in part by federal funds.

14. _X_ Title VIII of the Civil Rights Act of 1968 (PL 90-284), as amended Fair Housing Policy, which requires that no person shall be prohibited from purchasing or renting a home based on age, race, color, national origin, religion, disability or sex.

15. _X_ Executive Order 11063 on equal opportunity in housing and non-discrimination.

16. _X_ Section 306 of the Clean Air Act (42 U.S.C. 1857(h)) sets forth monitoring and reporting procedures for any program that affects air quality.

17. _X_ Environmental Protection Agency regulations (40 CFR, Part 15), which sets requirements for protecting the environment on federally funded projects.

18. _X_ Age Discrimination Act of 1967, as amended.

19. _X_ The Rehabilitation Act of 1973, as amended, Sections 503 and 504, which prohibits discrimination against the handicapped.

20. _X_ OMB Circular A-122 "Cost Principles for Non-Profit Organizations" which sets forth parameters for expenditures made with federal grant money.

21. _X_ Treasury Circular 1075 relating to the use of Community Development funds within 72 hours after drawdown, which requires that the Grantee manage the grant funds on a specific timetable.

22. _X_ Community Development Administrative Regulations 24 CFR 570, which describes all requirements and prohibitions for the administration of a program funded in whole or in part with federal Community Development Block Grant funds.

23. _X_ N. C. Fair Housing Law, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing.

24. _X_ City of High Point Fair Housing Ordinance, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing in High Point.

25. _X_ OMS Circular A-133 “Audits of States, Local Governments and Nonprofit Organizations", which sets forth requirements and methodologies for auditing programs funded in whole or in part with federal grant money.

26. _X_ All terms and conditions of the Grant Agreement between the North Carolina Department of Commerce and the City of High Point (Grant Number 08-N-1890) and all applicable laws, including procurement standards set forth in 4 N.C.A.C 19L.0908.

ATTACHMENT C
EQUAL EMPLOYMENT OPPORTUNITY
U. S. Executive Order 11246 (excerpts)

During the performance of this Contract, the CHDO (the contractor) agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
2. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract officer, advising the labor union or workers' representative of the contractor's commitments under Section 2020 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and, by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965 or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
7. The contractor will include the provisions of Paragraphs 1 through 7 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

Public Services Department

Terry Houk
ASSISTANT DIRECTOR

NORTH CAROLINA'S INTERNATIONAL CITY™

MEMORANDUM

DATE: April 26, 2010

TO: Pat Pate, Asst. City Manager

FROM: Terry Houk, Assistant Director of Public Services

SUBJECT: Agenda Item - Memorandum of Understanding for Water Quality (High Rock Lake)

I respectfully request that the following be included for consideration for approval by Council:

Approval of Memorandum of Understanding concerning improving water quality conditions in High Rock Lake

Approval of this MOU would allow the City of High Point to partner with Davidson County, the City of Lexington, the Town of Midway, the City of Thomasville and the Town of Wallburg to improve water quality conditions in their common watershed catchments that ultimately discharge into High Rock Lake. Davidson County and the City of Lexington have executed this MOA as of this date. The other entities are expected to approve prior to July 1, 2010. The effective beginning date of the MOA will be July 1, 2010.

Cc: Chris Thompson
Lee Burnette
PTCOG
File

City of High Point, P.O. 230, 211 South Hamilton Street, High Point, NC 27261 USA
Phone: 336.883.3215 Fax: 336.883.1675 TDD 336.883.8517

MEMORANDUM OF UNDERSTANDING AMONG DAVIDSON COUNTY, CITY OF HIGH POINT, CITY OF LEXINGTON, TOWN OF MIDWAY, CITY OF THOMASVILLE, AND TOWN OF WALLBURG CONCERNING IMPROVING WATER QUALITY CONDITIONS IN HIGH ROCK LAKE

WHEREAS, the North Carolina Department of Environment and Natural Resources (hereinafter referred to as "DENR"), has determined that High Rock Lake is impaired and currently unable to fully support biological life, due to water quality violations for pH (measurement of water chemistry), chlorophyll-a, and turbidity; and

WHEREAS, DENR is currently engaged in a Total Maximum Daily Load assessment (hereinafter referred to as "TMDL") to determine the sources of pollution that are impairing water quality conditions on High Rock Lake, and the sediment and nutrient reductions necessary to restore conditions that fully support biological life; and

WHEREAS, the TMDL assessments conducted for the Tar-Pamlico River Basin, Neuse River Basin, the B. Everett Jordan Lake Reservoir, and the Falls Lake Reservoir have led to state requirements for land use regulation, stormwater control and nutrient removal controls which local jurisdictions must implement in affected areas; and

