

## City Council Agenda

Thursday, October 9, 2025 6:00 PM City Hall

- I. Call to Order
- II. Pledge of Allegiance and Moment of Silent Prayer
- III. Approval of Minutes
  August 26, September 9, and September 11, 2025.

#### IV. Presentations

- **1.** Presentation of a Proclamation recognizing the week of October 5-11, 2025 as Public Power Week in the City of Concord.
- V. Unfinished Business
- VI. New Business
- A. Informational Items
- **B.** Departmental Reports
- 1. Parks and Recreation Bonds update
- C. Persons Requesting to be Heard
- D. Public Hearings
- E. Presentations of Petitions and Requests
- 1. Consider approving an amendment to the NOVI Economic Development Agreement to clarify affordable housing commitment and reporting requirements.

NOVI requests an amendment to the Economic Development Agreement to both solidify and clarify their commitment to the provision of affordable housing units in the project and to agree to reporting requirements so that compliance with that commitment can be monitored by planning staff. The amendment proposes to commit to 10% of the total units being reserved for affordable housing purposes for rent to applicants at the rental amounts designated by HUD for a household earning up to 80% of the Area Median Income defined by HUD for the Charlotte-Concord-Gastonia Housing Market Area NC-SC. The amendment clarifies that the units will be "floating units" located in all three buildings of the project. The amendment adds a requirement for reporting compliance to the City including rental amount, type, and location of each workforce housing unit. Finally, the amendment specifically states that the workforce housing component is a material term to the agreement and that breach of that term shall constitute a breach of the agreement.

**Recommendation:** Motion to consider approving an amendment to the NOVI Economic Development Agreement.

2. Consider adopting a resolution amending the City Manager's authority to include delegation of certain powers or duties related to the operations of the Public Housing Authority, and the addition of item 4 related to summary ejectment proceedings.

In an ongoing effort to strengthen clarity and consistency in our Housing operations, staff and Legal recently reviewed the process for handling eviction cases. Historically, Housing Department staff have filed summary ejectments with the magistrate, and Legal has become involved only if a case is appealed to District Court.

Because these proceedings are carried out on behalf of the Public Housing Authority (for which City Council serves as the Board), they are distinct from the City prosecution responsibilities outlined in the Charter. This review presented an opportunity to align our practices more closely with the authority of the Housing Authority while also ensuring Legal involvement remains clear and appropriate.

To streamline operations and ensure compliance, it is recommended that the City Manager Delegated Authority Resolution be updated. This update would formally delegate authority to the City Manager, or designee, to authorize Housing staff to file summary ejectment proceedings with the magistrate and present the case in small claims court; City Legal staff would represent the City and Department if the case is appealed or otherwise transferred to District Court.

**Recommendation:** Motion to adopt a resolution amending the City Manager's authority to include delegation of certain powers or duties related to the operations of the Public Housing Authority and the addition of item 4 related to summary ejectment proceedings.

3. Consider adopting a resolution in support of RRB Beverage Operations, Inc project.

RRB (Rauch/Red Bull) is submitting a funding application to the North Carolina Department of Transportation (NCDOT) Rail Division to seek up to \$500,000 to assist in construction of onsite rail spur improvements for the plant on Concord Parkway, North. Subdivision and site plans have been approved for the project and grading is currently underway. NCDOT Rail Division requires a resolution from the local City in support of the project to ensure that rail spur improvement funds are not awarded to projects that are not supported by the local government.

**Recommendation:** Motion to adopt a resolution in support of RBB Beverage Operations, Inc project.

4. Consider authorizing the City Manager to negotiate and execute a contract with Harper General Contractors for the construction of the Poplar Tent Area Water Pump Station and approve the attached project budget amendment.

The Poplar Tent Area Pump Station is intended to have a dual purpose of allowing movement of finished water from the Coddle Creek Water Treatment Plant to the areas served by Hillgrove Water Treatment Plant and water purchased from Albemarle for redundancy and better usage of plant capacities, but also to eliminate the existing Rock Hill Church Rd Booster Pump Station located at 3645 Rock Hill Church Rd NW. The project was bid under the formal bidding process, with bids being taken on September 9, 2025. Four (4) bids were received. The lowest responsible bidder was Harper General Contractors for \$5,096,000.

**Recommendation:** Motion to authorize the City Manager to negotiate and execute a contract with Harper General Contractors for the construction of the pump station for \$5,096,000 and to approve the attached budget amendment.

5. Consider authorizing the City Manager to execute a contract amendment with Hazen and Sawyer for construction administration and project management for the construction of the Poplar Tent Area Pump Station.

Hazen and Sawyer (Consultant) developed the design for the construction of a 6-mgd pump station. This scope of services covers project management, construction administration, field services and observation, and materials testing associated with the project. The construction duration is estimated to be 18 months. If approved, the project total will be \$612,450.

**Recommendation:** Motion to authorize the City Manager to execute a contract amendment with Hazen and Sawyer.

#### 6. Consider approving the 2026 funding request from WeBuild Concord.

WeBuild Concord's FY 26 request is for \$1.8 million of construction funds. The funds will be directly spent on the following projects: 114 Kerr Street Church, Corban Ave, 266 Malvern Ave, 531 Allison St, and The Mills.

**Recommendation:** Motion to approve the 2026 funding request from WeBuild Concord in the amount of \$1.8 million.

#### 7. Consider making an appointment to the WeBuild Board of Directors.

Currently, Council Members McKenzie and Crawford are Council appointees to the WeBuild Board of Directors. Council Member McKenzie will be retiring from the City Council in December. The City Council would like to make an appointment to the Board to replace Council Member McKenzie.

**Recommendation:** Motion to make an appointment to the WeBuild Board of Directors.

#### VII. Consent Agenda

## A. Consider authorizing the City of Concord Fire Department to apply for the Assistance to Firefighters Grant (AFG).

The primary goal of the Assistance to Firefighters Grant (AFG) is to meet the firefighting and emergency response needs of fire departments and non-affiliated emergency medical service organizations. The City of Concord Fire Department wishes to apply for this grant in the amount not to exceed \$2,786,000 for the purpose of SCBA air packs. The AFG grant requires a 10% match from the City.

**Recommendation:** Motion to authorize the City of Concord Fire Department to apply for the Assistance to Firefighters Grant (AFG).

## B. Consider authorizing Concord-Padgett Regional Airport to apply for the FY26 North Carolina Department of Transportation Airport Infrastructure Grant.

The N.C. Department of Transportation Airport Infrastructure Grant provides state aid in the forms of loans and grants to cities, counties, and public airport authorities for the purpose of planning, acquiring, constructing, or improving municipal county and other publicly owned or controlled airport facilities. Projected FY26 NCDOT AIP funds of \$2,342,310 are anticipated to be utilized for Debt Service, Master Plan Update, and Hangar Development Design.

**Recommendation:** Motion to authorize the Concord-Padgett Regional Airport to apply for the FY26 North Carolina Department of Transportation Airport Infrastructure Grant.

## C. Consider authorizing the Solid Waste Department and Sustainability Coordinator to apply for a food waste reduction grant from the North Carolina Department of Environmental Quality.

The purpose of the 2026 Food Waste Reduction grant is to help local governments, non-profits, and businesses to reduce the amount of wasted food being disposed of in landfills. Staff is requesting an approval not to exceed \$30,000 with a 20% match of \$6,000. Grant proceeds would allow for supplies and equipment needed to begin a residential composting program.

**Recommendation:** Motion to authorize the City Manager to permit the Solid Waste Department along with the Sustainability Coordinator to apply for a 2026 food waste reduction grant from the North Carolina Department of Environmental Quality in the amount of \$30,000 with a 20% match of \$6,000.

D. Consider authorizing the City Manager to accept a donation of \$10,000 from the Charlotte Hornets, Impacting The Carolina's to assist funding for youth sports programs. Funding will assist in expanding the youth sports program through participation assistance, and equipment.

Impacting the Carolina's is the Hornets Sports & Entertainment's two-state Carolina strategic tour to deepen brand presence and community impact across North and South Carolina. The donation is \$10,000 for youth sports. The program is to reinforce the Hornets' commitment to both community and market expansion across the Carolina's.

The Charlotte Hornets Foundation selected Academy Recreation Center to host a basketball clinic for the youth as the final stop of their Carolina's tour on Thursday, September 18<sup>th</sup>. The 50 participants were led through drills and coached on the importance of active living.

**Recommendation:** Motion to authorize the City Manager to accept the donation of \$10,000 from the Charlotte Hornets, Impacting The Carolina's to assist funding for youth sports programs.

E. Consider authorizing the City Manager to accept the award of \$47,022.50 from Carolina Thread Trail for the funding to offset acquisition costs for properties along Irish Buffalo Creek to be used for the future Irish Buffalo Creek Greenway.

The Carolina Thread Trail (CTT) program, part of the Catawba Lands Conservancy provides grant funds for trail, greenway and blueway-related projects across its 15-county network per multi-county master plan. Irish Buffalo Creek is a significant corridor in the CTT's 2009 Cabarrus County Master Plan; and the CTT has secured funding for a number of years for projects along the creek and its tributaries. Concord and Kannapolis have each received funding from this targeted program in past years, with the eventual goal of completing a green-way linking the two cities.

In February, Council approved a request authorizing staff to apply for a CTT grant for acquisition funds to offset property acquisition costs, an award notification was received on September 2, 2025 in the amount of \$47,022.50.

**Recommendation:** Motion to authorize the City Manager to accept the award of \$47,022.50 from the Carolina Thread Trail for the funding to offset acquisition costs for properties along Irish Buffalo Creek to be used for the future Irish Buffalo Creek Greenway.

F. Consider authorizing the City Manager to accept a Federal Aviation Administration Grant Offer 3-27-0015-019- 2025 in the amount of \$2,599,935 for Airport Improvement Projects at Concord-Padgett Regional Airport and to accept a Federal Aviation Administration Grant Offer 3-27-0015-020-2025 in the amount of \$816,068 for Bipartisan Infrastructure Legislation Program at Concord-Padgett Regional Airport.

The Aviation Department has received confirmation for two grants. The Airport Improvement Projects in the amount of \$2,599,935 will fund the Rehabilitate Apron and Taxiway, and the Bipartisan Infrastructure Legislation Program in the amount of \$816,068 will fund the Update of the Master Plan. The Future Grants general ledger has been updated to reflect grant funding received and to correct a FY26 budget transfer that was included on the FY25 clean up. The grant project ordinance also includes transferring project funding from North Apron Roadway to Community Hangar Project due to North Apron Roadway project bids that were under budget.

**Recommendation:** Motion to authorize the City Manager to approve the grant agreement and to adopt the grant project ordinance.

G. Consider authorizing the City Manager to accept the grant award from the Cannon Foundation.

The Cannon grant, in the amount of \$5,000, will be used to offset the cost of our 2025 Energy Saving Trees program.

**Recommendation**: Motion to accept the grant funds in the amount of \$5,000 for the 2025 Energy Saving Trees program.

# H. Consider authorizing the Concord Police Department to accept a 2025 Elite 24-foot Stock Combo Trailer donated by the Concord Police Foundation to support the Police Department's Mounted Unit and Motorcycle Unit.

Since 2018, the Police Department's Mounted Unit has supported numerous community events, including the Christmas Parade, Tree Lighting, Candy Crawl, Law Day, Special Olympics, Youth Police Academy, and the Cabarrus County Fair. Officers provide their own horses, trailers, and trucks for transport. Additionally, the current department-owned trailers only allow for the transport of two motorcycles.

The Concord Police Foundation intends to donate a 2025 Elite 24-foot Stock Combo Trailer to the department. This trailer will allow the Mounted Unit to transport up to four horses and the Motorcycle Unit to carry four motorcycles, improving overall efficiency. There is no direct cost to the City. Ongoing maintenance and operational expenses will be absorbed within the Police Department's existing budget.

**Recommendation:** Motion to authorize the Concord Police Department to accept a 2025 Elite 24-foot Stock Combo Trailer donated by the Concord Police Foundation to support the Police Department's Mounted Unit and Motorcycle Unit.

#### I. Consider adopting amended bylaws for the Historic Preservation Commission.

Staff has amended the bylaws for the Historic Preservation Commission to update and clarify language, update information including the time, place, and location of meetings, and align formatting of the bylaws with bylaws of the Planning and Zoning Commission and the Board of Adjustment. The Bylaws of the Historic Preservation Commission were last updated in 2009.

**Recommendation:** Motion to adopt amended bylaws for the Historic Preservation Commission.

#### J. Consider adopting amended bylaws for the Planning and Zoning Commission.

Staff has amended the bylaws for the Planning and Zoning Commission to update and clarify language, update information including the location of meetings, and align formatting of the bylaws with bylaws of the Historic Preservation Commission and the Board of Adjustment. The Bylaws of the Planning and Zoning Commission were last updated in 2006.

**Recommendation**: Motion to adopt amended bylaws for the Planning and Zoning Commission.

#### K. Consider adopting amended bylaws for the Board of Adjustment.

Staff has amended the bylaws for the Board of Adjustment to update and clarify language, update information including the location of meetings, and aligned formatting of the bylaws with bylaws of the Historic Preservation Commission and the Planning and Zoning Commission. The Bylaws of the Board of Adjustment were last updated in 2005.

Recommendation: Motion to adopt amended bylaws for the Board of Adjustment.

L. Consider approving the revised policies and procedures manual for Concord's HOME Investment Partnerships Program (HOME) policy to include new requirements.

As lead entity for the Cabarrus/Iredell/Rowan HOME Consortium, Concord is responsible for ensuring all activities following regulation changes which are routinely monitored by the Department of Housing and Urban Development (HUD). In January of 2025, HUD finalized the latest HOME rule changes. Although these changes have not been fully implemented by HUD, the revised policy and procedure manual incorporates those changes to ensure Concord, and the Consortium members will remain in compliance.

**Recommendation:** Motion to approve the revised policies and procedures manual for Concord's HOME Investment Partnerships Program (HOME) policy to include new requirements.

## M. Consider accepting an Offer of Dedication of utility easements and public rights-of-ways in various subdivisions.

In accordance with CDO Article 5, the following final plat and easements are now ready for approval: The Villas at Tucker's Walk, Phase 3 and Holly Grove Villas Residential Subdivision Various utility easements and public rights-of-ways are offered by the owners.

**Recommendation:** Motion to accept the offer of dedication on the following plat and easements: The Villas at Tucker's Walk, Phase 3 and Holly Grove Villas Residential Subdivision.

## N. Consider accepting an offer of infrastructure at Copperfield Market Mixed Use (Roadway Acceptance).

In accordance with CDO Article 5, improvements have been constructed in accordance with the City's regulations and specifications. The following is being offered for acceptance: Copperfield Market Mixed Use; roadway acceptance - 695 LF; Dickens Place NE - 260 LF and Crosspoint Drive NE.

Recommendation: Motion to accept the offer of infrastructure acceptance in the following site: Copperfield Market Mixed Use (Roadway Acceptance).

# O. Consider Accepting an Offer of Dedication of an access easement and approval of the maintenance agreement from Baptist Retirement Homes of North Carolina and Baptist Retirement Homes Foundation.

In accordance with Article 4 of the CDO, the following access easements and maintenance agreements are now ready for approval: SCM Maintenance & Access Easement to serve Taylor Glen Retirement Community for ponds #1 and #2 located at 3700 Taylor Glen Lane NW. The owners are offering access easements and SCM maintenance agreements for Wet Ponds #1 and #2.

**Recommendation:** Motion to approve the maintenance agreements and accept the offers of dedication to the following properties: Taylor Glen Retirement Community, located at 3700 Taylor Glen Lane NW.

#### P. Consider granting a temporary construction easement to Crescent Acquisitions, LLC.

Crescent Acquisitions LLC is constructing 181 linear feet of public 8-inch gravity sanitary sewer main with two manholes and associated grading and sedimentation-erosion control measures to the service to the Weddington Ridge Apartments Phase 1. The 0.321 acre temporary construction easement is required to provide access for construction onto the City of Concord parcel. The location of the proposed work ties to an existing sewer line located on the back side of the City of Concord parcel near the I-85 right of way. The new public infrastructure will be dedicated to the City after construction.

**Recommendation:** Motion to approve a temporary construction easement to Cresent Acquisitions, LLC for the Weddington Ridge Apartments Phase 1.

Q. Consider adopting an ordinance to amend the FY 2025/2026 Budget Ordinance for the General Fund to appropriate excess FY25 sales tax revenue to contingency.

The attached budget ordinance appropriates excess FY25 sales tax revenue to contingency.

**Recommendation:** Motion to adopt an ordinance to amend the FY 2025/2026 Budget Ordinance for the General Fund to appropriate excess FY25 sales tax revenue to contingency.

R. Consider adopting a budget ordinance amendment for the increase of the HOME-ARP budget to the actual allocation of \$4,779,504 for FY25.

The current budgeted amount is \$4,772,338 and needs to be increased to \$4,779,504, an increase of \$7,166 to account for an error found by DOGE in the allocation received by the City of Concord.

**Recommendation:** Motion to adopt a budget ordinance amendment to increase the amount of HOME-ARP budget to actual allocation of \$4,779,504 for FY25.

S. Consider adopting an ordinance to amend the FY 2025/2026 Budget Ordinance for the General Fund to appropriate funds held in escrow from Copperfield Apartments to complete unfinished work.

Copperfield Apartments, LLC failed to complete required improvements. The City's transportation department is going to complete the improvements using funds held in escrow from Copperfield Apartments, LLC. The developer was notified and did not make the required improvements.

**Recommendation:** Motion to adopt an ordinance to amend the FY 2025/2026 Budget Ordinance for the General Fund to appropriate funds held in escrow from Copperfield Apartments to complete unfinished work.

T. Consider adopting an ordinance to amend the FY 2025/2026 Budget Ordinance for the Opioid Settlement Special Revenue Fund to appropriate Opioid Settlement Funds received in prior years and investment earnings.

At the September council meeting, a spending authorization was approved to authorize the use of opioid settlement funds and investment earnings for Mobile MAT through Cabarrus County EMS. Mobile MAT would be considered an Option A, Strategy 2 (Evidence-based Addiction Treatment) and is an allowable use of the settlement funds.

**Recommendation:** Motion to adopt an ordinance to amend the FY 2025/2026 Budget Ordinance for the Opioid Settlement Special Revenue Fund to appropriate Opioid Settlement Funds received in prior years and investment earnings.

U. Consider adopting a grant project ordinance amendment for the increase of the HOME match budget by \$1,137.

During clean-up of previous HOME accounting years, two variances were noted in the match amounts totaling \$1,137. This amendment will correct the difference between Concord and HUD records.

**Recommendation:** Motion to adopt a grant project ordinance amendment for the increase of the HOME match budget by \$1,137.

V. Consider approving a change to the classification/compensation system to include the following classification: Budget & Strategy Manager.

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the Budget & Strategy Manager (Grade with a salary range of \$109,423.46 (minimum) - \$144,986.09 (midpoint) - \$180,548.72 (maximum).

W. Consider approving a change to the classification/compensation system to include the following classification: SPT Camp Leader.

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the SPT Camp Leader (Grade S48) with a salary range of \$14.64 -\$17.86.

X. Consider approving a change to the classification/compensation system to include the following classification: SPT Camp Head Leader.

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the SPT Camp Head Leader (Grade S49) with a salary range of \$15.91 -\$19.09.

Y. Consider approving a change to the classification/compensation system to include the following classification: SPT Camp Director.

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the SPT Camp Director Leader (Grade S5) with a salary range of \$17.91 -\$20.60.

Z. Consider approving a change to the classification/compensation system to include the following classification: Parks & Recreation Program & Events Manager (Grade 62) with a salary range of \$93,812.99 (minimum) - \$124,302.21 (midpoint) - \$154,791.42 (maximum).

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the Parks & Recreation Program & Events Manager (Grade 62) with a salary range of \$93,812.99 (minimum) - \$124,302.21 (midpoint) - \$154,791.42 (maximum).

AA. Consider approving a change to the classification/compensation system to include the following classification: ClearWater Arts Center & Studio Administrator (Grade 60) with a salary range of \$80,429.52 (minimum) - \$106,569.11 (midpoint) - \$132,708.69 (maximum).

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the ClearWater Arts Center & Studio Administrator (Grade 60) with a salary range of \$80,429.52 (minimum) - \$106,569.11 (midpoint) - \$132,708.69 (maximum).

BB. Consider approving a change to the classification/compensation system to include the following classification: Infrastructure & Network Manager.

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the Infrastructure & Network Manager (Grade 65) with a salary range of \$118,177.34 (minimum) - \$156,584.98 (midpoint) - \$194,992.62 (maximum).

## CC. Consider approving a change to the classification/compensation system to include the following classification: Assistant 911 Shift Supervisor.

The addition of this new classification will increase the ability to attract and retain employees and provide enhanced expertise for the City of Concord.

**Recommendation:** Motion to approve the addition of the Assistant Shift Supervisor (Grade 56) with a salary range of \$59,118.10 (minimum) - \$78,331.48 (midpoint) - \$97,544.85 (maximum).

## DD. Consider adding Article 3.15 Deployment Pay to the City's Personnel Policies and Procedures.

Staff recommends approving adding Article 3.15 Deployment Pay to the City's *Personnel Policies and Procedures to* provide clear guidance on the deployment of employees who respond to state or federally declared disasters through FEMA or other mutual aid agreements. This policy ensures compliance with applicable laws, outlines procedures for deployment approval and compensation, and supports the City's eligibility for federal and state reimbursement, including disaster-related overtime pay.

**Recommendation:** Motion to approve the addition of Article 3.15 Court Deployment Pay to the City's Personnel Policies and Procedures.

#### EE. Consider a revision to Article 6.5 Court Leave of the City's Personnel Policies and Procedures

Staff recommends approving a revision to Article 6.5 Court Leave of the City's Personnel Policies and Procedures to ensure consistency with the administrative process regarding court issued compensation for jury duty.

**Recommendation:** Motion to approve the revision of Article 6.5 Court Leave Policy of the City's Personnel Policies and Procedures.

#### FF. Receive monthly report on status of investments as of August 31, 2025.

A resolution adopted by the governing body on 12/9/1991 directs the Finance Director to report on the status of investments each month.

**Recommendation:** Motion to accept the monthly report on investments.

#### GG. Consider acceptance of the Tax Office reports for the month of August 2025.

The Tax Collector is responsible for periodic reporting of revenue collections for the Tax Collection Office.

**Recommendation:** Motion to accept the Tax Office collection reports for the month of August 2025.

## HH. Consider Approval of Tax Releases/Refunds from the Tax Collection Office for the month of August 2025.

G.S. 105-381 allows for the refund and/or release of tax liability due to various reasons by the governing body. A listing of various refund/release requests is presented for your approval, primarily due to over payments, situs errors and/or valuation changes.