WHEREAS, the High Rock Lake watershed in Davidson County (designated as the Yadkin-Pee Dee River Subbasin 03-07-7 by DENR) includes 65.9 linear miles of waters impaired for aquatic life and secondary use, and 56.7 linear miles of waters impaired for fish consumption; and

WHEREAS, Hamby Creek and North Hamby Creek are recognized by DENR as priority restoration streams due to their severe degradations and contributions to High Rock Land; and

WHEREAS, Davidson County is the most urbanizing rural county in the Upper Yadkin-Pee Dee River Basin; and

WHEREAS, the jurisdictions addressed herein have cumulatively committed more than $175,000 in staff support, resources, and water quality data for two federal and state funded grant projects that began January 2008 to restore ecologically-supportive conditions to 28.7 linear miles of impaired streams in the High Rock Lake watershed; and

WHEREAS, the jurisdictions addressed herein have cumulatively explored recreational opportunities in the High Rock Lake watershed, which depends on clean, safe and fishable waters; and

WHEREAS, the jurisdictions herein recognize the significant current and future environmental, recreational, and economic benefits provided by an ecologically-supportive High Rock Lake; and

WHEREAS, the jurisdictions herein desire to share a unified vision for the on-going restoration, preservation and maintenance of water quality in the High Rock Lake watershed through consistency in planning, development and management of watershed lands and waters, and

WHEREAS, the jurisdictions herein recognize the value of creating a partnership for the purposes of improving their likelihood of receiving grants and loans to support watershed improvement efforts; and

WHEREAS, the jurisdictions herein also recognize the value of creating a partnership for the purposes of working with DENR in a unified and proactive manner on potential land use regulations resulting from the High Rock Lake TMDL;

NOW, THEREFORE, the listed parties hereto mutually agree:

1. To form the "High Rock Lake Watershed Improvement Partnership," to improve water quality conditions in their common watershed catchment, High Rock Lake, and to do so with a common vocabulary; with the sharing of land use and planning information; and with the shared interest in recognizing measures that will most effectively improve Lake conditions;

2. To designate staff representatives to form a partnership task force and organize themselves as necessary for purposes of collecting information and data, sharing it with staff and elected officials in their jurisdictions, and discussing partnership-related concerns with DENR and other organizations, such as the Yadkin-Pee Dee River Basin Association;

3. To anticipate the impacts of potential state regulations recommended by the High Rock Lake TMDL, in an effort to minimize the costs of addressing nutrient and sediment reductions and to maintain local control over the management of land development in affected jurisdictions;

4. To recognize current and potential future stresses placed on the High Rock Lake watershed that are causing impairment;

5. To proactively plan, and recommend to participating local governments implementation and maintenance of best management practices to address current and future watershed stresses and thereby improve water quality conditions in the High Rock Lake watershed;

6. To seek and receive input to be shared with all partnership members and DENR from citizens, non-profit organizations, private property owners, and other interested parties regarding the restoration of the High Rock Lake watershed to ecologically-supportive conditions through the consistent planning, development and management of watershed lands and water, and

7. To meet as needed to discuss matters of mutual concern affecting the current and future restoration, preservation and maintenance of water quality in the High Rock Lake watershed.

Nothing in this agreement shall affect or interfere with fulfillment of the obligations and rights of the parties hereto to plan, develop and manage the lands, waters and programs administered by each jurisdiction in accordance with land, water and program management responsibilities authorized under state law.

This agreement may be revised by mutual consent of all parties as necessary, through the issuance of a written amendment, signed and dated by all parties.

Any party may terminate its participation in this Memorandum of Understanding by providing 60 days written notice. Unless terminated by written notice, this Memorandum of Understanding will remain in force for a period of ___ years ending on ___________. At the end of that time, the parties will assess the benefits accrued and determine if this agreement should be revised and/or reaffirmed.

The motion to adopt the Memorandum of Understanding was made by Commissioner __________ and seconded by Commissioner ________.

Approved and Adopted on this the ____ day of ______, 2010 by the City of High Point Council.

____

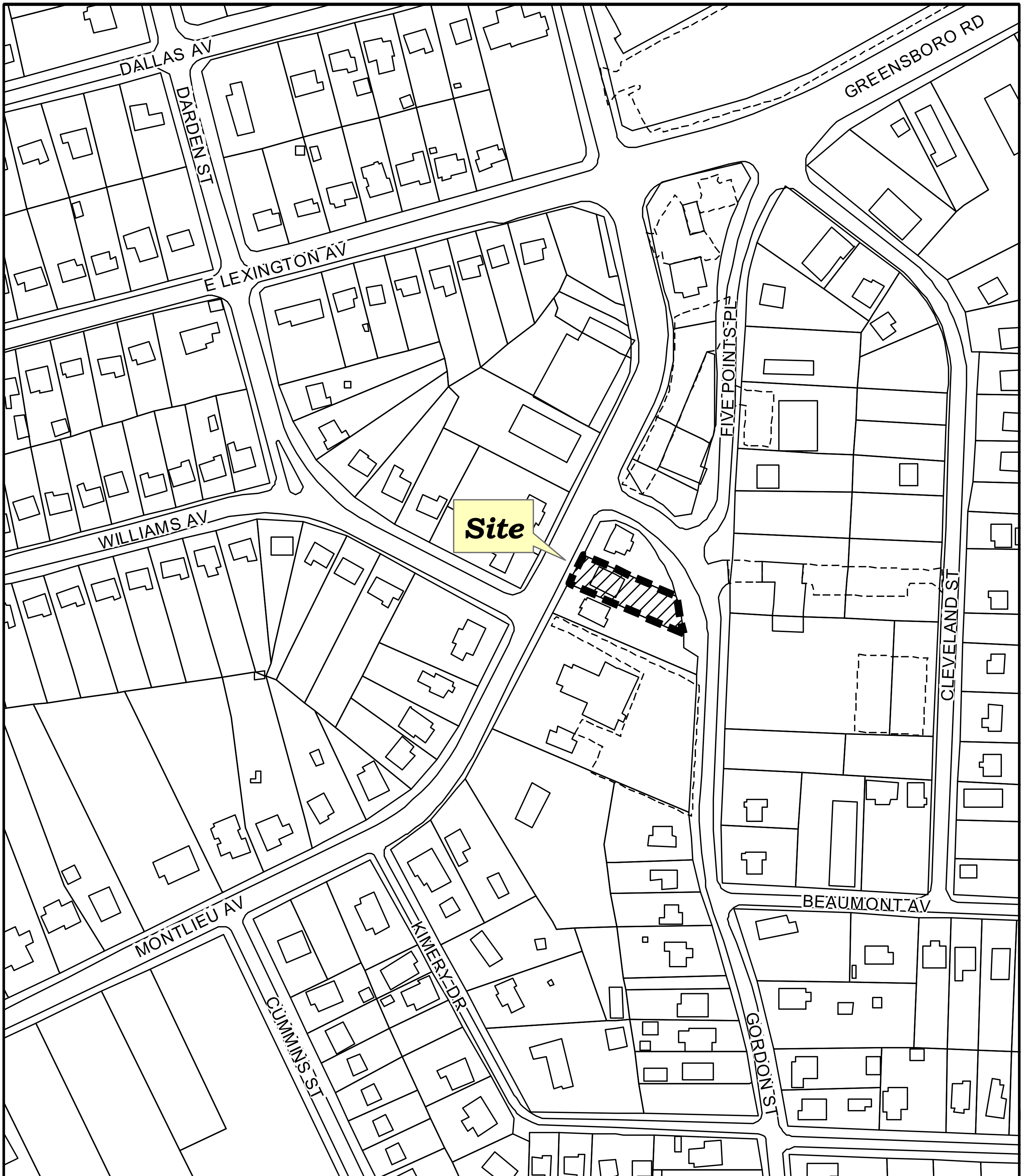
Mayor of High Point
Rebecca Smothers

____

City Clerk of High Point
Lisa Vierling

DEPARTMENT OF PLANNING AND DEVELOPMENT
INSPECTION SERVICES
HOUSING ENFORCEMENT DIVISION

ORDINANCE REQUEST:	Ordinance to Repair And Vacate
PROPERTY ADDRESS:	1220 Montlieu Av
OWNER:	Sammie Chess Jr
FIRST INSPECTION: 11-20-10	Number of Violations: Major 3 Minor 21 1) leaking roof 2) some windows not operable 3) no smoke detector
HEARING RESULTS: 12-8-2009	Owner appeared for hearing. During the hearing, the following findings of fact were established. Dwelling was occupied at the time of the first inspection by a family with small children between the ages of 4 to 11. There are numerous violations of the Minimum Housing Code. The tenants moved from the dwelling 12-30-2009. All the utilities have been placed on hold. This ordinance is requested to allow the inspector to close and placard the dwelling as required by state statute.
ORDER(S) ISSUED: 12-8-2009	Order to Repair compliance date of 2-3-2010
APPEALS:	No appeals to date.
OWNER ACTIONS:	No permits obtained have been obtained and there have been no repairs.
EXTENSIONS:	None requested
CURRENT STATUS: 4-27-2010	Conditions still exist. Dwelling is vacant and secure.