**Recommendation:** Motion to approve the Tax releases/refunds for the month of August 2025.

#### VIII. Matters not on the Agenda

Transportation Advisory Committee (TAC)
Metropolitan Transit Committee (MTC)
Concord/Kannapolis Transit Commission
Centralina Regional Council
Water Sewer Authority of Cabarrus County (WSACC)
WeBuild Concord

Public Art Commission Concord United Committee

- IX. General Comments by Council of Non-Business Nature
- X. Closed Session (If Needed)
- XI. Adjournment

\*IN ACCORDANCE WITH ADA REGULATIONS, PLEASE NOTE THAT ANYONE WHO NEEDS AN ACCOMMODATION TO PARTICIPATE IN THE MEETING SHOULD NOTIFY THE CITY CLERK AT (704) 920-5205 AT LEAST FORTY-EIGHT HOURS PRIOR TO THE MEETING.

## FIRST AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT BETWEEN CITY OF CONCORD AND CONCORD MASTER VENTURE, LLC

This FIRST AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT ("Amendment") is entered into this \_\_\_\_ day of February 2025 (the "Effective Date") by and between CONCORD MASTER VENTURE, LLC, a Florida limited liability company ("Company") and the CITY OF CONCORD, NORTH CAROLINA, a North Carolina municipal corporation ("City"). Developer and City are sometimes referred to individually as a "Party" and, collectively, as the "Parties."

#### **RECITALS**:

- A. Company and City entered into that certain ECONOMIC DEVELOPMENT AGREEMENT, dated December 7, 2020 (the "EDA").
  - B. The Parties wish to further amend and modify the EDA.

NOW, THEREFORE, the Parties for good and sufficient consideration, the receipt of which is hereby acknowledged, do agree, covenant, and warrant that the terms and conditions of the EDA shall be amended in the following respects:

Capitalized terms used in this Amendment, and not otherwise defined, shall have the same meanings assigned to them in the EDA. All of the terms and conditions of the EDA are incorporated in this Amendment by reference.

- 1. Workforce Housing. Notwithstanding anything to the contrary in the EDA, the number of units in the Project that will be offered to qualifying applicant's for lease at "Workforce Housing" rental amounts, will be not less than ten percent (10%) of the total units in the Project. For the avoidance of doubt, Workforce Housing is defined as units affordable for rent to applicants at the rental amounts designated by HUD for a household earning up to 80% of the Area Median Income defined by HUD for the Charlotte-Concord-Gastonia, NC-SC, designated area, as may be updated from time to time.
  - A. Floating Units. The workforce housing units, as defined above, shall be "floating units" and shall not be limited to one floor or one area of the Project, nor to one type of unit.
  - B. Reporting Obligations. It shall be the obligation of Concord Master Venture LLC to designate a person within their organization that is responsible for reporting, and to report rental status of the workforce housing units to the City of Concord on an annual basis not later than July 1. The reporting shall be made through the City's reporting platform and shall include rental amount, type and location of each workforce housing unit. It shall be the City's obligation to provide instructions to Concord Master Venture LLC on utilizing

- the reporting system. Concord Master Venture, LLC shall notify the City of any changes to the responsible reporting person.
- C. Material Term. These Workforce Housing terms are material to the EDI and a material breach of these terms shall relieve the City of any and all obligations under the EDI including but not limited to the payment of any EDI grants; provided, however, that no such breach shall be deemed to have occurred unless the breaching party has failed to cure such breach within thirty (30) days after receipt of written notice thereof, or, if such breach is not reasonably capable of being cured within such thirty (30) day period, the breaching party fails to commence cure within such period and thereafter diligently and continuously pursue such cure to completion.
- 3. <u>Notices</u>. The notice addresses for Investor Member under Section IX(C) of the EDA are hereby deleted from the EDA. The notice address for the City remains the same. The notice addresses for Company and for Requests for EDI Grants are hereby deleted and replaced with the following:

If to Company: Concord Master Venture, LLC

Attn: Peter Flotz

101 NE 3rd Avenue Suite 1500 Fort Lauderdale, Florida 33301

pflotz@lmgroup.us

With a required copy to Clark Hill, PLC

Attn: Drew Melville, Esq.

130 E. Randolph Street, Suite 3900

Chicago, IL 60601 dmelville@clarkhill.com

Requests for EDI Grants City Grant Administrator

Attn: Stephen Cates

Email: <a href="mailto:catess@concordnc.gov">catess@concordnc.gov</a>

With copy to City Finance Director

Attn: Jessica Jones

Email: jonesj@concordnc.gov

Both at: City of Concord

Finance Department

35 Cabarrus Avenue, West

Concord, NC 28025

-And-

**PO Box 308** 

#### Concord, NC 28026-0308

3. <u>Effect of Amendment</u>. Except as modified by this Amendment, all terms and provisions of the EDA shall remain the same. In the event of any conflict between the terms of this Amendment and the terms of the EDA, the provisions of this Amendment shall control and prevail. The EDA remains in full force and effect, as modified by this Amendment.

[SIGNATURES ON FOLLOWING PAGES]

**IN WITNESS WHEREOF,** the parties have caused this Agreement to be executed in their corporate names by their duly authorized officers, all as of the date first above written.

[SEAL]	CITY OF CONCORD NORTH CAROLINA
ATTEST:	
Kim Deason, City Clerk	William C. Dusch, Mayor
	DATE:
Jessica Jones, Finance Director	
City of Concord, North Carolina  Date:	
APPROVED AS TO FORM AND LEGAL S	UFFICIENCY:
VaLerie Kolczynski, City Attorney	

	Concord Master Venture, LLC
	BY:Peter Flotz, Authorized Representative
	DATE:
STATE OF NORTH CAROLINA	·
I,Carolina, certify that	, a Notary Public of County, North of ally appeared me this day and acknowledged the due execution
of the foregoing instrument.	ally appeared me this day and acknowledged the due execution
WITNESS my hand and n	otarial seal/stamp, this the day of, 2025.
FOR ALL	Printed Name of Notary:
[SEAL]	My commission expires:

#### RESOLUTION

- WHEREAS, the General Statutes provide for the creation of a council-manager form of government; and
- WHEREAS, Concord is a council-manager form of government and considerable day-to-day executive authority is delegated to the City Manager; and
- WHEREAS, among those delegated authorities are the power to execute certain contracts within strict limits set by Council and set forth herein; and
- WHEREAS, N.C.G.S. 143-64.32 provides that the City may exempt certain Contracts from the requirements of the Mini-Brooks Act; and
- WHEREAS, N.C.G.S. 160A-266(c) authorizes the Council to delegate the authority to dispose of surplus property to the City Manager; and
- WHEREAS, N.C.G.S. 143-129(a) authorizes the City Council to delegate authority to the City Manager to award contracts, reject bids, re-advertise to receive bids for purchases of apparatus, supplies, materials, or equipment; and-
- WHEREAS, N.C.G.S. 157-5(e) authorizes the City Council, as the Public Housing Authority, to delegate such powers or duties to its agents or employees as it deems proper.
- NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Concord, North Carolina, does hereby approve the following:
- 1. The City Manager is hereby authorized to award and execute contracts, terminate contracts, reject bids, advertise to receive bids as provided in and pursuant to N.C.G.S. 143-129(a), except that the authority of the City Manager is limited as provided in (a) through (g) below. The City Manager may:
  - (a) Approve, execute and terminate contracts involving informal bids of up to \$500,000 for construction projects budgeted in an annual budget ordinance as may from time to time be amended; and
  - (b) Approve, execute and terminate maintenance contracts; and
  - (c) Approve, execute and terminate leases of City real property that do not require advertising in a newspaper of general circulation; and
  - (d) Approve, execute and terminate contracts for professional engineering services up to \$100,000; and
  - (e) Approve, execute and terminate any professional service contracts (except as provided in (d) above; and

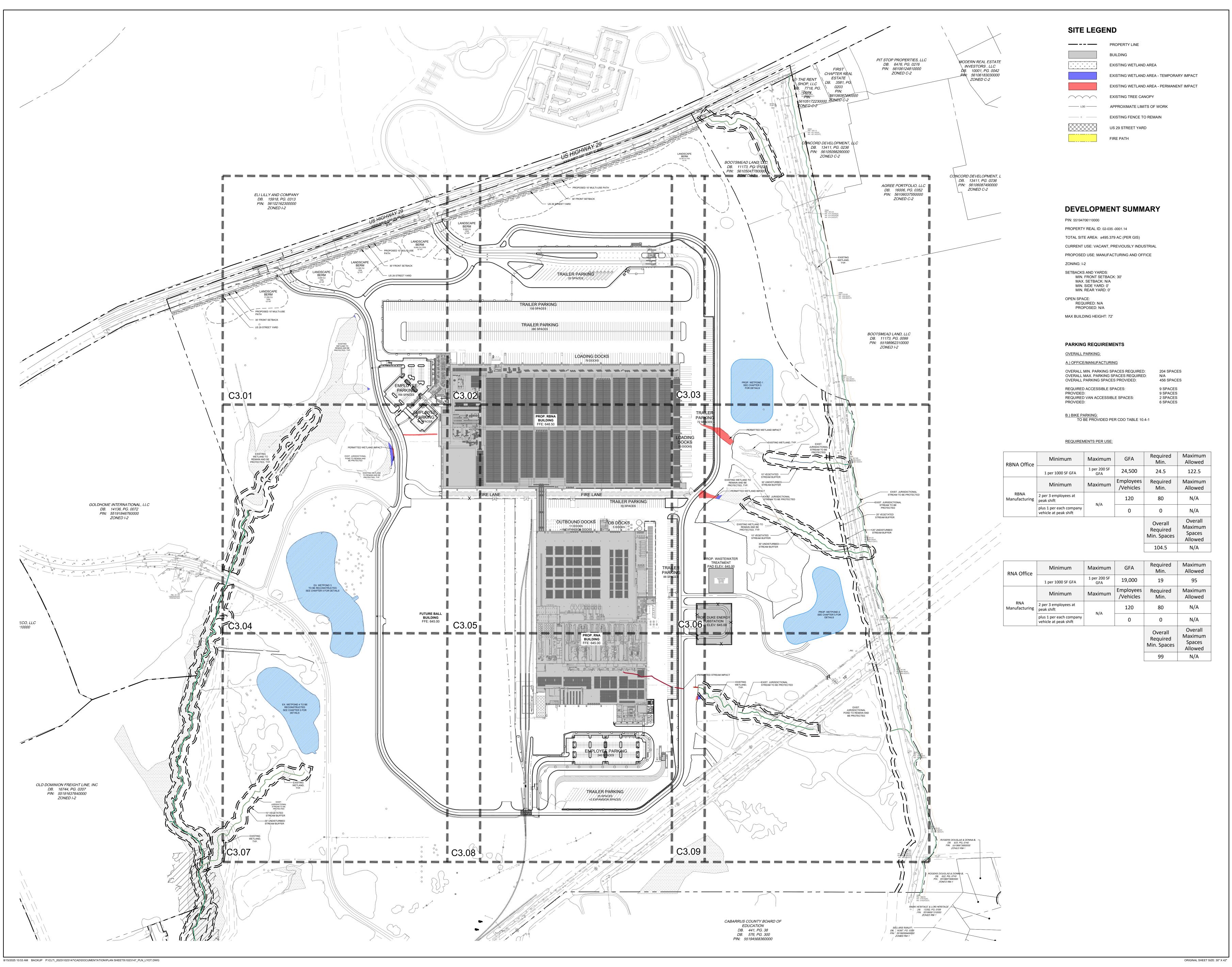
- (f) Approve and execute change orders to all approved contracts not to exceed \$50,000 in total change orders over the total amount of the previously approved contract amount; and
- Approve, execute and terminate the purchase of apparatus, supplies, (g) materials or equipment for all purchases that do not exceed \$90,000; and
- (h) Settle Worker's Compensation claims in an amount up to \$75,000 in value; and
- (i) Settle claims and litigation in an amount up to \$50,000 in value; and
- (j) Settle code enforcement penalty disputes and appeals up to \$40,000; and
- (k) Report on any settlements of claims and litigation at least quarterly.
- 2. The City Manager is authorized to exempt any project from the provisions of N.C.G.S. 143, Article 3D, Procurement of Architectural, Engineering and Surveying Services where the estimated professional fee for a specific project are estimated to be less than \$50,000; and
- 3. The City Manager is authorized to dispose of surplus property under the informal procedures described in N.C.G.S. 160A-266(c) of up to \$30,000 in value; and
- The City Manager is authorized to initiate summary ejectment proceedings 4. in small claims, as appropriate, related to leases of City-owned real property.
- In the event that the City Manager incumbent on the date of adoption of this Resolution announces his resignation, resigns, announces his retirement, retires, becomes incapacitated and is unable to fulfill his responsibilities or delegates all of his responsibilities under this Resolution to another person for a continuous period of more than ten working days, the City Clerk shall place re-consideration of this Resolution on the agenda of the next regularly scheduled Council meeting; and
- To the extent not previously cancelled, this Resolution supersedes and cancels all previous Council Resolutions on the subject of the City' Manager's authority.
  - This Resolution shall become effective immediately upon adoption. <del>76</del>

Adopted this 12th-9th day of September October, 20254.

CITY COUNCIL CITY OF CONCORD NORTH CAROLINA

William C. Dusch, Mayor

ATTEST:	
Kim J. Deason, City Clerk	—



LandDesign.

223 NORTH GRAHAM STREET
CHARLOTTE, NC 28202

704.333.0325 WWW.LANDDESIGN.COM

NC ENG. FIRM LICENSE # C-0658

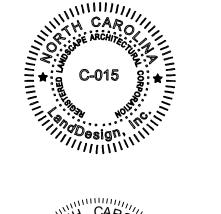
EY MAP

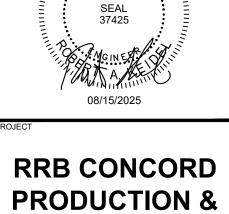
US 79

AND

AND

ROBERTA RD





HUB

1465 CONCORD PKWY S

CONCORD, NC

**DISTRIBUTION** 

ANDDESIGN PROJ.# 1023147			
REVISION / ISSUANCE			
NO. DATE	DESCRIPTION		
A 2025.01.31	30% REVIEW DWGS		
B 2025.03.31	OWNER REVIEW SET		
C 2025.04.15	75% TENDER PACKAGE		
D 2025.05.09	75% TENDER PACKAGE ADDENDUM 1		
E 2025.06.13	OWNER PROGRESS REVIEW		
F 2025.06.27	75% TENDER PACKAGE ADDENDUM 3		
G 2025.08.15	ISSUED FOR PERMIT		
DESIGNED BY:	LD		
DRAWN BY:	LD		
CHECKED BY:	LD		
SCALE	NORTH		
VERT: N/A			

HORZ: 1" = 200'

OVERALL LAYOUT PLAN

C3.00

## RESOLUTION IN SUPPORT OF RRB BEVERAGE OPERATIONS INC. TO LOCATE A MANUFACTURING FACILITY IN THE CITY OF CONCORD, NORTH CAROLINA

**WHEREAS**, RRB Beverage Operations Inc. is considering locating a manufacturing facility at 2321 Concord Pkwy S, Concord, NC and

**WHEREAS**, RRB Beverage Operations Inc. proposes to invest \$1B and to employ at least 700 persons when the company is fully operational;

**WHEREAS**, RRB Beverage Operations Inc. are consistent with local land use and state and local transportation plans; ordinances and policies;

**WHEREAS**, RRB Beverage Operations Inc. plans conform with all applicable state and local ordinances and policies;

**WHEREAS**, the City of Concord is committed to work with the NCDOT in a leadership role to make transportation improvements that address the safety needs of the public, and contractors and employees of RRB Beverage Operations Inc.

NOW, THEREFORE, BE RESOLVED by the City of Concord

**Section 1**: City of Concord supports the location of RRB Beverage Operations Inc. in the City of Concord and confirms that its plans are consistent with and conform with state and local laws, plans and policies.

**Section 2**: City of Concord endorses the application of RRB Beverage Operations Inc. to request financial support from the North Carolina Department of Transportation to assist in the funding of a rail industrial access track to serve RRB Beverage Operations Inc.

**Section 3:** City of Concord commits to work with the NCDOT to make needed transportation improvements necessary to protect the safety of the public, and contractors and employees of RRB Beverage Operations Inc.

This the 9<sup>th</sup> day of October, 2025

	CITY COUNCIL CITY OF CONCORD
	NORTH CAROLINA
ATTEST:	William C. Dusch Mayor
Kim Deason, City Clerk	

ORD.

#### CAPITAL PROJECT ORDINANCE

#### **Water Projects**

BE IT ORDAINED by the City Council of the City of Concord, North Carolina that pursuant to Section 13.2 Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby ordained:

SECTION 1. The project authorized and amended is Various Water Projects.

SECTION 2. The City Manager is hereby authorized to proceed with the implementation and amendments of the projects within the terms of the plans and specifications for the projects.

SECTION 3. The following revenues/expenditures are anticipated to be available to the City of Concord for the project:

		Current	Amended	(Decrease)
Account	Title	Budget	Budget	Increase
429-4361000	Investment Earnings	380,795	1,607,272	1,226,477
429-4361003	Interest-Bond Proceeds	0	1,101,924	1,101,924
429-4402150	System Dev Fees	7,142,254	8,300,026	1,157,772
	-			3,486,173
8700-5811062	Cost of Issuance	445,607	412,131	(33,476)
8700-5811082	Future Projects	1,318,892	2,113,659	794,767
8700-5811342	NC73 Wtr Conn to Clt	750,000	469,178	(280,822)
8700-5811344	Zion Ch Parallel Line	1,197,000	841,430	(355,570)
8700-5811348	Poplr Tent Pump Stn	3,486,968	6,681,608	3,194,640
8700-5811352	Chlorine Room Rehab	2,677,400	2,503,783	(173,617)
8700-5721000	Arbitrage Expense	0	340,251	340,251
			-	3,486,173

SECTION 4. Accounting records are to be maintained by the Finance Department of the City of Concord in such manner as (1) to provide all information required by the grant agreement and other agreements executed or to be executed with the various parties involved with the project; and (2) to comply with the Local Government Budget and Fiscal Control Act of the State of North Carolina.

SECTION 5. Within five (5) days after adopted, copies of this grant project amendment shall be filed with the City Manager, Finance Director, and City Clerk for direction in carrying out this project.

SECTION 6. The Finance Director is directed to report on the financial status of this project in accordance with the existing City policy. She shall also report to the City Manager any unusual occurrences.

Duly adopted by the City Council of the City of Concord, North Carolina this 9th day of October, 2025.

		CITY COUNCIL CITY OF CONCORD NORTH CAROLINA	
		William C. Dusch, Mayor	
ATTEST:	Kim Deason, City Clerk	VaLerie Kolczynski, City Attorney	

#### Certified Bid Tabulation The City of Concord Concord, NC

#### Poplar Tent Area Water Pump Station Hazen Project No. 2024-041

Bid Date: Tuesday, September 9, 2025, 2:00 P.M.

ltem	Engineer's Estimate	Harper General Contractors, Inc.	Gilbert Engineering Company	State Utility Contractors, Inc.	Basinger Contracting Company
NC Contractor's License No.	-	3146	999	17793	73014
Addenda Acknowledgement	-	✓	✓	✓	✓
Proposal Form	-	✓	✓	✓	✓
List of Subcontractors	-	✓	✓	✓	✓
Bid Signature	-	✓	✓	✓	✓
Bid Bond	-	✓	✓	✓	✓
Debarred Firm Cetification	-	✓	✓	✓	✓
Bid Item 1	-	\$4,874,875.00	\$5,634,800.00	\$5,735,875.00	\$5,837,575.00
Bid Item 2	-	\$221,125.00	\$221,125.00	\$221,125.00	\$221,125.00
Total Bid	\$ 6,100,000.00	\$5,096,000.00	\$ 5,855,925.00	\$ 5,957,000.00	\$ 6,058,700.00

#### CERTIFICATION

The Bids tabulated herein were opened and read aloud at 2:00 p.m. on the 9th day of September 2025, at the offices of The City of Concord, 635 Alfred Brown Jr Court SW, Concord, NC 28026. The tabulation is correct in that it contains information as submitted on the original Bid Form of each Bidder.

SEAL 032685

ON OFFESSION OF ESSION OF ESSION

HAZEN AND SAWYER

Michael Benchich, P.E. Senior Associate



### **Scope of Services**

# Poplar Tent Area Water Pump Station Construction Administration Services Proposal

The purpose of this agreement is for Hazen and Sawyer (Hazen) to provide Engineering Services During Construction on the Poplar Tent Area Water Pump Station project for the City of Concord (City).

Hazen will manage the efforts of its project team members, assign manpower, delegate responsibilities, review work progress, and monitor budget and schedule. As part of services administration, Hazen will provide monthly invoices with status reports pertaining to the work.

The scope of tasks outlined below shall include all incidentals required to provide the complete task described, including but not limited to overall management of the evaluation work, project planning, budget and schedule oversight, administration of the agreement, arrangement / management of all meetings and communication as needed with various project stakeholders.

Hazen shall perform the Services with the care and skill ordinarily exercised by members of the same profession currently practicing in the same locality on projects of similar size and complexity at the time the services are performed.

#### Task 100 – Construction Administration Services

<u>Subtask 101 Construction Contract Coordination</u> – Coordinate execution of the construction contract and prepare/distribute Conformed Documents as follows:

- Contractor one (1) electronic (PDF) set
- City four (4) full size printed sets, one (1) electronic (PDF) set

<u>Subtask 102 Preconstruction Conference</u> – Conduct a pre-construction conference, prepare and distribute agenda and meeting minutes. It is assumed the preconstruction conference will be held in-person at the City's offices.

<u>Subtask 103 Submittal Review</u> – Review submittals from the Contractor, including project schedules, schedule of values, shop drawings, operations and maintenance manuals, test reports, and other data for compliance with the Contract Documents. Hazen will distribute reviewed electronic copies to the Contractor and City. It is assumed that Hazen will review and process seventy-five (75) submittals and resubmittals in total.

<u>Subtask 104 RFIs and Change Requests</u> – Respond to requests for information (RFIs) submitted by the Contractor and prepare and issue change orders, work change directives, field orders, and requests for proposals (RFPs) to the construction contract. Hazen will develop supplemental sketches and/or drawings if needed to clarify responses and assist in the negotiation of changes with the Contractor for approval by



the City. It is assumed that Hazen will address thirty (30) RFIs and issue five (5) total change orders, work change directives, field orders, and RFPs.

Review any claims and/or proposed modifications and advise the City on the approach for resolution of the related issues. Review justification for all claims for modifications to the project cost and / or schedule and develop recommendations to the City for the fair and equitable resolution of such claims. Review and provide recommendation to the City of two (2) claims / Change Order Requests is anticipated. This overall scope of work does not include any effort associated with the preparation, participation, or any other involvement of Contractor any claim(s) that progresses to further dispute through means of mediation, arbitration, or other legal proceedings.

<u>Subtask 105 Contractor's Monthly Progress Schedule and Pay Application Review</u> – Assist the City's field representative with review of Contractor's monthly progress schedule and partial payment applications. It is assumed that eighteen (18) monthly schedule updates and pay applications (excluding application for final payment) will be reviewed.

<u>Subtask 106 Monthly Progress Meetings</u> – Conduct monthly progress meetings to discuss schedule, progress, and coordination of work. A total of eighteen (18) in-person meetings is assumed. Hazen will prepare and distribute an agenda and minutes for each meeting.