1220 Montlieu Avenue

Ordinance to Vacate/Close

Location of subject property

Department of Planning and Development

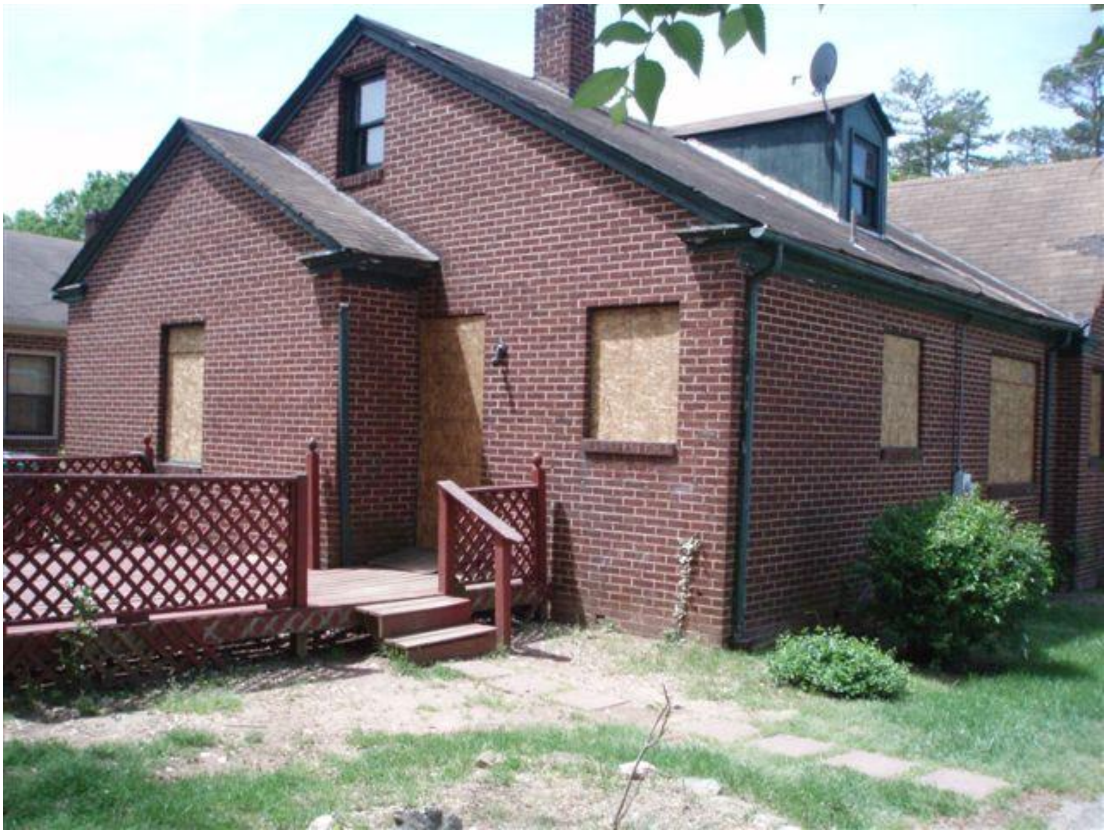
City of High Point

Date: April 26, 2010

N

Scale: 1'=200'

y:/ba-pz/Inspection/vacate



1220 Montlieu Avenue

A regular meeting of the City Council of the City of High Point, North Carolina was held in the Council Chambers of the Municipal Building at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 5:30 p.m. on May 3, 2010.

Present: Mayor Pro Tem M. Christopher Whitley, presiding, and Council Members Latimer Alexander, William Bencini, Mary Lou Blakeney, Foster Douglas, John Faircloth, and Michael Pugh

Absent: Mayor Rebecca R. Smothers and Council Member Bernita Sims

Also Present: City Manager, Strib Boynton

* * * * * *

The Mayor Pro Tem announced that this was the hour and day fixed by the City Council for the public hearing upon the two bond orders entitled "ORDER AUTHORIZING $3,200,000 PARKS AND RECREATIONAL FACILITIES BONDS" and "ORDER AUTHORIZING $2,415,000 STREET AND SIDEWALK IMPROVEMENT BONDS" and that the City Council would immediately hear anyone who might wish to be heard on the questions of the validity of said bond orders or the advisability of issuing said bonds.

A list of all persons making comments and a summary of such comments are attached as Exhibit A.

The public hearing was closed.

All statements and comments by participants of the public hearing were duly considered by the City Council.

* * * * * *

I, Lisa B. Vierling, City Clerk of the City of High Point, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of said City at a regular meeting held on May 3, 2010, as relates in any way to the holding of a public hearing on two bond orders authorizing general obligation bonds of said City.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said City this 3rd day of May, 2010.

City Clerk

[SEAL]

EXHIBIT A

["None"]