<u>Subtask 107 Periodic Site Visits by Engineer Staff</u> – Periodically visit the project site to observe the work in progress and to make appropriate reports to the City regarding project completion, scheduling, special inspections, and quality control. Up to twenty-four (24) hours per month for eighteen (18) months is budgeted (total of 432 hours).

<u>Subtask 108 Start-Up Assistance</u> – Assist the City with start-up of new facilities. Conduct operational testing of new equipment, assist in troubleshooting of electrical and I&C issues, and enforce performance tests prior to final acceptance. Provide optimization assistance related to bringing the new facilities online with on-site and/or teleconference assistance by senior level engineers from various disciplines and specialties. A maximum of two (2) weeks of assistance is anticipated.

<u>Subtask 109 Inspection(s)</u>, <u>Punch-list</u>, and <u>Substantial Completion</u> – Perform an inspection of the work after the Contractor has requested Substantial Completion and either issue a Notice of Substantial Completion or furnish a punch-list of items the Contractor must complete to achieve Substantial Completion. Hazen will develop and issue with Notice(s) of Substantial Completion a punch-list of items to be completed by the Contractor necessary for final acceptance of the project.

<u>Subtask 110 Final Payment Review and Regulatory Agencies Certification</u> – Assist the City with review of closeout paperwork necessary for final payment. Hazen will prepare and submit final engineer certification to NC DENR Public Water Supply.

<u>Subtask 111 Record Drawings</u> – Compile and deliver to the City a complete set of record drawings conforming to "as-built" information provided by the Contractor. The record drawings will consist of one (1) printed full size set and one (1) electronic (PDF) set of drawings showing the reported location of the work. In that record drawings are based on information provided by others, Hazen cannot and does not warrant their accuracy.



#### Task 200 - Field Services and Observation

<u>Subtask 201 Part-time Construction Observation</u> – Provide one (1) part-time Construction Observer to assist the City's field representative for up to 40 hours per month for eighteen (18) months (total of 720 hours) to observe the work in progress. The Construction Observer will review field work and payment quantities, and act as liaison between Contractor and Hazen. The Construction Observer will maintain a log for the days that he/she is onsite and document the Contractor's construction progress.

When the Construction Observer observes, or has knowledge of, violations of OSHA or other established safety regulations, he/she shall notify the Contractor and the City of such violations.

The Construction Observer and/or onsite Engineer shall have no authority regarding the following:

- Authorization of any deviation from the Contract Documents or approval of any substitute materials or equipment.
- Performance of any of the responsibilities of the Contractor or Subcontractors.
- Expediting work for the Contractor.
- Advise or direct the Contractor to any aspect of construction means, methods, techniques, sequences, or procedures unless such is specifically called for in the Contract Documents.
- Advise or direct the Contractor to any aspect of safety precautions and programs in connection with the work.

Neither the professional activities of Hazen nor the presence of Hazen employees and subcontractors shall be construed to imply that Hazen has any responsibility for methods or work performance, superintendence, sequencing of construction, or safety in, on, or about the job site. The City agrees that the Contractor is solely responsible for job site safety. The City intends that Hazen will be made an additional insured under the Contractor's general liability insurance policy.

#### Task 300 – Materials Testing Services

<u>Subtask 301 Materials Testing Subconsultant</u> – Provide through a subconsultant materials testing services during construction. Hazen's subconsultant will provide soils and materials testing during construction including: soil tests (field density of in-place backfill/determination of standard and modified proctor requirements); testing of structural concrete and masonry grout; observation of field tests for piers; inspection of structural steel bolted connections and field welds as applicable.

#### **Schedule**

The schedule in Table 1 below summarizes the tentative major milestones anticipated through construction. Given the scope detailed above will be added by amendment to the current contract (dated 2/13/24), and assuming Hazen's time of service will end 30 days after the Final Completion milestone for construction, Hazen's time of service will increase by 861 days.



Table 1 - Tentative Construction Milestones Schedule

Milestone Description	Date
Construction NTP	November 15, 2025
Substantial Completion	April 24, 2027
Final Completion	May 24, 2027

#### **Basis of Compensation**

The work to be performed for providing professional engineering services described in the Scope of Services above will be billed as summarized in Table 2 below. Task 200 will be billed at an hourly rate of \$200. At the discretion of the Hazen and the City Project Manager, funds from one task may be reallocated to another task during the project provided that the Total Contract Amount does not change.

Reimbursable project expenses will be billed to the City at cost. Subconsultant expenses will be billed at cost times a multiplier of 1.10. Vehicle mileage will be billed at rates allowed by the Federal Internal Revenue Service.

**Table 2 - Compensation Summary** 

Task No.	Description	Billed As	Amount
100	Construction Administration	Lump Sum	\$396,980
200	Field Services and Observation	Not to Exceed (Hourly Rate)	\$144,000
300	Materials Testing Services	Not to Exceed	\$44,270
400	Expense Allowance	At Cost	\$27,200
Total Conf	tract Amount		\$612,450

## CAPITAL PROJECT ORDINANCE AMENDMENT Revolving Affordable Housing Projects

BE IT ORDAINED by the City Council of the City of Concord, North Carolina that pursuant to Section 13.2 Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted/amended:

SECTION 1. The project authorized is Affordable Housing – We Build.

SECTION 2. The City Manager is hereby authorized to proceed with the implementation and amendments of the projects within the terms of the plans and specifications for the projects.

SECTION 3. The following revenues are anticipated to be available to the City of Concord for the completion of the projects:

#### **Revenues**

Account SECTION	4. The following	Title  amounts are appropriated  Expenses/Expenditure		Amended Budget ect:	(Decrease) Increase
			Current	Amended	(Decrease)
Account		Title	Budget	Budget	Increase
Account 3700-5475100 3700-5811082	We Build (CFEA) Future Projects	Title			` .

SECTION 5. Accounting records are to be maintained by the Finance Department of the City of Concord in such manner as (1) to provide all information required by the project agreement and other agreements executed or to be executed with the various parties involved with the project; and (2) to comply with the Local Government Budget and Fiscal Control Act of the State of North Carolina.

SECTION 6. Within five (5) days after adoption, copies of this capital projects ordinance shall be filed with the City Manager, Finance Director, and City Clerk for direction in carrying out this project.

SECTION 7. The Finance Director is directed to report on the financial status of this project in accordance with the existing City policy, and shall also report to the City Manager any unusual occurrences.

Duly adopted by the City Council of the City of Concord, North Carolina this 9th day of October, 2025.

	CITY COUNCIL CITY OF CONCORD NORTH CAROLINA
	William C. Dusch, Mayor
ATTEST:	
Kim Deason, City Clerk	Valerie Kolczynski, City Attorney



#### Impacting the Carolinas

Run of Show

Summary:

Impacting the Carolinas is the Hornets Sports & Entertainment's two-state Carolina strategic tour to deepen brand presence and community impact across North and South Carolina. Beginning August 7, the tour features \$10,000 donations and youth basketball clinics in key markets, paired with high-visibility media and social content. Select stops include cocktail receptions to build regional business relationships and explore

partnership growth. The tour culminates in potential fan celebrations and legacy projects, reinforcing the Hornets' commitment to both community and market expansion across

the Carolinas.

Date:

Thursday, September 18, 2025

**Event Time:** 

4:00 - 5:00 REQUESTING FROM ORGANIZATION

Location:

Hartsell Recreation Center Concord

60 Hartsell School Rd SW, Concord, NC 28027

Parking:

REQUESTING FROM ORGANIZATION

Entrance:

REQUESTING FROM ORGANIZATION

Contact:

Betsy Mack | 704-936-9394

#### Run of Show:

03:00 PM:

Community Impact team to arrive & setup

03:30 PM:

Hornets Hoops to arrive

03:45 PM:

Social/Digital to arrive

04:00 PM:

Hornets Hoops Clinic to begin

04:45 PM:

Hornets Hoops Clinic ends

05:00: PM

Event ends

#### AN ORDINANCE TO AMEND FY 2025-2026 BUDGET ORDINANCE

WHEREAS, the City Council of the City of Concord, North Carolina did on the 12<sup>th</sup> day of June, 2025, adopt a City budget for the fiscal year beginning July 1, 2025 and ending on June 30, 2026, as amended; and

WHEREAS, it is appropriate to amend the expense/expenditures and the revenue accounts in the funds listed for the reason stated;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Concord that in accordance with the authority contained in G.S. 159-15, the following accounts are hereby amended as follows:

		Revenu	ues_		
Account	Title		Current Budget	Amended Budget	(Decrease) Increase
420-4603000 420-4603000	Grants Proceeds		147,022	157,022	10,000
		Total			10,000

#### **Expenses/Expenditures**

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
8300-5811082 8300-5811082	Futuro Projecto	1 100 500	1 119 500	10.000
0300-3011002	Future Projects	1,108,590	1,118,590	10,000
		Total		10,000

Reason: To appropriate Charlotte Hornets donation to the Youth Basketball Program.

Adopted this 9th day of October 2025.

		CITY COUNCIL CITY OF CONCORD NORTH CAROLINA
ATTEST:		William C. Dusch, Mayor
ATTEST.	Kim Deason, City Clerk	
		VaLerie Kolczynski, City Attorney

September 2, 2025

Sheila Lowry, Director of Parks & Recreation City of Concord, Parks & Recreation Dept 147 Academy Ave NW Concord, NC 28026

RE: Carolina Thread Trail Grant Agreement 2025-03

Dear Ms. Lowry,

Congratulations again on the Carolina Thread Trail Implementation Grant award! Our Board of Directors approved this award of \$47,022.50 on August 19, for acquisition of the McClamrock property for Irish Buffalo Creek Greenway. Please find enclosed the Grant Agreement from the Carolina Thread Trail.

Please have the City Manager sign where indicated and have it notarized. Then you may return the document to Jane Love at jane@carolinathreadtrail.org. Once the agreement is fully executed, you will receive a final copy for your files. Please note that the line for "Effective Date" will be filled in by the party who is last to sign the agreement, at the time of execution.

We encourage the City of Concord to publicize the award through a number of the following communication channels, as applicable: Press releases; e-newsletter or e-alerts; printed newsletters; website articles or posts; social media posts, photograph captions/social posts; email messages; broadcast interviews; newspaper articles; posters, flyers, or direct mail for events or meetings; advertisements, etc.

Please feel free to contact me with any questions at 704.342.3330, Ext. 2216, or bret@carolinathreadtrail.org.

Sincerely,

Bret Baronak

SIE

Carolina Thread Trail Director

Enclosure

## CAPITAL PROJECT ORDINANCE AMENDMENT Parks & Recreation Projects-Irish Buffalo Creek Greenway

BE IT ORDAINED by the City Council of the City of Concord, North Carolina that pursuant to Section 13.2 Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted/amended:

- SECTION 1. The projects authorized are the projects included for Caldwell Park.
- SECTION 2. The City Manager is hereby authorized to proceed with the implementation and amendments of the projects within the terms of the plans and specifications for the projects.
- SECTION 3. The following revenues are anticipated to be available to the City of Concord for the completion of the projects:

#### Revenues

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
420-4603000 420-4603000	Grant Proceeds	100,000	147,022	47,022
				47,022

SECTION 4. The following amounts are appropriated for the project:

#### **Expenses/Expenditures**

Account	Title		Current Budget	Amended Budget	(Decrease) Increase
8300-5811055 8300-5811055	Irish Buffalo Creek Greenway		298,480	345,502	47,022
		Total			47,022

- SECTION 5. Accounting records are to be maintained by the Finance Department of the City of Concord in such manner as (1) to provide all information required by the project agreement and other agreements executed or to be executed with the various parties involved with the project; and (2) to comply with the Local Government Budget and Fiscal Control Act of the State of North Carolina.
- SECTION 6. Within five (5) days after adoption, copies of this capital projects ordinance shall be filed with the City Manager, Finance Director, and City Clerk for direction in carrying out this project.
- SECTION 7. The Finance Director is directed to report on the financial status of this project in accordance with the existing City policy, and shall also report to the City Manager any unusual occurrences.

Duly adopted by the City Council of the City of Concord, North Carolina this  $9^{\text{th}}$  day of October, 2025.

NCIL ONCORD ROLINA
Dusch, Mayor
czynski, City Attorney
lc

ORD.

## GRANT PROJECT ORDINANCE FY25 Federal Aid to Airport Projects

BE IT ORDAINED by the City Council of the City of Concord, North Carolina that pursuant to Section 13.2 Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby ordained:

SECTION 1. The project authorized is the **FY25 Federal Aid to Airport Projects.** 

SECTION 2. The City Manager is hereby authorized to proceed with the implementation of the project within terms of a grant agreement with the Federal Aviation Administration.

SECTION 3. The following revenues are anticipated to be available to the City of Concord for the project:

#### **REVENUES**

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
451-4357300 451-4357300	Federal Aid	6,445,566	9,861,569	3,416,003
451-4603400 451-4603400	Future Grants	8,278,806	2,955,167	<u>&lt;5,323,639&gt;</u>
			Total	<1,907,636>

SECTION 4. The following amounts are appropriated for the project:

#### **Expenses/Expenditures**

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
6300-5800456 6300-5800456	Community Hangar	2,400,000	5,016,883	2,616,883
6300-5800459 6300-5800459	N GA A1 TaxiLane Rehab	5,206,061	3,153,166	<2,052,895>
6300-5800462 6300-5800462	Commercial Terminal Apron Expansion	1,048,352	563,958	<484,394>
6300-5800728 6300-5800728	Update Master Plan	0	816,068	816,068
6312-5800454 6312-5800454	North Apron Roadway	5,000,000	2,383,117	<2,616,883>
6313-5700000 6313-5700000	Debt Service	1,823,428	1,637,013	<u>&lt;186,415&gt;</u>
		•	Total	<1,907,636>

otal <1,907,636>

SECTION 5. Accounting records are to be maintained by the Finance Department of the City of Concord in such manner as (1) to provide all information required by the grant agreement and other agreements executed or to be executed with the various parties involved with the project; and (2) to comply with the Local Government Budget and Fiscal Control Act of the State of North Carolina.

SECTION 6. Within five (5) days after adopted, copies of this grant project amendment shall be filed with the City Manager, Finance Director, and City Clerk for direction in carrying out this project.

SECTION 7. The Finance Director is directed to report on the financial status of this project in accordance with the existing City policy. She shall also report to the City Manager any unusual occurrences.

Duly adopted by the City Council of the City of Concord, North Carolina this 9th day of October, 2025.

	CITY COUNCIL CITY OF CONCORD NORTH CAROLINA	
	William C. Dusch, Mayor	
ATTEST:	Val. 1. 16.1	
Kim Deason, City Clerk	Valerie Kolczynski, City Attorney	





About ~

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# 2025 Elite 24ft. Stock Combo with Dressing Room Trailer (S0022508)

Text us!



Our Price

## \$39,000 | No Doc Fee















Inquire Here (https://www.trailersoftheeastcoast.com/get-a-quote/?sku=S0022508-OI)

Value Trade (https://www.trailersoftheeastcoast.com/value-trade/)

Get Financing (https://www.trailersoftheeastcoast.com/financing/)





**Axle Weight Capacity:** 7,000 lbs.



**Dressing Room:** 

Yes



Floorplan:



Frame Type:

**a** Aluminum



Mid Tack:

No

Details +

Specifications -

Axle Type:			
Axle Quantity: 2			
Axle Weight Capacity: 7,000 lbs.			
Box Length: 24'			
Exterior Color: Black			
Exterior Height:			
Exterior Width:			
Floorplan:			
Frame Type: Aluminum			
<b>GVWR:</b> 17,246 lbs.			
Midtack: No			
Payload Capacity:			
Tire Age:			
Tire Size: ST235/85R16 LRE			
Trailer Weight: 5,060 lbs.			
Description +			
Highlighted Features +			
Financing Terms +			



#### Hours

Weekdays: 8-5

After hours: by Appointment

## **Popular**

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Contact (https://www.trailersoftheeastcoast.com/contact/)

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#### **Meeting Date**

October 9, 2025

#### **Staff Report**

This request is for approval of the amended bylaws for the Historic Preservation Commission. The most recent bylaws were approved in 2009, and updates are needed to clarify language, update information, and format the bylaws to align with those of the Planning and Zoning Commission and the Board of Adjustment.

Specific changes to the bylaws include updates to time and location of Historic Preservation Commission meetings, department name, the keeping and disposal of records, agenda format, and clarification on language related to conflicts of interest.

The Historic Preservation Commission reviewed and discussed the updated Bylaws and unanimously voted to recommend them to Council for approval at their September 10, 2025, meeting.

## **City of Concord Historic Preservation Commission**

## **BY-LAWS AND RULES OF PROCEDURE**

I.	MEETINGS	1
	A. Organizational Meeting	1
	B. Regular Meetings	1
	C. Special Meetings	1
	D. Open Meetings	1
	E. Quorum	1
	F. Minutes	1
	G. Adoption or Amendment of These Rules	2
II.	AGENDA	2
	A Voting	2
	B. Quasi-judicial Hearings	2
	C. Agenda Format	4
	D. Procedural Motions	5
	E. Withdrawal of Motions/Amended Motions	6
	F. Duty to Vote	6
III.	OFFICES	7
	A. Office of the Chairman	7
	B. Office of the Vice-chairman	7
	C. Office of the Recording Secretary	7
	D. Attorney to the Commission	<u>8</u> 7

#### I. MEETINGS

#### A. Organizational Meeting

On the date and at the time of the first regular meeting in July following the beginning of a new fiscal year in which the City Council has appointed new Historic Preservation Commission members, the newly appointed members shall take and subscribe the oath of office as the first order of new business. As a second order of business, the Commission shall elect from its members a Chairman and Vice-chairman who shall hold their respective offices at the pleasure of the Commission.

#### **B.** Regular Meetings

The Commission shall hold regular meetings on the second Wednesday of each month, at 6:30–00 p.m., in the Council Chambers of City Hall., at the Municipal Building. A copy of the Commission's current meeting schedule shall be filed with the secretary to the Commission and the City Clerk.

#### C. Special Meetings

The Commission may hold special meetings as may be necessary. The Chairman, or any two members may call a meeting upon written notice of not less than 48 hours to all members, signed by the members who called the meeting, and issued through the <u>Development Services Director's Planning and Neighborhood Development Director's</u> office. Special meetings will be held at 6:00 p.m. unless an alternate time is established.

#### D. Open Meetings

All meetings are <u>public</u>, and all meetings shall be advertised by the <u>Development ServicesPlanning and Neighborhood Development</u> Director's office in accordance with <u>the North Carolina</u> State law.

#### E. Quorum

Four members of the Commission shall constitute a quorum. A member who has withdrawn from a meeting without being excused by the Commission shall be counted as present for the <u>purposespurpose</u> of determining the existence of a quorum.

#### F. Minutes

#### 1. Official Record

The Secretary of the Commission shall keep a record of the proceedings of every meeting as a hardcopy in a well-bound book, as well as a digital copy on a secure server, in a well-bound book, and every resolution, bylaw, or ordinance passed by the Commission, and every motion made at any

meeting, must be recorded in such book. The Chairman must sign the records of the proceedings of each meeting after adoption by the Commission.

## 2. Disposal of Tapes/Videos Electronic Recordings

Summary written minutes are adopted at the following month's meeting. Once adopted, the written minutes become the official minutes and the official public record of said Commission meeting. Audio or video recordings and other mechanical or digital aids used in preparation of the minutes may be destroyed, deleted or over written overwritten.

Any person wishing requesting a verbatim copy of the minutes may provide, at their own expense, a court reporter to which the Development Services Department Planning and Neighborhood Development Department must be notified seven (7) days prior to the scheduled meeting.

#### G. Adoption or Amendment of These Rules

No Commission rule concerning the conduct of meetings may be adopted, amended or repealed upon less than 30 days' notice presented at a regular meeting of the Commission, such notice to be recorded in the minutes of that meeting.

#### II. AGENDA

Only those matters included on the agenda may be considered at any Commission meeting. No matter may be placed on the agenda for a meeting, except by approval of a motion by a majority of the Commission present, unless the matter has been presented to the <a href="Development ServicesPlanning">Development ServicesPlanning and Neighborhood Development</a> Director, or <a href="his/hertheir">his/hertheir</a> designee by 12:00 p.m. no later than the first Wednesday of each month.

#### A. Voting

The Commission makes two kinds of decisions, quasi-judicial and regular, or routine, decisions.

#### 1. Routine Decisions

Approval of actions of a routine nature (including but not limited to adoption of minutes, approval of motions to adjourn, election of officers and others) requires only the concurring vote of a simple majority for approval.

#### 2. Quasi-Judicial Decisions

All matters heard by the Commission sitting in its capacity as a quasijudicial Commission require that the matters be adopted by an affirmative vote of a majority of the members of the Commission. Quasi-judicial decisions are those dealing with certificates of appropriateness and other responsibilities assigned by ordinance.

#### **B.** Quasi-Judicial Hearings

Quasi-judicial decisions regarding certificates of appropriateness have two principal elements: (1) the finding of facts regarding a specific proposal, and —(2) the application of the facts to the specific provisions of the unified development ordinance and/or Secretary of the Interior's guidelines governing the situation. Parties appearing before the Commission are granted certain due process rights, including the right to provide evidence (including sworn testimony), and the right to cross-examine witnesses.

When conducting quasi-judicial hearings, the party asking for the certificate shall present evidence to the Commission. The applicant has the duty of proof.

- All witnesses and presenters shall swear or affirm that they will present truthful evidence.
- All parties may cross-examine witnesses. The Commission may also question witnesses.
- The party opposed to the applicant shall present evidence at the end of the applicant's case.
- The Commission shall permit rebuttal to each side's case. The Commission may permit surrebuttal at its discretion.

On matters in which the person desiring to address the Commission does not have a legal right to speak, the Commission shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Commission or for any other cause deemed sufficient by the Commission. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent or slanderous remarks, or who shall become boisterous while addressing the Commission shall be declared out of order by the Chairman, or by vote of the Commission, and barred from speaking further before the Commission unless permission to continue shall be granted by a majority vote of the Commission, under such restrictions as the Commission may provide.

#### C. Agenda Format

The Historic Preservation Commission agenda shall adhere to the following format:

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES ORDER OF BUSINESS
- III. INTRODUCTIONS
- H.IV. OLD BUSINESS APPROVAL OF MINUTES
- V. <u>NEW BUSINESS SWEARING IN OF WITNESSES</u>
- VI. OLD BUSINESS
- VII. NEW BUSINESS

<del>III.</del>

#### **Quasi-Judicial Hearings**

- A. Introductory Remarks (optional)
- B. All witnesses are sworn (or affirm)
- C. Explanation of Request by Staff
- D. Consideration of Preliminary Matters (including consideration of rehearing matters previously decided OPTIONAL)
- E. Presentation of the Applicant's case
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)
- F. Presentation of the Adverse Party's case
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)
- G. Rebuttal by the Applicant
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)

- H. Rebuttal by the Adverse Party
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)
- I. Surrebuttal by the Applicant (if permitted by the Commission.)
- J. Surrebuttal by the Adverse Party (if Permitted by the Commission.)
- K. Further Remarks / Final Questions by Commission (optional)
- L. Close of Testimony
- M. Finding(s) of Facts by Commission. This step may be postponed to the next regular Commission meeting.
- N. Decision by the Commission. This step may be postponed to the next regular Commission meeting.

VI.VIII. STAFF UPDATES/DISCUSSIONS MATTERS NOT ON THE AGENDA (REQUIRES MAJORITY VOTE OF COMMISSION TO BE CONSIDERED)

**YHIX.** ADJOURNMENT

#### D. Procedural Motions

In addition to substantive proposals, the following procedural motions, and no others, shall be in order. Each motion is debatable, may be the subject of a substitute motion and requires a majority vote for adoption:

- 1. To adjourn. This motion may be made only at the conclusion of action on a pending matter, may not interrupt deliberation of a pending matter nor be in order until completion of items on the agenda.
- 2. To take a recess.
- 3. To divide a complex motion and consider it by paragraph.
- 4. Call of the previous question.
- 5. To postpone to a certain time or date.
- 6. To refer to a committee for a time certain, not exceeding 60 days.
- 7. To substitute another motion for a motion pending, on the same subject matter.
- 8. To reconsider or reopen non-quasi-judicial matters. This motion must be made only at the meeting during which the original vote is taken. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a

- matter without the members of the public present who participated at the time of original consideration.
- 9. To reconsider or reopen quasi-judicial matters. This motion may be made at the meeting during which the original vote is taken or, in the case of submission of new evidence, at a later meeting. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 10. To consider whether an application or topic has previously been decided. (The legal terms are *res judicata* [claim predecision] and *collateral estopped* [issue preclusion]).
- 11. To rescind or repeal.
- 12. To ratify action previously taken.

#### E. Withdrawal of Motions/Amended Motions

The introducer may withdraw a motion any time before a vote provided the second is withdrawn before the vote.

#### F. Duty to Vote

#### 1. Conflict of Interest

A member of the Commission may be <u>recused\_excused\_from</u> voting on a motion if <u>recused\_excused\_from</u> by the other Commission members for conflict of interest.

Any Commission member who has an interest in the action before the Commission must disclose the conflict publicly on the public record and recuse themselves. If the member does not recuse themselves, a A Commission member may be recused excused from voting after a motion is made seconded and approved by a majority of Commission members present. The recused or excused Commission member should leave the Commission chambers during any discussion on the motion and refrain from making any comments on the motion. If a matter involves no discussion, i.e. informational item, or if the matter is considering a Certificate of Appropriateness (COA) where the Commission member is an applicant, it is not necessary for the recused Commission member to leave the Commission chambers.

An "interest" is defined as a direct or indirect pecuniary or material benefit accruing accrued to a city official as a result of a contract or transaction which is or may be the subject of an official act or action by or with the city. A Commission member is deemed to have an interest in the affairs of (1) any person in his immediate household, (2) a business where the Commission member is an officer or director of the Commission, (3) a business where the Commission member owns 5% or more of the legal or beneficial ownership, or (4) any non-profit organization that the Commission member serves as a officer, director or other Commission member.

Commission members are encouraged to consult with the City Attorney for advisory opinions on potential conflicts of interest and Commission members may request written opinions from the City Attorney for their records.

#### 2. Refusals to Vote/Abstentions

A failure to vote by a member who is present or whom, having been present has left the meeting without being excused shall be deemed an affirmative vote and shall be so recorded.

#### III. OFFICES

#### A. Office of the Chairman

The Chairman is elected from the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Chairman presides at all meetings and shall operate the meeting under Robert's Rules of Order. The Chairman has the option of introducing and explaining individual agenda items, or calling on the Development Services Planning and Neighborhood Development Director to explain the items and to select the appropriate staff to provide additional information. In either case, the Chairman shall preside over input from the public, if any, and Commission consideration of the item. The Chairman shall vote on motions as a regular voting member. He exercises They exercise the following powers:

- 1. To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes.
- 2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his remarks and to entertain and rule on objections from other members on this ground.
- 3. To entertain and answer questions of parliamentary law or procedure.
- 4. To call a brief recess at any time.
- 5. To adjourn in an emergency.
- 6. To close the evidence phase of quasi-judicial hearings.

#### B. Office of the Vice-chairman

The Vice-chairman is elected fromby the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Vice-chairman shall have all duties and powers of the Chairman in the Chairman'stheir absence.

#### C. Office of the Recording Secretary

The Administrator shall appoint a recording Secretary who shall record the minutes of the Commission's deliberations, keep a record of attendance of the members and all other duties as may be assigned by the Commission or Development Services Planning and Neighborhood Development Director.

## **D.** Attorney to the Commission

The City Attorney shall provide legal representation to the Commission as needed. The Commission may appoint such special legal <u>counsel,counsel</u> as it deems desirable and necessary.

## **City of Concord Historic Preservation Commission**

## **BY-LAWS AND RULES OF PROCEDURE**

I.	MEETINGS	1
	A. Organizational Meeting	1
	B. Regular Meetings	1
	C. Special Meetings	1
	D. Open Meetings	1
	E. Quorum	1
	F. Minutes	1
	G. Adoption or Amendment of These Rules	2
II.	AGENDA	2
	A Voting	2
	B. Quasi-judicial Hearings	2
	C. Agenda Format	4
	D. Procedural Motions	5
	E. Withdrawal of Motions/Amended Motions	6
	F. Duty to Vote	6
III.	OFFICES	7
	A. Office of Chair	7
	B. Office of Vice-chair	7
	C. Office of the Recording Secretary	7
	D. Attorney to the Commission	

#### I. MEETINGS

## A. Organizational Meeting

On the date and time of the first regular meeting in July following the beginning of a new fiscal year in which the City Council has appointed new Historic Preservation Commission members, the newly appointed members shall take and subscribe to the oath of office as the first order of new business. As a second order of business, the Commission shall elect from its members a Chair and Vice-chair who shall hold their respective offices at the pleasure of the Commission.

## **B.** Regular Meetings

The Commission shall hold regular meetings on the second Wednesday of each month, at 6:00 p.m., in the Council Chambers of City Hall. A copy of the Commission's current meeting schedule shall be filed with the secretary to the Commission and the City Clerk.

### C. Special Meetings

The Commission may hold special meetings as necessary. The Chair, or any two members may call a meeting upon written notice of not less than 48 hours to all members, signed by the members who called the meeting, and issued through the Planning and Neighborhood Director's office. Special meetings will be held at 6:00 p.m. unless an alternate time is established.

#### D. Open Meetings

All meetings are public, and all meetings shall be advertised by the Planning and Neighborhood Development Director's office in accordance with North Carolina State law.

#### E. Quorum

Four members of the Commission shall constitute a quorum. A member who has withdrawn from a meeting without being excused by the Commission shall be counted as present for the purpose of determining the existence of a quorum.

#### F. Minutes

#### 1. Official Record

The Secretary of the Commission shall keep a record of the proceedings of every meeting as a hard copy in a well-bound book, as well as a digital copy on a secure server, , and every resolution, bylaw, or ordinance passed by the Commission, and every motion made at any meeting, must be recorded. The Chair must sign the records of the proceedings of each meeting after adoption by the Commission.

#### 2. Disposal of Electronic Recordings

Summary written minutes are adopted at the following month's meeting. Once adopted, the written minutes become the official minutes and official public record of said Commission meeting. Audio or video recordings used in preparation of the minutes may be destroyed, deleted or overwritten.

Any person requesting a verbatim copy of the minutes may provide, at their own expense, a court reporter to which the Planning and Neighborhood Development Department must be notified seven (7) days prior to the scheduled meeting.

#### G. Adoption or Amendment of These Rules

No Commission rule concerning the conduct of meetings may be adopted, amended or repealed upon less than 30 days' notice presented at a regular meeting of the Commission, such notice to be recorded in the minutes of that meeting.

#### II. AGENDA

Only those matters included on the agenda may be considered at any Commission meeting. No matter may be placed on the agenda for a meeting, except by approval of a motion by a majority of the Commission present, unless the matter has been presented to the Planning and Neighborhood Development Director, or their designee by 12:00 p.m. no later than the first Wednesday of each month.

#### A. Voting

The Commission makes two kinds of decisions, quasi-judicial and regular, or routine, decisions.

#### 1. Routine Decisions

Approval of actions of a routine nature (including but not limited to adoption of minutes, approval of motions to adjourn, election of officers and others) requires only the concurring vote of a simple majority for approval.

#### 2. Quasi-Judicial Decisions

All matters heard by the Commission sitting in its capacity as a quasijudicial Commission require that the matters be adopted by an affirmative vote of a majority of the members of the Commission. Quasi-judicial decisions are those dealing with certificates of appropriateness and other responsibilities assigned by ordinance.

#### **B.** Quasi-Judicial Hearings

Quasi-judicial decisions regarding certificates of appropriateness have two principal elements: (1) the finding of facts regarding a specific proposal, and (2) the application of the facts to the specific provisions of the unified development ordinance and/or Secretary of the Interior's guidelines governing the situation. Parties appearing before the Commission are granted certain due process rights, including the right to provide evidence (including sworn testimony), and the right to cross-examine witnesses.

When conducting quasi-judicial hearings, the party asking for the certificate shall present evidence to the Commission. The applicant has the duty of proof.

- All witnesses and presenters shall swear or affirm that they will present truthful evidence.
- All parties may cross-examine witnesses. The Commission may also question witnesses.
- The party opposed to the applicant shall present evidence at the end of the applicant's case.
- The Commission shall permit rebuttal to each side's case. The Commission may permit surrebuttal at its discretion.

On matters in which the person desiring to address the Commission does not have a legal right to speak, the Commission shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Commission or for any other cause deemed sufficient by the Commission. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent or slanderous remarks, or who shall become boisterous while addressing the Commission shall be declared out of order by the Chair, or by vote of the Commission, and barred from speaking further before the Commission unless permission to continue shall be granted by a majority vote of the Commission, under such restrictions as the Commission may provide.

#### C. Agenda Format

The Historic Preservation Commission agenda shall adhere to the following format:

- I. CALL TO ORDER
- II. ORDER OF BUSINESS
- III. INTRODUCTIONS
- IV. APPROVAL OF MINUTES
- V. SWEARING IN OF WITNESSES
- VI. OLD BUSINESS
- VII. NEW BUSINESS

#### Quasi-Judicial Hearings

- A. Introductory Remarks (optional)
- B. All witnesses are sworn (or affirm)
- C. Explanation of Request by Staff
- D. Consideration of Preliminary Matters (including consideration of rehearing matters previously decided OPTIONAL)
- E. Presentation of the Applicant's case
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Crossexamination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)
- F. Presentation of the Adverse Party's case
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)
- G. Rebuttal by the Applicant
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)

- H. Rebuttal by the Adverse Party
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Commission to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Commission to the witness (optional)
- I. Surrebuttal by the Applicant (if permitted by the Commission.)
- J. Surrebuttal by the Adverse Party (if Permitted by the Commission.)
- K. Further Remarks / Final Questions by Commission (optional)
- L. Close of Testimony
- M. Finding(s) of Facts by Commission. This step may be postponed to the next regular Commission meeting.
- N. Decision by the Commission. This step may be postponed to the next regular Commission meeting.

#### VIII. STAFF UPDATES/DISCUSSIONS

#### VIIII. ADJOURNMENT

#### D. Procedural Motions

In addition to substantive proposals, the following procedural motions, and no others, shall be in order. Each motion is debatable, may be the subject of a substitute motion and requires a majority vote for adoption:

- 1. To adjourn. This motion may be made only at the conclusion of action on a pending matter, may not interrupt deliberation of a pending matter nor be in order until completion of items on the agenda.
- 2. To take a recess.
- 3. To divide a complex motion and consider it by paragraph.
- 4. Call of the previous question.
- 5. To postpone to a certain time or date.
- 6. To refer to a committee for a time certain, not exceeding 60 days.
- 7. To substitute another motion for a motion pending, on the same subject matter.
- 8. To reconsider or reopen non-quasi-judicial matters. This motion must be made only at the meeting during which the original vote is taken. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.

- 9. To reconsider or reopen quasi-judicial matters. This motion may be made at the meeting during which the original vote is taken or, in the case of submission of new evidence, at a later meeting. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 10. To consider whether an application or topic has previously been decided. (The legal terms are *res judicata* [claim predecision] and *collateral estopped* [issue preclusion]).
- 11. To rescind or repeal.
- 12. To ratify action previously taken.

#### E. Withdrawal of Motions/Amended Motions

The introducer may withdraw a motion any time before a vote provided the second is withdrawn before the vote.

#### F. Duty to Vote

## 1. <u>Conflict of Interest</u>

A member of the Commission may be excused from voting on a motion if excused by the other Commission members for conflict of interest.

Any Commission member who has an interest in the action before the Commission must disclose the conflict publicly on the public record and recuse themselves. If the member does not recuse themselves, a Commission member may be excused from voting after a motion is made seconded and approved by a majority of Commission members present. The recused or excused Commission member should leave the Commission chambers during any discussion on the motion and refrain from making any comments on the motion. If a matter involves no discussion, i.e. informational item, or if the matter is considering a Certificate of Appropriateness (COA) where the Commission member is an applicant, it is not necessary for the recused Commission member to leave the Commission chambers.

An "interest" is defined as a direct or indirect pecuniary or material benefit accrued to a city official as a result of a contract or transaction which is or may be the subject of an official act or action by or with the city. A Commission member is deemed to have an interest in the affairs of (1) any person in his immediate household, (2) a business where the Commission member is an officer or director of the Commission, (3) a business where the Commission member owns 5% or more of the legal or beneficial ownership, or (4) any non-profit organization that the Commission member serves as a officer, director or other Commission member.

Commission members are encouraged to consult with the City Attorney for advisory opinions on potential conflicts of interest and Commission members may request written opinions from the City Attorney for their records.

#### 2. Refusals to Vote/Abstentions

A failure to vote by a member who is present or whom, having been present has left the meeting without being excused shall be deemed an affirmative vote and shall be so recorded.

#### III. OFFICES

#### A. Office of the Chair

The Chair is elected from the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Chair presides at all meetings and shall operate the meeting under Robert's Rules of Order. The Chair has the option of introducing and explaining individual agenda items or calling on the Planning and Neighborhood Development Director to explain the items and to select the appropriate staff to provide additional information. In either case, the Chair shall preside over input from the public, if any, and Commission consideration of the item. The Chair shall vote on motions as a regular voting member. They exercise the following powers:

- 1. To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes.
- 2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his remarks and to entertain and rule on objections from other members on this ground.
- 3. To entertain and answer questions of parliamentary law or procedure.
- 4. To call a brief recess at any time.
- 5. To adjourn in an emergency.
- 6. To close the evidence phase of quasi-judicial hearings.

#### B. Office of Vice-chair

The Vice-chair is elected by the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Vice-chair shall have all duties and powers of the Chair in their absence.

#### C. Office of the Recording Secretary

The Administrator shall appoint a recording Secretary who shall record the minutes of the Commission's deliberations, keep a record of attendance of the members and all other duties as may be assigned by the Commission or Planning and Neighborhood Development Director.

#### **D.** Attorney to the Commission

The City Attorney shall provide legal representation to the Commission as needed. The Commission may appoint such special legal counsel as it deems desirable and necessary.

#### **Meeting Date**

October 9, 2025

#### **Staff Report**

This request is for approval of the amended bylaws for the Planning and Zoning Commission. The most recent bylaws were approved in 2006, and updates are needed to clarify language, update information, and format the bylaws to align with those of the Historic Preservation Commission and the Board of Adjustment.

Specific changes to the bylaws include updates to the location of Planning and Zoning Commission meetings, updated department name, the keeping and disposal of records, agenda format, and clarification on language related to public hearings and conflicts of interest.

The Planning and Zoning Commission reviewed and discussed the updated Bylaws and unanimously voted to recommend them to Council for approval at their September 16, 2025, meeting.

## By-Laws & Rules of Procedure Planning & Zoning Commission

I. I	MEETINGS	1
A.	Organizational Meeting	1
B.	Regular Meetings	1
C.	Special Meetings	1
D.	Open Meetings	1
E.	Quorum	2
F.	Minutes	2
G.	Adoption or Amendment of These Rules	2
II.	AGENDA	2
A	Voting	2
В.	Public Hearings	3
C.	Agenda Format	3
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## City of Concord Planning and Zoning Commission

## By-Laws & Rules of Procedure

#### I. MEETINGS

#### A. Organizational Meeting

On the date and time of the first regular meeting in July following the beginning of a new fiscal year in which the City Council has appointed new Commission members, the newly appointed members shall take and subscribe the oath of office as the first order of new business. As a second order of business, the Commission shall elect from its members a Chair and Vice-chair who shall hold their respective offices at the pleasure of the Commission.

#### **B.** Regular Meetings

The Commission shall hold regular meetings on the third Tuesday of each month at 6:00 p.m. in the Council Chambers of City Hall.. A copy of the Commission's current meeting schedule shall be filed with the secretary to the Commission and the City Clerk.

#### C. Special Meetings

The Commission may hold special meetings as necessary. The Chair, or any two members may call a meeting upon written notice of not less than 48 hours to all members, signed by the members who called the meeting, and issued through the Planning and Neighborhood Development Director's office. Special meetings will be held at 6:00 p.m unless an alternate time is established.

#### D. Open Meetings

All meetings are public, and all meetings shall be advertised by the Planning and Neighborhood Development Director's office in accordance with North Carolina State law.

#### E. Quorum

Four members of the Commission shall constitute a quorum. A member who has withdrawn from a meeting without being excused by the Commission shall be counted as present for the purpose of determining the existence of a quorum.

#### F. Minutes

#### 1. Official Record

The Secretary of the Commission shall keep a record of the proceedings of every meeting as a hardcopy in a well-bound book, as well as a digital copy on a secure server, , and every resolution, bylaw, or ordinance passed by the Commission, and every motion made at any meeting, must be recorded. The Chair must sign the records of the proceedings of each meeting after adoption by the Commission.

#### 2. Disposal of Electronic Recordings

Summary written minutes are adopted at the following month's meeting. Once adopted, the written minutes become the official minutes and official public record of said Commission meeting. Audio or video recordings used in preparation of the minutes may be destroyed, deleted or overwritten.

Any person requesting a verbatim copy of the minutes may provide, at their own expense, a court reporter to which the Planning and Neighborhood Development Department must be notified seven (7) days prior to the scheduled meeting.

#### G. Adoption or Amendment of These Rules

No Commission rule concerning the conduct of meetings may be adopted, amended or repealed upon less than 30 days' notice presented at a regular meeting of the Commission, such notice to be recorded in the minutes of that meeting.

#### II. AGENDA

Only those matters included on the agenda may be considered at any Commission meeting. No matter may be placed on the agenda for a meeting, except by approval of a motion by a majority of the Commission present, unless the matter has been presented to the Planning and Neighborhood Development Director, or their designee, by 12:00 p.m. on the Thursday preceding the day of agenda distribution to the Commission, or eight (8) working days prior to the day of the Commission meeting.

#### A Voting

Approval of actions require only the concurring vote of a simple majority for approval, except in matters for which the North Carolina General Statutes provide

otherwise, such as in the case of the submission of a valid protest petition. See E. III below for an explanation of the voting requirements.

## **B.** Public Hearings

When conducting public hearings, considering ordinances and otherwise considering matters wherein the public has a right to be heard, those who want to be heard shall be asked to sign up before the hearing. They will be asked to identify if they favor or oppose the proposed action. When the Commission is ready to address the agenda item, the Chair will present introductory information and begin calling on those who wish to speak. Those who signed up will be provided first priority to speak, and any additional persons to be heard will also have the opportunity. The Chair will explain the applicable hearing limitations. There is no requirement for staff to read the ordinance, or other items under consideration, into the record. Each side of the matter shall be given equal time. Those opposing the proposed action shall be allowed 15 minutes for presentation, followed by 15 minutes for those favoring the action. Opposition will be provided five (5) minutes for rebuttal and the proponents will have five (5) minutes for surrebuttal. Staff will monitor times and make the Chair aware when individual and group time limitations have been reached. Each side shall have the right to divide their allotted time among them as they may choose. If there is no consensus among those signed up to speak on the division of time, individuals will have three (3) minutes. The Commission, by majority vote, may extend the time for each side equally. On matters where the person desiring to address the Commission does not have a legal right to speak, the Commission shall determine whether comments will be heard. The refusal to hear a person desiring to speak may be based upon the following: grounds that the subject matter is confidential; public discussion would be illegal; the matter not being within the jurisdiction of the Commission; or for any other cause deemed sufficient by the Commission. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal. impertinent or slanderous remarks, or who shall become boisterous while addressing the Commission, shall be declared out of order by the Chairman, or by vote of the Commission, and barred from speaking further before the Commission. Permission to continue may be granted by a majority vote of the Commission, under such restrictions as the Commission may provide. Citizens must be present to sign up to speak at the Commission meeting and may yield their time to another citizen who is present and who has signed up to speak at the meeting.

## C. Agenda Format

The Planning & Zoning Commission agenda shall adhere to the following format:

- I. CALL TO ORDER
- II. CHANGES TO THE AGENDA
- III. INTRODUCTIONS
- IV. APPROVAL OF MINUTES

- V. OLD BUSINESS
- VI. NEW BUSINESS
- VII. PETITIONS AND REQUESTS
- VIII. RECOGNITION OF PERSONS REQUESTING TO BE HEARD
- IX. MATTERS NOT ON THE AGENDA (REQUIRES MAJORITY VOTE OF COMMISSION TO BE CONSIDERED)
- X. ADJOURNMENT

#### D. Public Address to Commission

Anyone may request to be placed on the agenda to address the Planning and Zoning Commission by calling the office of the Planning and Neighborhood Development Director and stating the topic and general content of their remarks. The item will be placed on the agenda under the section "Recognition of persons requesting to be heard". Speakers will be limited to three minutes and may not yield time to other people.

#### III. ACTIONS BY THE COMMISSION

#### A. Recommendation for Adoption of Ordinances

- 1. Text Amendments An affirmative vote equal to a majority of all members of the Commission present and not excused from voting is required to recommend adoption of an ordinance to City Council. The Commission must hold a public hearing before recommending that the City Council adopt amendments to the zoning ordinance
- 2. Zoning Map Amendments (Rezoning Applications) The Planning & Zoning Commission may render a final decision regarding a zoning map amendment by an super-majority vote equal to at least 3/4 (typically 5, if all members attend) of all members of the Commission present and not excused from voting, and if there is no appeal of this decision. If approval is by a vote of less than 3/4 of all members of the Commission present, if an appeal is taken or if the request is denied, then only the City Council shall have the authority to make a final decision on a zoning map amendment. Conditions may be imposed to an approved rezoning only if a conditional use permit district is requested pursuant to § 3.2 of the Concord Development Ordinance.

#### B. Debate/Discussion by the Commission

After a motion and second are made, the Chair opens the floor for debate. Members of Commission are recognized to speak by the Chair. A member who has not spoken is recognized before someone who has previously spoken.

#### C. Procedural Motions

In addition to substantive proposals, the following procedural motions, and no others, shall be in order. Each motion is debatable, may be the subject of a substitute motion and requires a majority vote for adoption:

- 1. To adjourn. This motion may be made only at the conclusion of action on a pending matter, may not interrupt deliberation of a pending matter nor be in order until completion of items on the agenda.
- 2. To take a recess.
- 3. To divide a complex motion and consider it by paragraph.
- 4. Call of the previous question.
- 5. To postpone to a certain time or date.
- 6. To refer to a committee for a time certain, not exceeding 60 days.
- 7. To substitute another motion for a motion pending, on the same subject matter.
- 8. To reconsider or reopen non-quasi-judicial matters. This motion must be made only at the meeting during which the original vote is taken. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 9. To reconsider or reopen quasi-judicial matters. This motion may be made at the meeting during which the original vote is taken or, in the case of submission of new evidence, at a later meeting. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 10. To rescind or repeal.
- 11. To ratify action previously taken.

#### D. Withdrawal of motions/amended motions

The introducer may withdraw a motion any time before a vote provided the second is withdrawn before the vote.

#### E. Duty to Vote

#### 1. Conflict of Interest

A member of the Commission may be excused from voting on a motion if excused by the other Commission members for conflict of interest.

Any Commission member who has an interest in the action before the Commission must disclose the conflict publicly on public record and recuse themselves. If a member does not recuse themselves, a Commission member may be excused from voting after a motion is made seconded and

approved by a majority of Commission members present. The recused or excused Commission member should leave the Commission chambers during any discussion on the motion and refrain from making any comments on the motion. If a matter involves no discussion, i.e. informational item, it is not necessary for the recused Commission member to leave the Commission chambers.

An "interest" is defined as a direct or indirect pecuniary or material benefit accrued to a city official as a result of a contract or transaction which is or may be the subject of an official act or action by or with the city. A Commission member is deemed to have an interest in the affairs of (1) any person in his immediate household, (2) a business where the Commission member is an officer or director of the board, (3) a business where the Commission member owns 5% or more of the legal or beneficial ownership, or (4) any non-profit organization that the Commission member serves as a officer, director or other board member.

Commission members are encouraged to consult with the City Attorney for advisory opinions on potential conflicts of interest and Commission members may request written opinions from the City Attorney for their records.

#### 2. Refusals to vote/abstentions

A failure to vote by a member who is present or whom, having been present has left the meeting without being excused shall be deemed an affirmative vote and shall be so recorded.

#### IV OFFICES

#### A. Office of the Chair

The Chair is elected from the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Chair presides at all meetings and shall operate the meeting under Robert's Rules of Order. The Chair has the option of introducing and explaining individual agenda items, or calling on the Planning and Neighborhood Development Director to explain the items and to select the appropriate staff to provide additional information. In either case, the Chair shall preside over input from the public, if any, and Commission consideration of the item. The Chair votes on motions as a regular voting member. They exercise the following powers:

1. To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes.

- 2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his remarks and to entertain and rule on objections from other members on this ground.
- 3. To entertain and answer questions of parliamentary law or procedure.
- 4. To call a brief recess at any time.
- 5. To adjourn in an emergency.

#### B. Office of the Vice-chair

The Vice-chair is elected by the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Vice-chair shall have all duties and powers of the Chair in the Chair's absence.

## C. Office of the Secretary

The Administrator shall appoint a recording Secretary who shall record the minutes of the Commission's deliberations, keep a record of attendance of the members and all other duties as may be assigned by the Commission or Planning and Neighborhood Development Director.

# By-Laws & Rules of Procedure Planning & Zoning Commission

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## City of Concord Planning and Zoning Commission

## By-Laws & Rules of Procedure Planning & Zoning Commission

#### I. MEETINGS

#### A. Organizational Meeting

On the date and at the time of the first regular meeting in July following the beginning of a new fiscal year in which the City Council has appointed new Commission members, the newly appointed members shall take and subscribe the oath of office as the first order of new business. As a second order of business, the Commission shall elect from its members a Chairman and Vice-chairman who shall hold their respective offices at the pleasure of the Commission.

## **B.** Regular Meetings

The Commission shall hold regular meetings on the third Tuesday of each month at 6:00 p.m. in the Council Chambers of City Hall. at the Municipal Building. A copy of the Commission's current meeting schedule shall be filed with the secretary to the Commission and the City Clerk.

#### C. Called Special Meetings

The Commission may hold <u>ealled special</u> meetings as <u>may be</u> necessary. The Chairman, or any two members may call a meeting upon written notice of not less than 48 hours to all members, signed by the members who called the meeting, and issued through the <u>Development ServicesPlanning and Neighborhood Development</u> Director's office. <u>Called Special meetings</u> will be held at 6:00 p.m <u>unless an alternate</u> time is established.

#### D. **Open Meetings**

All meetings are public, and all meetings shall be advertised by the Planning and Neighborhood Development Director's office in accordance with North Carolina State law.

\*NOTE: All meetings are public and the meeting shall be advertised by the Development Services Director's office in accordance with the State law.

#### ED. Quorum

Four members of the Commission shall constitute a quorum. A member who has withdrawn from a meeting without being excused by the Commission shall be counted as present for the <u>purposespurpose</u> of determining the existence of a quorum.

#### **FE.** Minutes

#### 1. Official Record

The Secretary of the Commission shall keep a record of the proceedings of every meeting as a hardcopy in a well-bound book, as well as a digital copy on a secure server, , and every resolution, bylaw, or ordinance passed by the Commission, and every motion made at any meeting, must be recorded. The Chair must sign the records of the proceedings of each meeting after adoption by the Commission. A record of the proceedings of every meeting shall be kept by the executive assistant to the Development Services Director in a well bound book, and every resolution, bylaw, or ordinance passed by the Commission, and every motion made at any meeting, must be recorded in such book. The Chairman must sign the records of the proceedings of each meeting.

## 2. Disposal of tapes/videos Electronic Recordings

Summary written minutes are adopted at the following month's meeting. Once adopted, the written minutes become the official minutes and official public record of said Commission meeting. Audio or video recordings used in preparation of the minutes may be destroyed, deleted or overwritten.

Any person requesting a verbatim copy of the minutes may provide, at their own expense, a court reporter to which the Planning and Neighborhood Development Department must be notified seven (7) days prior to the scheduled meeting.

Summary written minutes are adopted at the following month's meeting. Once adopted, the written minutes become the official minutes and the official public record of said Commission meeting, and other mechanical or digital aids used in preparation of the minutes may be destroyed.

Any person wishing a verbatim copy of the minutes may provide, at their own expense, a court reporter to which the Development Services Department must be notified seven (7) days prior to the scheduled meeting.

#### **GF.** Adoption or Amendment of These Rules

No Commission rule concerning the conduct of meetings may be adopted, amended or repealed upon less than 30 days' notice presented at a regular meeting of the Commission, such notice to be recorded in the minutes of that meeting.

#### II. AGENDA

Only those matters included on the agenda may be considered at any Commission meeting. No matter may be placed on the agenda for a meeting, except by approval of a motion by a majority of the Commission present, unless the matter has been presented to the <u>Development ServicesPlanning and Neighborhood Development</u> Director, or <u>his/hertheir</u> designee, by 12:00 p.m. on the Thursday preceding the day of agenda distribution to the Commission, or eight (8) working days prior to the day of the Commission meeting.

#### A Voting

Approval of actions require only the concurring vote of a simple majority for approval, except in matters for which the North Carolina General Statutes provide otherwise, such as in the case of the submission of a valid protest petition. See E. III below for an explanation of the voting requirements.

## B. **Public Hearings**

When conducting public hearings, considering ordinances and otherwise considering matters wherein the public has a right to be heard, those who want to be heard when it appears that there are persons present desiring to be heard, those persons shall be asked to sign up before the hearing. They will be asked to identify if they favor or oppose those opposing and favoring the proposed action. When the Commission is ready to address the agenda item, the Chairman will present introductory information and begin calling on those who wish to speak. Those who signed up will be provided first priority to speak, and any additional persons to be heard will also have the opportunity. announce, "This is a public hearing on (title of ordinance, resolution, etc.) and persons wishing to speak for or against should come forward at this time." The Chairman will also explain the applicable hearing limitations. at this point and explain that those who signed up in advance will be provided first priority to speak. There is no requirement for the staff to read the ordinance, or other items under consideration, into the record. Each side of the matter shall be given equal time. Those opposing the proposed action shall be allowed 15 minutes for presentation, followed by 15 minutes for those favoring the action. Opposition will be provided five (5) with the opponents then to have five minutes for rebuttal and the proponents to then will have five (5) minutes for surrebuttal. The staffStaff will monitor these times and make the Chairman aware when individual and group time limitations have been reached. Those persons on either Each side shall have the right to divide their allotted time among them as they may choose. If there is no consensus among those signed up to speak on the division of time, each individuals will have three (3) minutes. The Commission, by majority vote, may extend the time for each side equally. On matters in which where the person desiring to address the Commission does not have a legal right to speak, the Commission shall determine whether it will hear the person comments will be heard. The refusal to hear a person desiring to speak may be based upon the following: grounds that the subject matter is confidential; that its public discussion would be illegal; that it is athe matter not being within the jurisdiction of the Commission; or for any other cause deemed sufficient by the Commission. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent or slanderous remarks, or who shall become boisterous while addressing the Commission, shall be declared out of order by the Chairman, or by vote of the Commission, and barred from speaking further before the Commission. unless permission to continue shall-may be granted by a majority vote of the Commission, under such restrictions as the Commission may provide. Citizens must be present to sign up to speak at the Commission meeting and may yield their time to another citizen who is present and who has signed up to speak at the meeting.

#### C. Agenda Format

The Planning & Zoning Commission agenda shall adhere to the following format:

- I. E.—CALL TO ORDER
- II. CHANGES TO THE AGENDA
- III. INTRODUCTIONS
- IVI. APPROVAL OF MINUTES
- V. OLD BUSINESS
- **HIVI.** NEW BUSINESS
  - A. BOARD OF ADJUSTMENT
  - **B. PLANNING & ZONING**
- **IVVII. PRESENTATION OF PETITIONS AND REQUESTS**
- VIII. RECOGNITION OF PERSONS REQUESTING TO BE HEARD
- ✓IX. MATTERS NOT ON THE AGENDA (REQUIRES MAJORITY VOTE OF COMMISSION TO BE CONSIDERED)
- VII. GENERAL COMMENTS BY THE COMMISSION OF A NON-BUSINESS NATURE
- **VIIIX**. ADJOURNMENT

#### D. Public Address to Commission

Anyone may request to be placed on a Commission's the —agenda to address the Planning and Zoning Commission by calling the office of the Development Services Planning and Neighborhood Development Director and stating the topic and general content of their remarks. The item will be placed on the agenda under the section "Recognition of persons requesting to be heard". Speakers will be limited to three minutes and may not yield time to other people.

### III. ACTIONS BY THE COMMISSION

# A. Recommendation for Adoption of Ordinances

- 1. Text Amendments An affirmative vote equal to a majority of all members of the Commission present and not excused from voting is required to recommend adoption of an ordinance to the City Council to adopt an ordinance. The Commission must hold a public hearing before recommending that the City Council adopt amendments to the zoning ordinance
- 2. Zoning Map Amendments (Rezoning Applications) The Planning & Zoning Commission may render a final decision regarding a zoning map amendment by an affirmative super-majority vote equal to at least 3/4 's (typically 5, if all members attend) of all members of the Commission present and not excused from voting, and if there is no appeal of this decision. If an approvalapproval is by a vote of less than 3/4's4 of all members of the Commission present, if an appeal is taken or if the request is denied, then only the City Council shall have the authority to make a final decision on a zoning map amendment. Conditions may be imposed to an approved rezoning only if a conditional use permit district is requested pursuant to § 3.25 of the Unified Concord Development Ordinance.

# B. Debate/Discussion by the Commission

After a motion and second are made, the Chairman opens the floor for debate. Members of Commission are recognized to speak by the Chairman. A member who has not spoken is recognized before someone who has already previously spoken.

### C. Procedural Motions

In addition to substantive proposals, the following procedural motions, and no others, shall be in order. Each motion is debatable, may be the subject of a substitute motion and requires a majority vote for adoption:

- 1. To adjourn. This motion may be made only at the conclusion of action on a pending matter, may not interrupt deliberation of a pending matter nor be in order until completion of items on the agenda.
- 2. To take a recess.
- 3. To divide a complex motion and consider it by paragraph.
- 4. Call of the previous question.
- 5. To postpone to a certain time or date.
- 6. To refer to a committee for a time certain, not exceeding 60 days.
- 7. To substitute another motion for a motion pending, on the same subject matter.
- 8. To reconsider or reopen non-quasi-judicial matters. This motion must be made only at the meeting during which the original vote is taken. It cannot

- interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 9. To reconsider or reopen quasi-judicial matters. This motion may be made at the meeting during which the original vote is taken or, in the case of submission of new evidence, at a later meeting. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 10. To rescind or repeal.
- 11. To ratify action previously taken.

### D. Withdrawal of motions/amended motions

The introducer may withdraw a motion any time before a vote provided the second is withdrawn before the vote.

# E. Duty to Vote

### 1. Conflict of Interest

A member of the Commission may be <u>recused excused</u> from voting on a motion if <u>recused excused</u> by the other Commission members for conflict of interest.

Any Commission member who has an interest in the action before the Commission must disclose the conflict publicly on the public record and recuse themselves. If a member does not recuse themselves, a —A Commission member may be recused excused from voting after a motion is made seconded and approved by a majority of Commission members present. The recused or excused Commission member should leave the Commission chambers during any discussion on the motion and refrain from making any comments on the motion. If a matter involves no discussion, i.e. informational item, it is not necessary for the recused Commission member to leave the Commission chambers.

An "interest" is defined as a direct or indirect pecuniary or material benefit accruing accrued to a city official as a result of a contract or transaction which is or may be the subject of an official act or action by or with the city. A Commission member is deemed to have an interest in the affairs of (1) any person in his immediate household, (2) a business where the Commission member is an officer or director of the board, (3) a business where the Commission member owns 5% or more of the legal or beneficial ownership, or (4) any non-profit organization that the Commission member serves as a officer, director or other board member.

Commission members are encouraged to consult with the City Attorney for advisory opinions on potential conflicts of interest and Commission members may request written opinions from the City Attorney for their records.

### 2. Refusals to vote/abstentions

A failure to vote by a member who is present or whom, having been present has left the meeting without being excused shall be deemed an affirmative vote and shall be so recorded.

#### IV OFFICES

# A. Office of the Chairman

The Chairman is elected from the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Chairman presides at all meetings and shall operate the meeting under Robert's Rules of Order. The Chairman has the option of introducing and explaining individual agenda items, or calling on the <a href="Development ServicesPlanning">Development ServicesPlanning</a> and Neighborhood Development Director to explain the items and to select the appropriate staff to provide additional information. In either case, the Chairman shall preside over input from the public, if any, and Commission consideration of the item. The Chairman votes on motions as a regular voting member. <a href="He exercisesThey exercise">He exercisesThey exercise</a> the following powers:

- 1. To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes.
- 2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his remarks and to entertain and rule on objections from other members on this ground.
- 3. To entertain and answer questions of parliamentary law or procedure.
- 4. To call a brief recess at any time.
- 5. To adjourn in an emergency.

### B. Office of the Vice-chairman

The Vice-chairman is elected from the Commission by a vote of the Commission members and serves at the pleasure of that Commission. The Vice-chairman shall have all duties and powers of the Chairman in the Chairman's absence.

# C. Office of the Secretary

The Administrator shall appoint a recording Secretary who shall record the minutes of the Commission's deliberations, keep a record of attendance of the members and

all other duties as may be assigned by the Commission or <del>Development</del> <del>Services</del> <u>Planning and Neighborhood Development</u> Director.

September 1, 2004

# **Meeting Date**

October 9, 2025

# **Staff Report**

This request is for approval of the amended bylaws for the Board of Adjustment. The most recent bylaws were approved in 2005, and updates are needed to clarify language, update information, and format the bylaws to align with those of the Historic Preservation Commission and the Planning and Zoning Commission.

Specific changes to the bylaws include updates to the location of Board of Adjustment meetings, updated department name, the keeping and disposal of records, agenda format, and clarification on language related to quorum and conflicts of interest.

The Board of Adjustment reviewed and discussed the updated Bylaws and unanimously voted to recommend them to Council for approval at their September 23, 2025, meeting.

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### I. MEETINGS

# A. Organizational Meeting

On the date and at the time of the first regular meeting in July following the beginning of a new fiscal year in which the City Council has appointed new Board of Adjustment members, the newly appointed members shall take and subscribe the oath of office as the first order of new business. As a second order of business, the Board shall elect from its members a Chairman and Vice-chairman who shall hold their respective offices at the pleasure of the Board.

# B. Regular Meetings

The Board shall hold regular meetings on the fourth Tuesday of each month at 6:00 p.m. in the Council Chambers of City Hall. at the Municipal Building. A copy of the Board's current meeting schedule shall be filed with the secretary to the Board and the City Clerk.

# C. Special Meetings

The Board may hold special meetings as may be necessary. The Chairman, or any two members may call a meeting upon written notice of not less than 48 hours to all members, signed by the members who called the meeting, and issued through the Development Services Planning and Neighborhood Development Director's office. Special meetings will be held at 6:00 p.m. in Council Chambers of City Hall unless an alternate time and place are is established.

### D. Open Meetings

All meetings are <u>public</u>, and the meeting shall be advertised by the <u>Development ServicesPlanning and Neighborhood Development</u> Director's office in accordance with <u>the North Carolina</u> State law.

### E. Ouorum

Six Four (4) members of the Board shall constitute a quorum. A member who has withdrawn from a meeting without being excused by the Board shall be counted as present for the purposespurpose of determining the existence of a quorum.

# F. Minutes

### 1. Official Record

The Secretary of the Commission shall keep a record of the proceedings of every meeting as a hard copy in a well-bound book, as well as a digital copy on a secure server, and every resolution, bylaw, or ordinance passed by the Commission, and every motion made at any meeting, must be recorded. The

Chair must sign the records of the proceedings of each meeting after adoption by the Commission. The Secretary of the Board shall keep a record of the proceedings of every meeting in a well-bound book, and every resolution, bylaw, or ordinance passed by the Board, and every motion made at any meeting, must be recorded in such book. The Chairman must sign the records of the proceedings of each meeting after adoption by the Board.

# 2. Disposal of tapes/videos Electronic Recordings

Summary written minutes are adopted at the following month's meeting. Once adopted, the written minutes become the official minutes and the official public record of said Board meeting. Audio or video recordings used in preparation of the minutes may be destroyed, deleted or overwritten and other mechanical or digital aids used in preparation of the minutes may be destroyed, deleted or over written.

Any person requesting a verbatim copy of the minutes may provide, at their own expense, a court reporter to which the Planning and Neighborhood Development Department must be notified seven (7) days prior to the scheduled meeting.

Any person wishing a verbatim copy of the minutes may provide, at their own expense, a court reporter to which the Development Services Department must be notified seven (7) days prior to the scheduled meeting.

# G. Adoption or Amendment of These Rules

No Board rule concerning the conduct of meetings may be adopted, amended or repealed upon less than 30 days' notice presented at a regular meeting of the Board, such notice to be recorded in the minutes of that meeting.

### II. AGENDA

Only those matters included on the agenda may be considered at any Board meeting. No matter may be placed on the agenda for a meeting, except by approval of a motion by a majority of the Board present, unless the matter has been presented to the Development Services Planning and Neighborhood Development Director, or his/her designee, by 12:00 p.m. no later than the second Wednesday of each month, or eight (8) working days prior to the day of the Board meeting.

### A. Voting

The Board makes two kinds of decisions, quasi-judicial and regular, or routine, decisions.

# 1. Routine Decisions

Approval of actions of a routine nature (including but not limited to adoption of minutes, approval of motions to adjourn, election of officers and others) requires only the concurring vote of a simple majority for approval.

# 2. Quasi-judicial Decisions

All matters heard by the Board sitting in its capacity as a quasi-judicial board require that the matters be adopted by an affirmative vote of four-fifths of the members of the Board. (Four-fifths of the seven-member Board is six members.) Quasi-judicial decisions are variances, appeals of staff decisions, special exceptions, interpretations of the CUDO and zoning map and other responsibilities assigned by ordinance.

# B. Quasi-judicial Hearings

Quasi-judicial decisions regarding planning and land use have two principal elements: (1) the finding of facts regarding a specific proposal, and (2) the application of the facts to the specific provisions of the unified development ordinance governing the situation. Parties appearing before the Board are granted certain due process rights, including the right to provide evidence (including sworn testimony), and the right to cross-examine witnesses.

When conducting quasi-judicial hearings, the party asking for the variance, interpretation or appeal of a staff decision, shall present evidence to the Board. The applicant has the duty of proof.

- \_\_\_All witnesses and presenters shall swear or affirm that they will present truthful evidence.
- All parties may cross-examine witnesses. The Board may also question witnesses.
- The party opposed to the applicant shall present evidence at the end of the applicant's case.
- The Board shall permit rebuttal to each side's case. The Board may permit surrebuttal at its discretion.

On matters in which the person desiring to address the Board does not have a legal right to speak, the Board shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Board or for any other cause deemed sufficient by the Board. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent or

slanderous remarks, or who shall become boisterous while addressing the Board shall be declared out of order by the Chairman, or by vote of the Board, and barred from speaking further before the Board unless permission to continue shall be granted by a majority vote of the Board, under such restrictions as the Board may provide.

The Board member representing the extra-territorial jurisdiction must be present and participate in cases involving property located in the ETJ, barring a conflict of interest and/or recusal of the member by the Board for good cause shown.

# C. Agenda Format

The Board of Adjustment agenda shall adhere to the following format:

- I. CALL TO ORDER
- II. ORDER OF BUSINESS
- III. INTRODUCTIONS
- IVI. APPROVAL OF MINUTES
- V. SWEARING IN OF WITNESSES
- VI. OLD BUSINESS
- VII. NEW BUSINESS

# Quasi-Judicial Hearing

- A. Introductory Remarks (optional)
- B. A. All witnesses are sworn (or affirm)
- C. Explanation of Request by Staff
- D. Consideration of Preliminary Matters (including

consideration of rehearing matters previously decided - OPTIONAL)

- BE. Presentation of the Applicant's case
  - 1. Witness testimony
  - 2. Cross-examination of witness by adverse party (optional)
  - 3. Questions of the Board to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Board to the witness (optional)

# CF. Presentation of the Adverse Party's case

- 1. Witness testimony
- 2. Cross-examination of witness by adverse party (optional)
- 3. Questions of the Board to the witness (optional)
- 4. Additional Witnesses (if necessary)
- 5. Cross-examination of witness by adverse party (optional)
- 6. Questions of the Board to the witness (optional)

# DG. Rebuttal by the Applicant

- 1. Witness testimony
- 2. Cross-examination of witness by adverse party (optional)
- 3. Questions of the Board to the witness (optional)

# CITY of CONCORD ZONING BOARD of ADJUSTMENT

# By-laws and Rules of Procedure

- 4. Additional Witnesses (if necessary)
- 5. Cross-examination of witness by adverse party (optional)
- 6. Questions of the Board to the witness (optional)
- **EH**.. Rebuttal by the Adverse Party
  - 1. Witness testimony
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  - 3. Questions of the Board to the witness (optional)
  - 4. Additional Witnesses (if necessary)
  - 5. Cross-examination of witness by adverse party (optional)
  - 6. Questions of the Board to the witness (optional)
- FI. Surrebuttal by the Applicant (if permitted by the Board.)
- GJ. Surrebuttal by the Adverse Party (if Permitted by the Board.)
- K. Further Remarks / Final Questions by Commission (optional)
- **HL**. Close of Testimony
- IM. Finding(s) of Facts by Board. (Facts must be found by a <u>four-fifths</u> 4/5-majority of the Board. This step may be postponed to the next regular Board meeting.)
- NJ. Decision by the Board (Facts must be found by a <u>four-fifths</u> 4/5-majority of the Board. This step may be postponed to the next regular Board meeting.)
- VI<u>II</u>. MATTERS NOT ON THE AGENDA (REQUIRES MAJORITY VOTE OF BOARD TO BE CONSIDERED)
- IX. GENERAL COMMENTS BY THE COMMISSION OF A NON-BUSINESS NATURE

**VIIIX.** ADJOURNMENT

### D. Procedural Motions

In addition to substantive proposals, the following procedural motions, and no others, shall be in order. Each motion is debatable, may be the subject of a substitute motion and requires a majority vote for adoption:

- 1. To adjourn. This motion may be made only at the conclusion of action on a pending matter, may not interrupt deliberation of a pending matter nor be in order until completion of items on the agenda.
- 2. To take a recess.
- 3. To divide a complex motion and consider it by paragraph.
- 4. Call of the previous question.
- 5. To postpone to a certain time or date.
- 6. To refer to a committee for a time certain, not exceeding 60 days.
- 7. To substitute another motion for a motion pending, on the same subject matter.
- 8. To reconsider or reopen non-quasi-judicial matters. This motion must be made only at the meeting during which the original vote is taken. It cannot interrupt deliberation on a pending matter. It is not in order to

reconsider a matter without the members of the public present who participated at the time of original consideration.

- 9. To reconsider or reopen quasi-judicial matters. This motion may be made at the meeting during which the original vote is taken or, in the case of submission of new evidence, at a later meeting. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 10. To rescind or repeal.
- 11. To ratify action previously taken.

### E. Withdrawal of motions/amended motions

The introducer may withdraw a motion any time before a vote provided the second is withdrawn before the vote.

# F. Duty to Vote

# 1. Conflict of Interest

A member of the Board may be <u>recused excused</u> from voting on a motion if <u>recused excused</u> by the other Board members for conflict of interest.

Any Board member who has an interest in the action before the Board must disclose the conflict publicly on the public record and recuse themselves. If the member does not recuse —themselves, aA Board member may be recused excused from voting after a motion is made, seconded, and approved by a majority of Board members present. The recused or excused Board member should leave the Board chambers during any discussion on the motion and refrain from making any comments on the motion. If a matter involves no discussion, i.e. informational item, it is not necessary for the recused Board member to leave the Board chambers.

An "interest" is defined as a direct or indirect pecuniary or material benefit accruingaccrued to a city official as a result of a contract or transaction which is or may be the subject of an official act or action by or with the city. A Board member is deemed to have an interest in the affairs of (1) any person in his immediate household, (2) a business where the Board member is an officer or director of the board, (3) a business where the Board member owns 5% or more of the legal or beneficial ownership, or (4) any non-profit organization that the Board member serves as a officer, director or other board member.

Board members are encouraged to consult with the City Attorney for advisory opinions on potential conflicts of interest and Board members may request written opinions from the City Attorney for their records.

# 2. Refusals to V+ote/Aabstentions

A failure to vote by a member who is present or whom, having been present has left the meeting without being excused shall be deemed an affirmative vote and shall be so recorded.

### III. OFFICES

# A. Office of the Chairman

The Chairman is elected from the Board by a vote of the Board members and serves at the pleasure of that Board. The Chairman presides at all meetings and shall operate the meeting under Robert's Rules of Order. The Chairman has the option of introducing and explaining individual agenda items, or calling on the Development Services Planning and Neighborhood Development Director to explain the items and to select the appropriate staff to provide additional information. In either case, the Chairman shall preside over input from the public, if any, and Board consideration of the item. The Chairman shall vote on motions as a regular voting member. He exercises They exercise the following powers:

- 1. To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes.
- 2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his remarks and to entertain and rule on objections from other members on this ground.
- 3. To entertain and answer questions of parliamentary law or procedure.
- 4. To call a brief recess at any time.
- 5. To adjourn in an emergency.
- 6. To close the evidence phase of quasi-judicial hearings.

# B. Office of the Vice-chairman

The Vice-chairman is elected from the Board by a vote of the Board members and serves at the pleasure of that Board. The Vice-chairman shall have all duties and powers of the Chairman in the Chairman absence.

# C. Office of the Recording Secretary

The Administrator shall appoint a recording Secretary who shall record the minutes of the Board's deliberations, keep a record of attendance of the members and all other duties as may be assigned by the Board or Development Services Planning and Neighborhood Development Director.

# D. Attorney to the Board

The City Attorney shall provide legal representation to the Board as needed. The Board may appoint such special legal counsel, as it deems desirable and necessary.

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### I. MEETINGS

# A. Organizational Meeting

On the date and time of the first regular meeting in July following the beginning of a new fiscal year in which the City Council has appointed new Board of Adjustment members, the newly appointed members shall take and subscribe the oath of office as the first order of new business. As a second order of business, the Board shall elect from its members a Chair and Vice-chair who shall hold their respective offices at the pleasure of the Board.

### B. Regular Meetings

The Board shall hold regular meetings on the fourth Tuesday of each month at 6:00 p.m. in the Council Chambers of City Hall. A copy of the Board's current meeting schedule shall be filed with the secretary to the Board and the City Clerk.

# C. Special Meetings

The Board may hold special meetings as necessary. The Chair, or any two members may call a meeting upon written notice of not less than 48 hours to all members, signed by the members who called the meeting, and issued through the Planning and Neighborhood Development Director's office. Special meetings will be held at 6:00 p.m. in Council Chambers of City Hall unless an alternate time and place are established.

# D. Open Meetings

All meetings are public, and the meeting shall be advertised by the Planning and Neighborhood Development Director's office in accordance with North Carolina State law.

### E. Quorum

Four (4) members of the Board shall constitute a quorum. A member who has withdrawn from a meeting without being excused by the Board shall be counted as present for the purpose of determining the existence of a quorum.

### F. Minutes

# 1. Official Record

The Secretary of the Commission shall keep a record of the proceedings of every meeting as a hard copy in a well-bound book, as well as a digital copy on a secure server, and every resolution, bylaw, or ordinance passed by the Commission, and every motion made at any meeting, must be recorded. The

Chair must sign the records of the proceedings of each meeting after adoption by the Commission.

# 2. Disposal of Electronic Recordings

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# CITY of CONCORD ZONING BOARD of ADJUSTMENT

# **By-laws and Rules of Procedure**

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- I. Surrebuttal by the Applicant (if permitted by the Board.)
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- K. Further Remarks / Final Questions by Commission (optional)
- L. Close of Testimony
- M. Finding(s) of Facts by Board. (Facts must be found by a four-fifths majority of the Board. This step may be postponed to the next regular Board meeting.)

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- 8. To reconsider or reopen non-quasi-judicial matters. This motion must be made only at the meeting during which the original vote is taken. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 9. To reconsider or reopen quasi-judicial matters. This motion may be made at the meeting during which the original vote is taken or, in the case of submission of new evidence, at a later meeting. It cannot interrupt deliberation on a pending matter. It is not in order to reconsider a matter without the members of the public present who participated at the time of original consideration.
- 10. To rescind or repeal.
- 11. To ratify action previously taken.

### E. Withdrawal of motions/amended motions

The introducer may withdraw a motion any time before a vote provided the second is withdrawn before the vote.

# F. Duty to Vote

# 1. <u>Conflict of Interest</u>

A member of the Board may be excused from voting on a motion if excused by the other Board members for conflict of interest.

Any Board member who has an interest in the action before the Board must disclose the conflict publicly on public record and recuse themselves. If the member does not recuse themselves, a Board member may be excused from voting after a motion is made, seconded, and approved by a majority of Board members present. The recused or excused Board member should leave the Board chambers during any discussion on the motion and refrain from making any comments on the motion. If a matter involves no discussion, i.e. informational item, it is not necessary for the recused Board member to leave the Board chambers.

An "interest" is defined as a direct or indirect pecuniary or material benefit accrued to a city official as a result of a contract or transaction which is or may be the subject of an official act or action by or with the city. A Board member is deemed to have an interest in the affairs of (1) any person in his immediate household, (2) a business where the Board member is an officer or director of the board, (3) a business where the Board member owns 5% or more of the legal or beneficial ownership, or (4) any non-profit organization that the Board member serves as a officer, director or other board member.

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### III. OFFICES

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The Chair is elected from the Board by a vote of the Board members and serves at the pleasure of that Board. The Chair presides at all meetings and shall operate the meeting under Robert's Rules of Order. The Chair has the option of introducing and explaining individual agenda items, or calling on the Planning and Neighborhood Development Director to explain the items and to select the appropriate staff to provide additional information. In either case, the Chair shall preside over input from the public, if any, and Board consideration of the item. The Chair shall vote on motions as a regular voting member. They exercise the following powers:

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- 2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his remarks and to entertain and rule on objections from other members on this ground.
- 3. To entertain and answer questions of parliamentary law or procedure.
- 4. To call a brief recess at any time.
- 5. To adjourn in an emergency.
- 6. To close the evidence phase of quasi-judicial hearings.

### B. Office of the Vice-chair

The Vice-chair is elected from the Board by a vote of the Board members and serves at the pleasure of that Board. The Vice-chair shall have all duties and powers of the Chair in their absence.

# C. Office of the Recording Secretary

The Administrator shall appoint a recording Secretary who shall record the minutes of the Board's deliberations, keep a record of attendance of the members and all other duties as may be assigned by the Board or Planning and Neighborhood Development Director.

# D. Attorney to the Board

The City Attorney shall provide legal representation to the Board as needed. The Board may appoint such special legal counsel, as it deems desirable and necessary.



# HOME Investment Partnerships Program Policies and Procedures Manual

# **City of Concord**

**Planning & Neighborhood Development Department** 

35 Cabarrus Avenue West Concord, NC 28025

Updated: 12/14/2023 Updated: 08/10/2023 Updated: 03/09/2023 Adopted: 09/10/2020

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#### I. INTRODUCTION

### The HOME Investment Partnerships Program

The HOME Investment Partnerships Program (HOME) (24 CFR Parts 91 and 92) provides formula grants to states and localities that communities use – often in partnership with local nonprofit groups – to fund a wide range of activities, which includes building, buying, and/or rehabilitation of affordable housing for rent or homeownership or providing direct rental assistance to low-income individuals and families. It is the largest federal block grant to state and local governments that is designed exclusively to create affordable housing for low-income households.

The City of Concord staff accessed information that was provided by the Congressional Research Service (CRS) to summarize the recent changes to this program. The HOME Investment Partnerships Program is a federal block grant program that provides funding to states and eligible localities to be used exclusively for affordable housing activities to benefit low-income households. On January 6, 2025, the U.S. Department of Housing and Urban Development (HUD) published in the *Federal Register* a final rule related to the HOME program: "HOME Investment Partnerships Program: Program Updates and Streamlining." The final rule makes several significant changes to the implementation of the HOME program and represents the first major regulatory update since 2013. Major provisions include tenancy addenda that create tenant protections for residents of HOME-assisted rental housing and recipients of HOME tenant-based rental assistance, changes to maximum per-unit subsidy limits, changes to periods of affordability, updated guidance and policy changes for HUD-assisted homebuyer housing, and several provisions intended to streamline participation in the HOME program..

On May 29, 2024, HUD published a Notice of Proposed Rulemaking related to the HOME program. The final rule was published in the *Federal Register* on January 6, 2025. The effective date for most of the rule's provisions was April 20, 2025, with the exception of the tenancy addenda and the increase in the maximum per-unit subsidy limit for projects that meet green building standards, both of which have a delayed effective date of October 30, 2025.

The final rule represents the first major regulatory update since 2013 and includes several significant changes to the 2013 regulations and subsequent updates (hereinafter, "the 2013 regulations"). There are also several notable differences between the proposed and final rules, prompted by public comments on the proposed rule. This CRS report summarized the major provisions of the final rule, which are as follows:

The federal final HOME rule was published on January 6, 2025, but some of its provisions, specifically concerning tenant protections and green building incentives, have a delayed effective date of October 30, 2025.

### Key dates

- January 6, 2025: The Department of Housing and Urban Development (HUD) published the "HOME Investment Partnerships Program: Program Updates and Streamlining" final rule in the *Federal Register*.
- April 20, 2025: After an initial delay, most of the rule's provisions became effective on this date.
- October 30, 2025: A delayed effective date for provisions related to tenant protections and increased per-unit subsidy limits for green building projects.

#### Major provisions taking effect in October 2025

- New Tenant Protections (24 CFR 92.253): A mandatory HOME lease addendum will establish expanded protections for tenants in HOME-assisted rental housing. The provisions include:
  - o Protecting tenants from unreasonable interference and retaliation.
  - O Limiting refundable security deposits to no more than two months' rent.
  - Establishing the right for tenants to organize and form associations.
  - Mandating property owners maintain units and provide uninterrupted utility service.
- Green Building Subsidy Increase (24 CFR 92.250): A provision will allow a maximum 10% per-unit subsidy limit increase for HOME-funded projects that meet HUD-identified green building standards.

### Other significant changes from the final rule

- Maximum per-unit subsidy limits: The rule provides HUD with the flexibility to determine its methodology for these limits via future *Federal Register* notices.
- Streamlined requirements for small-scale housing: For projects of one to four units, participating jurisdictions (PJs) can now
  permit owners to re-examine tenant incomes every three years instead of annually. A waiver of the written waiting list is
  also permitted.

- Expanded eligible costs: The definition of eligible HOME costs is broadened to include more soft costs, such as additional legal and accounting fees and fees for environmental studies.
- Use of NSPIRE inspections: PJs can now accept NSPIRE inspections performed for other funding sources in place of their own inspections. The HOME program's compliance date for NSPIRE is October 1, 2025.

In addition to the tenant protections and green building incentives taking effect in October 2025, the HOME final rule introduced a wide range of changes to streamline the program, provide more flexibility, and modernize rules for several program areas.

#### Rental housing

- NSPIRE inspections: Participating jurisdictions (PJs) can accept National Standards for the Physical Inspection of Real Estate (NSPIRE) inspections from other federal housing programs, such as the Low-Income Housing Tax Credit, in place of a separate HOME inspection. The HOME program's mandatory adoption of the NSPIRE inspection protocol begins October 1, 2025.
- Utility allowances: PJs now have more options for determining utility costs for a project. They can continue using the HUD Utility Schedule Model or adopt the allowance established by the local public housing authority.
- Small-scale projects: For rental properties with one to four units, PJs can allow owners to re-examine tenant income every three years instead of annually. A written waiting list is no longer required for these projects.

### Homebuyer and homeownership

- Affordability periods: The length of the affordability period required for HOME-assisted rehabilitation or acquisition is updated to reflect increased development costs.
- Resale guidance: For homeownership units, the rule offers four sample formulas for PJs to determine a "fair return on investment" to the original owner and ensure continued affordability for new low-income homebuyers.
- Homebuyer deadlines: The period for a homebuyer unit to be sold after construction is extended from 9 months to 12 months. Additionally, homebuyers receiving HOME assistance have up to 12 months to meet property standards instead of needing to meet them at the time of purchase.

### Community Housing Development Organizations (CHDOs)

- Board composition: CHDOs now have more flexible options for meeting the requirement that at least one-third of their boards consist of low-income community residents. The rule allows for designees from certain nonprofit organizations to serve on the board.
- Capacity requirements: CHDOs can demonstrate their housing development capacity with experience from other programs besides HOME, such as Low-Income Housing Tax Credits.
- Joint ventures: A CHDO can share development responsibilities with non-CHDO partners as long as the CHDO maintains
  control of the decision-making process.

### Financing and eligible costs

- Maximum per-unit subsidy limits: The rule gives HUD flexibility to set a new methodology for determining maximum perunit subsidies through future notices. In the interim, the maximum for high-cost areas was increased to 270% of the relevant Section 234 mortgage limit.
- Expanded pre-development costs: The rule expands the list of soft costs that can be reimbursed with HOME funds for up to 24 months before a project is officially committed. This includes fees for environmental studies, legal work, and accounting.

### Tenant-Based Rental Assistance (TBRA)

- Reduced income re-determination: For TBRA recipients, PJs can re-determine income eligibility at contract renewal (up to 24 months) instead of annually.
- Hardship exceptions: PJs now have the flexibility to offer financial hardship exceptions to the minimum tenant rent contribution.

The 2025 HOME final rule adjusts the minimum affordability periods for rental and homeownership units, updating the required duration for rehabilitation and acquisition to reflect modern costs. For new construction, the 20-year affordability period remains unchanged.

Revised affordability periods for rental and homeownership projects

The changes apply to units undergoing rehabilitation or acquisition, where the period of affordability is now determined by these updated tiers of per-unit HOME assistance:

Amount of Per-Unit HOME Assistance

Previous (2013) Period

Revised (2025) Period

Less than \$15,000	5 years	5 years (No change)
\$15,000 to \$25,000	10 years	5 years
\$25,001 to \$40,000	10 years	10 years (No change)
\$40,001 to \$50,000	15 years	10 years
Greater than \$50,000	15 years	15 years

### Other changes affecting affordability

- Property standards: The deadline for homebuyers receiving HOME assistance to meet a participating jurisdiction's property standards has been extended from six months to 12 months from the date of acquisition.
- Homebuyer unit sale deadline: The timeframe for selling a homebuyer unit after construction has been extended from 9 months to 12 months.
- Community Land Trusts (CLTs): The rule clarifies requirements for CLTs, including expanding their preemptive rights to purchase housing to preserve long-term affordability.
- Small-scale rental housing: To make HOME financing more accessible for smaller projects (1–4 units), HUD is allowing Participating Jurisdictions to permit triennial tenant income re-examinations instead of annual ones.

The City of Concord will adhere to the published 2025 HOME Final Rule in the Federal Register (FR-6144-F-03).

### **Purpose of Policies and Procedures**

This Policies and Procedures Manual is offered to provide an overview of the City of Concord's policies and procedures that pertain to the federal HOME Investment Partnerships Program. This Manual is not a substitute for HOME Program regulations, but this information is provided in addition to the federal regulations. Although this Manual was developed with reasonable care and diligence, it is not fully comprehensive, and it does not include all the requirements that affect the uses of HOME Program funds. The City of Concord reserves the right to implement additional policies as needed.

This Policies and Procedures Manual addresses the following purposes:

- Provides a uniform guide for the administration of the City of Concord's HOME Program locally. Although the Program conforms to federal rules and guidelines, it focuses primarily on locally crafted procedures.
- Ensures that all City stakeholders, including applicants for funding, local jurisdictions and interested residents, have access to information about program administration.
- Demonstrates to HUD that the HOME Program is administered in a way that is consistent with federal regulations and guidelines.

### **Amendments to Policies and Procedures**

As an administrative document, this Manual may be amended at any time with the approval of the Concord City Council.

A copy of this Manual will be distributed to key stakeholders prior to each funding cycle and the copy is available at <a href="https://www.concordnc.gov/Departments/Planning/Community-Development/Federal-Grant-Programs#PlansReports">https://www.concordnc.gov/Departments/Planning/Community-Development/Federal-Grant-Programs#PlansReports</a>.

### **Key Documents Governing the HOME Program**

The HOME Program is administered in compliance with a complex structure of federal and local rules. The principal documents describing these rules, as well as the goals and performance of the City of Concord, are summarized in the table below.

Authority	Documents	Description	Links
Federal	HOME Regulations and Guidance	Provides the binding rules (Code of Federal Regulations), agency guidance and advice for the HOME program nationally.	HOME: Resources & Assistance-HUD Exchange: https://www.hudexchange.info/programs/home/ HOME CPD Notices: https://www.hudexchange.info/programs/home/home-cpd-notices/#2024
			Training materials on HOME Program: <a href="https://www.hudexchange.info/trainings/building-home/">https://www.hudexchange.info/trainings/building-home/</a>
Consortium	Consolidated Plan	Required plan that contains needs assessment, housing market analysis, priorities and strategies for use of HOME funds over the five-year period ending June 30, 2024.	https://concordnc.gov/Departments/Planning/Community-Development/Federal-Grant-Programs#CDBG
Consortium	Analysis of Impediments to Fair Housing Choice	Required assessment of Fair Housing issues in the tri-county region and measures to address them.	https://concordnc.gov/Departments/Planning/Community-Development/Federal-Grant-Programs#PlansReports
Consortium	Housing Needs Assessment	Report that outlines the housing needs, recommended priorities, and the strategies to address these needs for Cabarrus, Iredell, and Rowan counties.	https://concordnc.gov/Departments/Planning/Community-Development/Federal-Grant-Programs#PlansReports
Consortium	Action Plan	Time-specific goals and annual budget describing how the available HOME resources will be spent.	https://concordnc.gov/Departments/Planning/Community-Development/Federal-Grant-Programs#PlansReports
Consortium	CAPER	Annual performance report on the actual use of HOME funds and what was produced.	https://concordnc.gov/Departments/Planning/Community-Development/Federal-Grant-Programs#PlansReports
Consortium	Policies & Procedures Manual	Information and rules about the administration of the Consortium's HOME Program (this document)	https://concordnc.gov/Departments/Plann ing/Community-Development/Federal- Grant-Programs#CDBG
City of Concord	Policies & Procedures Manual	Information and rules about the administration of the Consortium's HOME Program (this document)	https://concordnc.gov/Departments/Plann ing/Community-Development/Federal- Grant-Programs#CDBG

### **Contact Information**

For any questions about this Manual, please contact:

Federal Programs Coordinator Planning & Neighborhood Development Department City of Concord 35 Cabarrus Avenue West Concord, NC 28025 (704) 920-5152

https://concordnc.gov/Departments/Planning/Contact-Us or Contact Form

#### II. HOME PROGRAM RESPONSIBILITIES

### The City of Concord's Responsibilities

As a Community Development Block Grant (CDBG) entitlement community, the City of Concord received HOME funds directly from the U.S. Department of Housing and Urban Development and the City is responsible for managing these funds. The City of Concord must submit the plan for expenditures to HUD and provide reports that detail each amount that is drawn down and spent for HOME activities. The City of Concord is responsible for completing all administrative duties that are listed below on behalf of the HOME program:

- Preparing and submitting the Annual Action Plan and revises the Plan as required by HUD.
- Sending annual agreements to The Consortium Members for required signatures.
- Approving Environmental Review Records on behalf of The Consortium Members.
- Preparing and submitting the Request for Release of Funds to HUD.
- Setting up new files for each Consortium Member, based on the plans for each new fiscal year.
- Tracking the match liabilities and credits for each Consortium Member.
- Preparing and submitting the annual match report to HUD.
- Preparing and submitting the annual Consolidated Annual Performance and Evaluation Report (CAPER) to HUD.
- Preparing and processing all pay requests on behalf of The Consortium Members.
- Reviewing program activities and rules to ensure that money is being spent in support of an eligible project and in accordance with HUD rules.
- Setting up files in IDIS for each project.
- Tracking program income for each Consortium Member on a quarterly basis.
- Track Consortium Members' progress by addressing any slow progress or other problems.
- Sending letters and notices regarding any project issues to The Consortium Members.
- Preparing and updating Consortium forms and documents as needed.
- Holding annual Consortium Meetings.
- Responding to Consortium Members' inquiries concerning their projects.
- Providing technical assistance to Consortium Members as needed.
- Monitoring and inspecting all Consortium projects on an annual basis.

### **Written Agreements**

The City of Concord requires the execution of a written agreement **before any HOME funds are committed or disbursed to any entity**. As appropriate, the City of Concord will work with its Legal Department to draft all contracts, agreements, and other legal documents to ensure compliance with 24 CFR 92.2, specifically 92.504(c). In addition, the City of Concord's staff will provide legal counsel with information to assist them in understanding HOME program rules and their intent.

Written agreements shall contain the following provisions:

- **Use of Funds:** Description of the HOME-funded activities, tasks to be performed, schedule for completing tasks, a budget in sufficient detail to effectively monitor performance, specify the location of the project is within the jurisdiction of Concord and the period of the agreement.
- Reversion of Assets/Program Income Requirements: States all program income proceeds, unexpended
  funds or other assets will be retained and accounted for every 30 days within the disbursement and
  information system established by HUD by the City of Concord for other eligible activities.
- Uniform Administrative Requirements: Compliance with applicable federal administrative requirements
  (24 CFR Part 200, applicable provisions of 24 CFR Part 85 for governmental entities, and 24 CFR Part 84 for
  non-profits, and 18.USC.1001 and 31.USC.3729)
- Other Program Requirements: Requirements regarding non-discrimination and equal opportunity;
   affirmative marketing and minority outreach; environmental review; displacement, relocation, and

acquisition; labor standards; lead-based paint; and conflict of interest.

- Affirmative Marketing: Requirements for affirmative marketing in projects containing five (5) or more HOME-assisted units.
- Requests for Disbursement of Funds: Requirement that HOME funds may not be requested until funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.
   Program income must be disbursed before requesting HOME funds, if applicable.
- Records and Reports: Lists records that must be maintained and information and reports that must be submitted.
- **Enforcement of the Agreement:** Means of enforcing the provisions of the written agreement. This provision is in the agreement with all parties including owners.
- **Duration of Agreements:** The agreement must specify the duration of the agreement along with the applicable Period of Affordability based on the project type.
- Amending the Documents: Written agreements may be amended by mutual agreement of the parties when
  regulations and requirements change, or when adjustment to funding levels or other conditions related to
  a specific project are needed.
- Fixed or Floating Units: Fixed and Floating HOME Units: In a project containing HOME-assisted and other
  units, the City of Concord may designate fixed or floating HOME units. This designation must be made at
  the time of project commitment in the written agreement between the City of Concord and the owner, and
  the HOME units must be identified not later than the time of initial unit occupancy.
  - Fixed units remain the same throughout the period of affordability.
  - Floating units are changed to maintain conformity with the requirements of this section during the period of affordability to ensure that the total number of housing units meeting the requirements of this section remains the same, and each substituted unit is comparable in terms of size, features, and the number of bedrooms to the originally designated, HOME-assisted unit.

### **III. GENERAL HOME PROGRAM POLICIES & PROCEDURES**

#### **Eligible Activities**

Consortium HOME funds may be used to support the following activities:

- New construction
- Homes purchased within five years of the application for assistance with a complete inspection report and license number will be assessed during the initial inspection
- Reconstruction
- Homebuyer activities
- Conversion
- Site improvements
- · Acquisition of property
- · Acquisitions of vacant land
- Demolition
- Relocation costs
- Refinancing existing secured debt
- Initial operating reserve
- Capitalization of project reserves
- Project-related hard costs
- Project-related soft costs
- Tenant-Based Rental Assistance (TBRA)
- Lease-purchase programs
- Development of homeownership housing
- Development or acquisition of rental housing
- Community Housing and Development Organization (CHDO) operating support

### **Ineligible Activities**

Consortium HOME funds may not be used to support the following activities:

- Acquisition of vacant land for demolition only
- Project reserve accounts
- Match for other programs
- Development, operations, or modernization of public housing
- Homes purchased within five (5) years of the date of application for assistance without a qualified/licensed home inspection
- Any unpermitted work (including additions) that is or was completed outside of Cabarrus County's code of ordinances
- Substantial housing repair costs that exceed 75% of the tax value, minus any outstanding debts or judgements.
- Projects that do not have enough equity to cover the repair costs within 95% of the current value of the property
- The property repairs or new construction costs cannot exceed the HUD published value limits that are determined annually
- Properties receiving assistance under 24 CFR Part 248 (Payment of Low-Income Housing Mortgages)
- Double-dipping
- Reinvesting HOME dollars during the affordability period
- Acquisition of PJ-owned property
- Payments for delinquent taxes, fees, or charges
- Project-based rental assistance
- Tenant-based rental assistance for certain purposes
- Match for other Federal programs
- Any activity or cost not permitted by the HOME regulations

The Notice of Funding Availability will identify which of these activities may be funded in that funding cycle. All applications must be submitted in the format and with the information prescribed by the program or Notice of Funding Availability (NOFA).

#### **Eligible Applicants**

Public agencies, nonprofit organizations, and for-profit entities are all eligible to apply to the City of Concord for HOME funds. Fund recipients (hereafter called "Consortium Members") are classified into one of three (3) categories:

- <u>Subrecipients</u>: A subrecipient is a public agency or nonprofit housing service provider selected by the City of Concord to administer the HOME Program. A nonprofit organization that is administering HOME funds is deemed a HOME subrecipient. Designated nonprofit organizations that are subrecipients (including a Community Housing Development Organization (CHDO) when acting as a subrecipient) must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts.
- <u>Developers, Owners, Sponsors</u>: For-profit entities, housing authorities, nonprofit organizations, and CHDOscan receive HOME funds in the roles of developers, owners, and sponsors of eligible activities.
- <u>Community Housing Development Organizations (CHDOs)</u>: A CHDO is a private nonprofit organization that meets certain specific criteria, including having 1) IRS tax exempt status, 2) a mission/purpose related to housing and service to a low-income community, and 3) a board composition that includes one-third low-income residents or their representatives.

### **Definition of Income**

HUD's "Technical Guide for Determining Income and Allowances for the HOME Program" provides the method by which income for HOME-assisted projects must be calculated. Applicants must use HUD's "CPD Income Eligibility Calculator" to determine eligibility and document records. See <a href="https://www.onecpd.info/incomecalculator/">https://www.onecpd.info/incomecalculator/</a>.

 For HOME Rental Housing projects and for new construction of owner-occupied housing using HOME funds, annual income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period, as defined in 24 CFR Part 5 (Part 5 annual income). This is called the "Section 8 income determination method." For rental projects, initial income must be verified using source documentation. Income must be recertified annually, and source documentation obtained every six years.

### **Eligible Administrative and Planning Costs**

Funds are provided for the administration of the HOME program. The City of Concord's staff is responsible for administering all aspects of the HOME program including coordinating activities for the HOME program, monitoring compliance with written funding agreements and federal regulations, and coordinating with HUD to ensure compliance with federal regulations. The City of Concord uses funds for a pro-rata share of the salaries, fringe, and overhead that can be directly attributable to the HOME Program. Adequate records are maintained to justify the allocation of HOME administration funds for these purposes.

- Eligible costs include the City of Concord's staff and overhead costs directly related to carrying out projects, such as work specifications preparation, inspections, lead-based paint evaluations (visual assessments, inspections, and risk assessments) and other services related to assisting potential owners, tenants, and homebuyers.
- Staff and overhead costs directly related to providing advisory and other relocation services to persons that are
  displaced by the project, including timely written notices to occupants, referrals to comparable and suitable
  replacement property, property inspections, counseling, and other assistance necessary to minimize hardship.
- Costs may be charged as administrative costs or as project costs, at the discretion of the City of Concord; however, these costs (except housing counseling) cannot be charged to or paid by the low-income families.

#### **Uniform Administrative Requirements**

The City of Concord adheres to the administrative requirements identified in:

- 24 CFR Part 200
- Provisions of 24 CFR Part 85

#### **Distribution of HOME Funding**

The City of Concord distributes HOME funds within the boundaries of its City limits, and among different categories of housing needs, according to the priorities of housing need identified in its approved Consolidated Plan.

HOME funds are provided to the City of Concord by HUD annually. The City of Concord's distribution plan for HOME funds includes:

- Administration (10%) Funds are used by the City of Concord for planning, administration, allocation of indirect costs and monitoring of the program. Funds are also used to conduct training and technical assistance to entities interested in applying for and implementing HOME-funded projects.
- Balance of HOME Funds: The City of Concord allocates HOME funds to projects within its City limits. The City also may invest its HOME funds in eligible projects within its Extraterritorial Jurisdiction (ETJ), or in jointly funded projects within the boundaries of Concord. For a project to be jointly funded, all jurisdictions must make a financial contribution to the project. The financial contribution can be a grant or loan (including funds from other sources that are in the jurisdiction's control, such as relief provided through a significant tax or fee (i.e., a waiver of impact fees, property taxes, or other fees and taxes).

Before committing funds to a project, the City of Concord will determine the eligible projects to undertake and prepare all appropriate documentation. HUD match conditions also must be met for these projects.

### **Matching Funds**

The Consortium Members, excluding the CHDOs, are required to match at least 25% of the HOME funds that are spent on projects/programs. "Match" can be provided through cash, assets, services, labor, and other contributions of value to the HOME program. Federal resources (i.e., CDBG funds) are not an eligible source. Match does not have to be provided on a project-by-project basis. This requirement applies to the expenditure of HOME funds on projects/programs in a given federal fiscal year (July 1 - June 30). Match is tracked on an ongoing basis using the City's HOME Match spreadsheet. This information is monitored and maintained by the City of Concord's Finance Department. The City will only commit HOME funds up to the percent that banked match will allow.

### Eligible sources of matching funds include:

- Cash from a non-federal source
- Value of donated land
- Cost of infrastructure improvements
- 25% to 50% (depending on the type of bonds) of the proceeds of government-issued housing bonds provided as a loan to a project
- Value of donated materials, equipment, labor, or professional services
- Sweat equity
- Cost of homebuyer counseling services. The City is responsible for calculating match credits and providing the required information for HUD.

### **Program Income**

Some housing activities generate program income, which must be disbursed before seeking reimbursement/draw down of additional HOME funds. Program income is defined as "gross income received by the City of Concord, or an agency, which was generated from the use of HOME funds or HOME matching contributions." Income generated by housing projects or programs would typically fall into one of the following categories:

- Income from the use or rental of HOME-assisted real property owned by the City of Concord or a public or nonprofit agency that is selected by the City to operate a portion of its housing program minus the costs of generating the income.
- Payments of principal and/or interest on loans made with HOME funds.
- Proceeds from the sale of real property that was purchased or rehabilitated with HOME funds.

For example, funds for housing are often provided as low-interest or deferred payment loans. The loan repayments are considered as program income. The federal regulations require that:

- Program income must be spent before drawing funds from the allocated or entitlement funds;
- Program income must be spent only for eligible activities; and
- Written agreements with agencies that will generate program income must specify whether program income
  must be returned to the City's HOME account or be used by the City for an eligible activity.

Program Income does not include gross income from the use, rental, or sale of real property received by the project owner, developer, or sponsor, unless the funds are paid by the project owner, developer, or sponsor to the City of Concord's HOME account. The City is required to track and report program income that is generated during each fiscal year. All receipt of program income will be entered every 30 days into the disbursement and information system established by HUD.

### **Subrecipient Funding Request**

Subject to availability, HOME funds may be requested by a Subrecipient through a formal written request process. The request should state the type and location of the project to be undertaken, identify other available funding sources, and include the specific amount of the request.

Written funding requests will be scored based on a point system related to specific criteria that places an emphasis on revitalization of distressed neighborhoods and other community housing needs. Requests also are scored for clarity of the proposal, the likelihood of success, the project's financial feasibility, the funding need, the track record of the organization, the creditworthiness of the organization, and the ability to implement the project within one funding year.

### **Affordability Period**

At a minimum, all projects must comply with the following HOME affordability periods, during which HOME regulations apply:

- New construction: 20 years
- New construction of homeownership housing or acquisition of rental housing:
  - o HOME investment of less than \$15,000 per unit: 5 years
  - O HOME investment of \$15,000 \$40,000 per unit: 10 years
  - o HOME investment of more than \$40,000 per unit: 15 years

For new construction of rental housing, an extended affordability period of a minimum of 20 years applies and begins upon project completion and runs concurrently with the HOME affordability period. HOME regulations do not apply after the HOME affordability expires, but the project must still comply with local affordability requirements as established by the City of Concord throughout the affordability period.

### **Default Policy**

Upon determination of default under the terms of the Deed of Trust, Deed Restriction (if applicable) and Promissory Note signed by a Borrower(s) and secured against any real property and its fixtures (if applicable) located in the City of Concord, pursuant to any of the programs detailed below administered by the City of Concord, the City shall make two (2) attempts to notify the Borrower, property owner and/or current resident(s) of the default in the form of a certified letter. If any required payments and/or terms and conditions of the loan documents become delinquent or outstanding for a minimum period of two (2) months, then the outstanding debt shall also be considered defaulted and due and payable in full.

In addition, any sub-recipient, external agency or HOME Consortium member who has an executed agreement with the City will be subject to default procedures as described within the agreement through the process below.

If after two (2) written notices of default have been issued by the City and the delinquency and/or violations are not cured a demand letter will be requested from the City of Concord's Legal Department. If within 30 days after sending the demand letter, the default has not been resolved, the City shall, at its discretion, proceed with the legal means, including but not limited to foreclosure proceedings to recover the outstanding debt in full City reserves the right to obtain legal counsel, by way of procurement, outside the city's legal department to process all default procedures. All legal fees, as stated in the secured documents may be included in the amount to satisfy the outstanding debt. In addition, the unpaid principle, upon default, shall bear interest at the rate of two (2%) percent per annum after default until satisfied.

Default is defined as stated in the secured documents as follows:

- (a) The Property is sold, transferred or otherwise alienated by Borrower(s) whether voluntary or involuntary, or by operation of law, or without Lender's prior written consent, unless otherwise prohibited by federal law. Determination of alienation, transfer or sale sufficient to call for payment of this Note shall rest with the Lender and/or its designated agents and the maker shall be notified of the time and place of payment;
- (b) The Property ceases to be occupied by Borrower as Borrower's principal place of residence;
- (c) Cash out refinancing, home equity loans or any loans utilizing the Property as collateral term of this Note;
- (d) Borrower defaults in the payment of any principle or interest when due;
- (e) Borrower, in any application to Lender in connection with this loan, failed to disclose or misrepresented any fact that would have prevented Borrower from being eligible for the Loan;
- (f) Borrower defaults or breaches any of the terms of the Deed of Trust or this Note;
- (g) Borrower fails to perform any covenant, term or condition in any instrument creating a lien upon the property which is security under the Deed of Trust, or any part thereof, which lien shall have priority over the lien of the Deed of Trust securing this Note;

External Agency Agreement - Default and Termination. If the City determines that the Recipient has failed to fulfill all obligations set forth under the terms of this Agreement and so defaulted in said obligations including but not limited to not complying with North Carolina General Statute §160A-20.1, the City shall notify the recipient in writing detailing the nature of default. Upon notice, the Recipient shall provide the City with documentation evidencing compliance with the Agreement. Should the Recipient fail to provide said evidence or should said evidence be insufficient to prove compliance in a reasonable time, the City shall have sole discretion to terminate this Agreement.

### **Sub-Recipient Agreement**

- 1. Suspension or Termination
  - A. In accordance with 24 CFR 85.43, the City may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include, but are not limited to the following:
    - Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
    - 2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
    - 3. Ineffective or improper use of the CDBG funds provided under this Agreement; or
    - 4. Submission by the Subrecipient to the City reports that are incorrect or incomplete in any material respect.
  - B. The City, upon written notice to the Subrecipient, may also withhold payment of any unearned portion of the CDBG Funds if the Subrecipient is unable or unwilling to accept any additional conditions that may be provided by federal or state laws or regulations, executive order, or other policy announced by HUD.
  - C. If the City withholds reimbursement payment, it shall advise the Subrecipient in writing what action must be taken as a condition of precedent to the resumption of said payments.

#### **HOME Consortium Agreement**

- 2. Suspension or Termination for Cause:
  - A. The PJ, upon written notice to the Subrecipient, may suspend or terminate payment of HOME-ARP Funds to the Subrecipient in whole or in part for cause which shall include, but not limited to, the following:
    - 1. Ineffective or improper use of HOME-ARP Funds;
    - 2. Failure to comply with the terms and conditions of this Agreement;
    - 3. Submission to the PJ of reports which are incorrect or incomplete in any material respect;
    - 4. Suspension of the HOME-ARP Funds from HUD to the PJ and/or the Cabarrus/Iredell/Rowan HOME-ARP Consortium in whole or part for any reason.
  - B. The PJ, upon written notice to the Subrecipient, may also withhold payment of any unearned portion of the HOME-ARP Funds if the Subrecipient is unable or unwilling to accept any additional conditions that may be provided by federal or state laws or regulations, executive order, or other policy announced by HUD.
  - C. If the PJ withholds reimbursement payment, it shall advise the Subrecipient in writing what action must be taken as a condition of precedent to the resumption of said payments.

### **Multi-Family Projects**

The HOME program permits less than all the units in a project to be designated as HOME units. HOME funds may only be expended on the actual costs, up to the maximum per-unit subsidy limit, of units that meet HOME affordability requirements. Consequently, the City must allocate development costs according to the actual costs of the HOME-assisted units. It is necessary for the City to identify the number and type of HOME-assisted and unassisted units and make a comparability determination. The City then uses the actual costs of the HOME units to ensure that at least the minimum required number of units will be designated as HOME-assisted units. The City may always designate more units as HOME-assisted units than the number required based on the actual costs charged to the HOME program. In addition, the comparability analysis will help the City to determine whether to designate HOME units as fixed or floating during the period of affordability. Additional information concerning the adjusted Basic Statutory Mortgage Limits for Multifamily Housing Programs can be found in the Federal Register. The Federal Register is updated yearly, but the most recent information is included in the Federal Register, Volume 85, No. 108 that is dated Monday, June 4, 2020.

# Downpayment Assistance Program

The City will provide the Homebuyer with an amount not to exceed \$10,000.00, or otherwise the amount approved by Council, ("Loan") to assist the Homebuyer with a down payment, closing costs, and/or a portion of the Purchase Price of the Property, which is considered the direct HOME Assistance to the Homebuyer.

The Homebuyer agrees that the HOME Assistance will be used at closing as gap financing to cover portions of the down payment, closing costs, and/or the Purchase Price of the Property. This will reduce the total amount the Homebuyer will be required to borrow from a bank, credit union, or other lender in order to purchase the Property.

The amount of HOME Assistance will not be final until the City has the final settlement statement to ensure no funds will be disbursed to the borrower at closing.

# 1. Homebuyer Responsibilities:

The Homebuyer agrees to the following to meet the requirements of this assistance:

- The Homebuyer will provide at least the following buyer funds required for closing: \$1,000.00 of their own funds toward the purchase price and/or closing costs. Incurred costs for required reports and inspections, such as lead based paint inspections, appraisal reports, home inspections, etc., can reduce the \$1,000.00 requirement.
- The Homebuyer will occupy the property as the principal residence for the Affordability Period as described in Section 6.

- The Homebuyer will maintain the property, maintain hazard insurance, and pay all required taxes during the term of this Agreement as described in Section 8.
- The Homebuyer will provide information as required by the City to monitor compliance with Program requirements.
- The Homebuyer will comply with the refinancing policy stated in Section 9.
- In the event of sale of the property during the Agreement Term, the Homebuyer will notify the City and comply with Recapture requirements in Section 7.

Additional information is included in the City of Concord-HOME Program Homebuyer Written Agreement Declining Balance Recapture – Forgivable Loan.

## 2. Principal Residence Requirement:

During the Affordability Period, barring a sale or transfer of title to the Property which shall be governed by Section 7 below, the Homebuyer shall at all times maintain the Property as their principal residence. Should the Homebuyer cease to maintain the Property as their principal residence, rent the residence to another party, or convert the Property to a non-residential use, the Homebuyer will be in breach of this Agreement and subject to the default and enforcement provisions in the City's Default Policy on page 10.

# 3. **Prop**erty Requirements:

- Existing housing acquired for homeownership, using down payment assistance, must be decent, safe, sanitary, and in good repair using the City of Concord's established standards or HUD's UPCS, whichever is more stringent.
- The City's inspector will inspect the housing and document this compliance requirement based upon an
  inspection conducted no earlier than 90 days before the commitment of HOME assistance. If the property does
  not meet these standards, HOME funds will not be used to acquire the property unless it is rehabilitated to meet
  the standards
- For properties build before 1978, a lead inspection report or lead clearance report is required to determine the eligibility for a homebuyer seeking down payment assistance.

## **Mixed-Use Projects**

The City of Concord's funds may be used in developing missed-use structures that contain residential and other uses (i.e., retail space, commercial office space, spaces for the provision of services). The inclusion of non-residential spaces for the exclusive use of the residents does not create a mixed-use project. Residential spaces include common area, corridors, stairways, laundry areas, storage areas, office space for management of the building, entry ways and lobbies.

HOME funds may only be used for costs associated with the residential portion of the building. The costs must represent a portion of the total development cost that does not exceed the proportion of residential space in the entire project.

# **Lease-Purchase Programs**

The City of Concord also has the option of administering a lease-purchase program to assist potential low-income households that may need additional time and resources to purchase an existing home or for housing to be constructed. The housing must be purchased by a first-time homebuyer within 36 months of signing the lease-purchase agreement. The homebuyer must qualify as a low-income family at the time the lease-purchase agreement is signed. If HOME funds are used to acquire housing that will be resold to a homebuyer through a lease-purchase program, the HOME affordability requirements for rental housing in §92.252 shall apply if the housing is not transferred to a homebuyer within 42 months after project completion. The City of Concord must have lease-purchase policies and procedures and state that the City will undertake lease-purchase programs in the Consolidated Plan.

#### **Audit Requirements**

The City of Concord also must follow OMB Uniform Guidance: Cost Principles, Audit, and Administrative Requirements for Federal Awards.

#### **IDIS Drawdowns**

A separation of duties has been established by the City of Concord and the City's Finance Department to provide proper checks and balances from grant set-up, project and activity set-up, sub-funding, sub-granting, and drawdown process in the following manner:

#### **IDIS Administrator Procedures:**

- The City of Concord submits completed IDIS Access Request Forms in the IDIS system to gain approval for access by function for all the City's projects.
- The City of Concord also maintains drawdown request vouchers with copies of deposit transactions and payment disbursement documentation.

#### **Procurement**

All projects must comply with the most restrictive of the applicable federal or state, competitive procurement regulations or costs may not be reimbursable.

Federal procurement requirements at 2 CFR Part 200 apply to all non-profit organizations' actions as a Subrecipient and to all public entities. The owners/sponsors/developers are not subject to the federal procurement requirements.

Nonprofit organizations receiving HOME funds must comply with the procurement requirements of 24 CFR Part 84, except for currently certified CHDOs undertaking CHDO-eligible projects (as stated in HUD CPD Notice 97-11).

Procurement requirements are provided in the City of Concord's funding notices and written agreements. The City will provide a copy of its procurement policies and procedures that meet applicable federal and state requirements. If a project includes any construction or rehabilitation, a required component of a completed request for funding will be a written description of how the City or any subrecipients intend to procure prime or general contractors, subcontractors, architects, engineers, consultants, etc. in a competitive manner.

For construction or facility improvement projects exceeding \$100,000, minimum Federal requirements located in 24 CFR 85.36 or 84.48(c)) for bid guarantees, performance bonds, and payment bonds must be met. Prior to publishing a Notice of Bid Opening in the local newspapers, as a minimum requirement, and through other approved forms of communication mediums, the City must review and approve all bid documents to ensure that all federal, state, and program requirements are included.

Only contractors and subcontractors that are not federally barred or suspended and have current State of North Carolina business licenses with current Workers' Compensation accounts, including proper insurance and bonding, can work on capital construction projects. The City of Concord will check the status of the general contractor and all subcontractors for federal debarment and suspension, licensing, insurance, bonding, and Workers' Compensation accounts for capital construction projects. The City is also responsible for checking the licensing and debarment status for owner-occupied housing rehabilitation and minor home repair clients.

The City of Concord's subrecipients are subject to the procurement requirements of 24 CFR parts 84 and 85 as well as state and local laws and regulations. Subrecipients will be monitored annually to ensure compliance with these regulations.

## **Environmental Review**

Prior to completing a contract, the City of Concord will complete a federal Environmental Review in compliance with the National Environmental Policy Act (NEPA) and other related federal and state environmental laws. No choice-limiting activities may be undertaken by the applicant for HOME funds during the time between the submission of the written request for funding and the completion of the Environmental Review (prior to the receipt of the Authority to Use Grant Funds from HUD).

Tenant-Based Rental Assistance is categorically excluded and not subject to §58.5 authorities. The City will document this determination, complete the Environmental Review Record, and keep the document in the Environmental Review Records files.

#### **Public Records**

Materials and information submitted to or received by the City of Concord are subject to public disclosure unless otherwise exempt from disclosure under the North Carolina General Assembly's G.S.§132. No assurances can be given that any materials provided can be protected from public review and copying.

### Recordkeeping and Retention of Records

Records related to HOME-funded projects and programs must be retained for at least five (5) years. For rental and homeownership development projects, general records must be kept for five (5) years after project completion, and tenant/homeowner data must be maintained for the most recent five (5) years, until five years after the conclusion of the affordability period.

### **Contractor Procurement**

The City of Concord must require all subrecipients to obtain a minimum of two (2) bids on planned repairs, based on the preliminary work write-up prepared by the municipality, county code enforcement or the City's inspector. Bids are to be returned on the specific due date. Subrecipient staff will record the total amount of the bid and the date and time the bid was received. The subrecipient will evaluate the bid documents to determine which bids are eligible. Bids are considered eligible when the following conditions are met:

- The submitting contractor currently meets all program requirements and is not debarred or suspended from participating in the HOME Owner-Occupied Rehabilitation Program.
- The contractor is not currently on probation, suspended or debarred by the state licensure board.
- The total dollar amount of the bid is within 10% of the total cost listed on the initial work write-up prepared for or by the City of Concord.

## **Debarred Contractors**

Prior to completing a contract with a contractor or subcontractor, the City of Concord must verify that they are not listed in the Federal publication of debarred, suspended, and ineligible contractors. HOME funds may not be used directly or indirectly to employ, award contracts to, or otherwise engage the services of a contractor during a period of debarment, suspension, or ineligibility.

#### IV. Overarching Program Regulations and Requirements

The City of Concord and all subrecipients and participating jurisdictions will adhere to this requirement according to the stipulations that are enforced by the U.S. Department of Housing and Urban Development.

#### **Appeals**

Persons who disagree with a determination concerning whether the person or project qualifies or the amount of assistance for which the person may be eligible, may file a written appeal of that determination with the City of Concord within 30 days of the decision. The appeal must be addressed to the Planning & Neighborhood Development Department Director, 35 Cabarrus Ave. W., Concord, NC 28025. A person who is dissatisfied with the City's determination on his or her appeal may submit a written request for review of that determination to the Greensboro Field Office of the U.S. Department of Housing and Urban Development (HUD), 1500 Pinecroft Road, Suite 401, Greensboro, NC 27407.

### **Lead-Based Paint**

The Lead-Based Paint Regulations described in 24 CFR Part 35 require that lead hazard evaluation and reduction activities be carried out for all single and multi-family residences constructed prior to 1978 that receive HOME Program assistance. Applications for rehabilitation funds for existing buildings constructed prior to 1978 must include a lead hazard evaluation by appropriate lead-certified personnel.

For properties build before 1978, a lead inspection report or lead clearance report is required to determine the eligibility for a homebuyer seeking down payment assistance. If lead-based paint is present for a rehabilitation project, the written funding request must also include a detailed lead hazard reduction plan, in accordance with the regulations, and separately identify within the rehabilitation budget, the costs associated with the reduction of lead hazards in accordance with the regulation and guidelines.

All HOME program fund allocations are contingent upon the determination of a clearance report performed by appropriate lead-certified personnel. The City of Concord permits use of HOME funds for lead-based paint testing, assessment, abatement, and the clearance report. In a multi-family project where HOME Program funds will be used for only a portion of the units, lead-based paint requirements apply to ALL units and common areas in the project.

#### **Fair Housing and Civil Rights**

Agencies must comply with federal, State, and local fair housing and civil rights laws, regulations, and Executive Orders, including Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq); the Fair Housing Act (42 U.S.C. 3601-3602); Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259); and the Age Discrimination Act of 1975, as amended (42 U.S. C. 6101-6107).

Discrimination in the provision of housing is prohibited based on the federal and North Carolina State protected classes below:

- Race
- Color
- National Origin
- Religion
- Disability
- Sex
- Familial Status

## **Affirmative Marketing and Outreach**

The City of Concord must undertake outreach efforts in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach, and access to the Program.

The City must inform potential applicants of the program via flyers, public notices, local media articles, or meetings with Subrecipient staff. The marketing information will include basic eligibility requirements, a general description of the Program, and the appropriate Fair Housing logo.

The City's marketing approach must address: (1) how the program will be announced (i.e., through media and other sources); (2) where applications will be taken (i.e., at one site or more); (3) when applications will be accepted (i.e., daily, during normal working hours, or extended hours for a specified period); and (4) the method for taking applications (i.e., in person, by mail).

The City must maintain a file that contains all marketing efforts (i.e., copies of newspaper ads, memos of phone calls, copies of letters, etc.) The records, which help assess the results of these actions, must be available for inspection.

The City also has an obligation to assure that information about the program reaches the broadest possible range of potentially qualified applicants.

To further fair housing objectives, the City should identify those households that have been determined to be "least likely to apply," and determine what special outreach activities, including placing advertising in minority-specific media, will ensure that this population is fully informed about the program. The City will ensure that all marketing initiatives and materials adequately reflect the available assistance types.

## **Fraud and Corruption**

The City of Concord upholds a zero-tolerance approach regarding fraud and corruption. Concord will identify and promptly investigate any suspected fraudulent or related dishonest activity against the City or other parties with whom the organization has dealings. The City will take appropriate disciplinary and legal actions to include the possibility of termination of employment, restitution, and forwarding information to the appropriate authorities for prosecution.

Fraud is any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator achieving a gain. Dishonest or fraudulent activities include, but are not limited to, the following:

Forgery or alteration of documents (checks, bank draft, bank records, time sheets, invoices, agreements, etc.)

Misrepresentation of information on documents

Bid rigging, kickbacks, billing schemes, etc.

Misappropriation of funds, supplies, or assets

Theft, disappearance, or destruction of assets

Improprieties in the handling or reporting of money or financial transactions

Authorizing or receiving payments for goods not received or services not performed

Authorizing or receiving payment for hours not worked

Inappropriate use of records and disclosing confidential and proprietary information to outside parties

Corruption is defined as the offering, giving, soliciting, or acceptance of an inducement or reward that may improperly influence the action of a person or entity. Some examples of corruption include:

- Bribery
- Conspiracy
- Extortion

#### **Preventing Fraud and Corruption**

To prevent fraud and corruption, the City of Concord has established internal controls, policies, and procedures to deter, prevent, and detect fraud and corruption such as;

- Verify all applicants' information provided
- Including an acknowledgement of penalties for fraud, providing false statements, and corruption on applicable forms.
- Vendors, contractors, and suppliers must be active, in good standing, and authorized to transact business
- Vendors, contractors, and suppliers are subject to screening, including verification of the individual's or company's status as a suspended or debarred party
- Contractual agreements with Concord will contain a provision prohibiting fraudulent or corruptive acts and will include information about reporting fraud and corruption
- Vendor, contractors, and suppliers will receive fraud and corruption awareness training

## **Reporting Fraud and Corruption**

Any person who has a reasonable basis for believing fraudulent or corrupt acts have occurred has a responsibility to report the suspected act to the City of Concord Community Development Manager, local HUD field office, and/or the Office of Inspector General immediately. Person(s) reporting potential abuse may elect to remain anonymous. Any applicant, vendor, contractor, or supplier who is found to have committed fraud or provided false information will automatically be deemed ineligible. This designation may result in legal action, repayment of funds, or other penalties resulting from any investigation. Failure to report suspected fraudulent or corrupt activity in a timely manner may also result in being subject to disciplinary action as determined by the City of Concord or any other investigating organizations.

## **Conflict of Interest**

In the procurement of property and services by the City of Concord, the conflict-of-interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, apply. Any person who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision-making process or gain inside information with regard to these activities, may not have an interest in any contract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, board member, loan committee member, elected official or appointed official of the City of Concord that is receiving HOME funds.

The City of Concord shall ensure that officers, employees, agents, or consultants will not occupy any HOME-assisted affordable housing units in the project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the City who occupies a housing unit as the project manager or maintenance worker.

The City of Concord may provide an exception to the provisions listed above on a case-by-case basis when the City determines that the exception will serve to further the purposes of the HOME program and the effective and efficient administration of the City's HOME-assisted project. For the City to provide this exception, the City must make a written request to its Legal Department to make its determination based on the following factors:

- Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group;
- Whether the person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted housing in question;
- Whether the tenant protection requirements of Section 92.53 are being observed;
- Whether the affirmative marketing requirements of Section 92.351 are being observed and followed; and
- Any other factor relevant to the City's determination, including the timing of the requested exception.

The City of Concord must maintain a written code of standards of conduct that will govern the performance of its officers, employees, or agents engaged in the award and administration of contracts funded with federal dollars.

#### **Program Accessibility**

Section 504 of the Rehabilitation Act of 1973 requires that a HOME-funded activity, when viewed in its entirety, is usable and accessible to persons with disabilities. The obligation to provide accessible units, in accordance with 24 CFR 8.22 and 8.23 is broader and includes the following:

All program activities, including public hearings, homebuyer briefings, counseling sessions, and meetings should be held in locations that are accessible to persons with disabilities.

Information about all programs and activities should be disseminated in a manner that is accessible to persons with disabilities. Auxiliary aids and special communication systems should be used for program outreach, public hearings related to housing programs, and other program activities.

Reasonable steps should be taken to provide information about available accessible units to eligible persons with disabilities. Homebuyer projects are not required to produce accessible units, but reasonable accommodations during the application process are required for any buyers with accessibility needs. Program advertising should acknowledge that the program will work with households with accessibility needs. Should a successful homebuyer applicant have a need for a unit with an accessible design, the program must accommodate those needs.

Information about the accessibility requirements of HOME-funded multifamily housing is included in the rental housing section of this manual.

### **Equal Opportunity**

Federally-funded housing projects/programs are subject to Executive Order 11246, as amended, which prohibits agencies from discriminating against employees or applicants for employment on the basis of race, color, religion,

national origin, citizenship status, unfair documentary practices regarding employment verification, sex, age, and disability. These requirements are included in all contracts with Subrecipients.

# • Section 3 of the Housing and Urban Act of 1968 (Section 3):

The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD financial assistance is directed to low- and very low-income persons to the greatest extent feasible. In accordance with the Section 3 Plan, solicitation of Section 3 businesses is required during procurement for any construction contract of \$100,000 or more and is encouraged for contracts of lesser amounts. The Section 3 Plan also requires contractors/subcontractors to follow a specific hiring plan to target Section 3 residents.

# Women- and Minority-Owned Business Enterprises:

The City of Concord is required to take affirmative actions to allow Women- and Minority-Owned Business Enterprises (WMBE) to benefit from federal funds. The City passes this requirement on to funded agencies, which must make a good faith effort to employ WMBE firms when implementing projects/programs. These efforts can include advertising for professional services or construction contractors in minority publications, notifying WMBE firms directly of employment opportunities, or requiring that contractors hire WMBE subcontractors. Solicitation of MBE firms is required during procurement for any construction contract of \$50,000 or more.

### **Non-Discrimination**

No person shall be excluded from participation in, denied the benefit of, or be subject to discrimination under any program or activity funded in whole or in part with HOME funds on the basis of religion or religious affiliation, age,

race, color, creed, gender, sexual orientation, marital status, familial status, physical or mental disability, gender identity or expression of a person, national origin, ancestry, military status, or other arbitrary cause.

#### **Reasonable Accommodations for Persons with Disabilities**

Employers receiving HOME funds may not discriminate against prospective or current employees with disabilities. Employers must remove physical and administrative barriers to employment and provide reasonable accommodations for employees with known disabilities.

If a subrecipient has 15 or more employees, it must designate a Section 504 Coordinator and notify program participants and employees of its non-discrimination policies.

## Business Enterprises Owned by Minorities, Women and Disadvantaged Business Enterprises

The City of Concord encourages participation by business enterprises owned by minorities and women, and disadvantaged business enterprises (M/W/D-BE). Contracts for the procurement of services should be awarded to the maximum extent possible to M/W/D-BE. Section 24 CFR 84.44(b) of the Uniform Administrative Requirements outlines recommended steps for achieving participation goals.

## **Section 3 Economic Opportunity**

Section 3 requirements apply to recipients of Housing and/or Community Development Assistance exceeding \$200,000 combined from all sources in any one year, per 24 CFR §135. Section 3 covers the expenditure of any portion of those funds for any activity that involves housing construction, rehabilitation, or other public construction. All contractors or subcontractors that receive covered contracts of more than \$100,000 for housing construction, rehabilitation, or other public construction are required to comply with the requirements of Section 3. The purpose of Section 3 to ensure that employment (e.g., new hires) and other economic opportunities generated by this HUD financial assistance shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low-income persons.

## The Uniform Act and Section 104 (d)

HOME-assisted projects are subject to the Uniform Relocation and Assistance and Real Property Acquisition Polices Act of 1970, as amended (URA) (42 U.S.C. 4601-4655), and the government wide implementing regulations issued by the Federal Highway Administration at 49 CFR part 24. In addition, projects that include demolition or conversion of low-income housing are subject to Section 104(d) (also called the Barney Frank amendment).

## Acquisition

The URA requirements apply to all real property acquisition for a project that receives any amount of HOME funding, regardless of whether the funds are used to purchase the property or for other project costs. The regulations may apply to any acquisition for which a purchase offer was made at any time after the date the applicant first *intended* to apply for HOME funds for the project.

Agencies are exempt from complying with most acquisition requirement of the Uniform Act (Subpart B) *only* if an identified site can be acquired "voluntarily" in accordance with Section 49 CFR § 24.101 of Subpart B.

A "voluntary" acquisition requires the Agency (buyer) to inform the seller, prior to executing an agreement to purchase:

- That it does not have the power of eminent domain (buyers with eminent domain authority, must agree not to use it, and must not have specific site needs);
- That it will not be able to purchase the property if negotiations fail to result in an amicable agreement; and
- Of the buyer's estimate of fair market value (FMV) of the property to be acquired.

## **Estimating Fair Market Value:**

An appraisal is not required to establish the FMV of a property, but there must be documentation that includes an explanation, with reasonable evidence, of the basis for the estimate. A Comparative Market Analysis is acceptable for this purpose.

## Section 104(d)

Section 104(d) of the Housing and Community Development Act of 1974, as amended (104(d)) requirements apply when HOME assistance is used for a project involving demolition or conversion.

Section 104(d) has two (2) distinct components:

- One-for-One Replacement: Requires one-for-one replacement of lower-income dwelling units
  that are demolished or converted to another use. For Section 104(d) purposes, "conversion" is
  defined as: Altering a housing unit that would rent at or below the fair market rent (FMR) so
  that it is used for non-housing purposes, rents for above the FMR or is used as an emergency
  shelter.
- <u>Relocation of Lower-Income Tenants:</u> Requires relocation assistance for displaced lower-income residential tenants and does not provide protection or assistance for persons with incomes above the Section 8 Low Income Limit.

#### **Housing Replacement**

The City of Concord has adopted a "Residential Anti-displacement and Relocation Assistance Plan", which addresses the Section 104(d) requirement for one-for-one replacement of low-income housing units:

The City may replace all occupied and vacant occupiable low- and moderate- income dwelling units demolished or converted to a use other than as low- and moderate- income housing as a direct result of activities assisted with HOME funds.

Replacement units do not need to be provided by the same fund recipient whose project resulted in the housing loss. The City will count any net gain in units achieved through the investment of HOME funds as having met the one-for-one replacement requirement.

### Relocation

Concord strongly discourages the permanent displacement of low-income households by projects and programs. The URA stipulates the content and timing of notices for residents of properties to be acquired with HOME funds. If residents are displaced by the project, they must receive moving cost reimbursements, relocation assistance payments, and relocation assistance services. If an otherwise feasible and fundable project does necessitate permanent or temporary displacement and relocation, the relocation must be carried out in strict compliance with the URA. Prior to selection for funding, the Agency must demonstrate that:

- Both personnel and budget resources are available to implement relocation, and
- Such projects must have qualified City-approved relocation personnel as part of the development team.

A pre-application conference with staff is required for any project which may involve relocation to ensure that the Agency understands the URA requirements and that proper relocation notices are given.

No relocation may be initiated prior to funding award except with the prior written approval of the City of Concord. If relocation is required, a detailed **Relocation Plan** must be submitted with an application for HOME funds.

### **Temporary Relocation**

All conditions of temporary relocation must be reasonable, and the tenant shall be provided with reimbursement for all reasonable out-of-pocket expenses incurred in connection with temporary relocation.

The tenant shall receive advisory services, including written notice of the date and approximate duration of the temporary relocation, address of suitable temporary unit, and the terms and conditions under which the tenant may lease and occupy the building/complex upon completion of the project.

Temporary relocation may not extend beyond one year before the person is returned to his or her previous unit or location. Any residential tenant who has been temporarily relocated for more than one (1) year must be offered permanent relocation assistance, which may not be reduced by the amount of any temporary relocation assistance previously provided.

If the project requires tenants to be temporarily relocated off site, a detailed **Temporary Relocation Plan** is required.

#### Violence Against Women Act Reauthorization Act of 2022

VAWA is a federal law originally enacted in 1994, as amended (34 U.S.C. 12291 et seq.), that protects individuals who are survivors of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, sexual orientation, or gender identity. These protections also apply to individuals with disabilities, including those with mental health disabilities, and people of color that also are disproportionately impacted by problematic laws and policies. It includes protections for survivors and others who are applying for or residing in covered housing programs. VAWA 2022 reauthorizes, amends, and strengthens VAWA. It added to, and did not replace, the existing VAWA housing protections for survivors. Covered housing providers must continue to provide VAWA protections as required by law. On March 15, 2022, President Biden signed into law the Consolidated Appropriations Act of 2022, which included the Violence Against Women Act Reauthorization Act of 2022 (VAWA 2022).

Many of the amendments enacted as part of VAWA 2022 took effect on October 1, 2022. On January 4, 2023, the U.S. Department of Housing and Urban Development (HUD) published a notice in the Federal Register (VAWA 2022 Notice4) in which HUD: (1) describes how the VAWA 2022 amendments affect HUD's programs; and (2) seeks comment on certain provisions.

Under this new provision, there are some additional requirements and obligations for HOME recipients, which include: (1) reporting to HUD problematic local laws and policies of the jurisdiction and those of the subrecipients that impose penalties that are being enforced, and (2) Certifying that the jurisdictions are complying or will be in compliance within 180 days of submitting the report to HUD. The goal is to prevent adoption of these laws, policies, and programs and address harms that may have occurred. A copy of the VAWA 2022 Notice is available online at:

https://www.federalregister.gov/documents/2023/01/04/2022-28073/the-violence-against-women-actreauthorization-act-of-2022-overview-of-applicability-to-hud-programs

See HUD 1 Public Law 117-103, <a href="https://www.congress.gov/117/plaws/publ103/PLA">https://www.congress.gov/117/plaws/publ103/PLA</a> for guidance that affects Home Investment Partnerships Program (HOME) recipients concerning the Right to Report Crime and Emergencies from One's Home law in the Violence Against Women Act (VAWA) Reauthorization of 2022 (34 U.S.C. 12495). For further guidance concerning VAWA 2022, also see 34 U.S.C. 12491, 24 C.F.R. part 5, subpart L, and 24 CFR part 576.409 (ESG) and part 578.99(j) (CoC program).

# **Build America, Buy America Act (BABA)**

The Build America, Buy America Act (BABA), enacted as part of the Infrastructure Investment and Jobs Act on November 15, 2021, focuses on maximizing the federal government's use of services, goods, products, and materials produced and

offered in the United States. BABA established a domestic content procurement preference for all Federal financial assistance obligated for infrastructure projects after May 14, 2022. The domestic content procurement preference requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are produced in the United States. BABA also established the Buy America Preference (BAP) for iron, steel, manufactured products, and construction materials used in covered infrastructure projects to be produced in the United States. BABA applies to all expenditures by a Federal agency to a non-federal entity for an infrastructure project, including construction, alteration, maintenance, or repair.

The HUD Community Planning and Development (CPD) programs that are impacted by BAP include CDBG, CDBG-CV, HOME and HOME-ARP. Agencies may waive the domestic content procurement preference if (1) a waiver is in the public interest, (2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or satisfactory quality, or (3) the application of the domestic content preference would increase the cost of the overall project by more than 25 percent. Public Law 117-58, §70912(3): https://www.congress.gov/bill/117th-congress/house-bill/3684/text.

## National Standards for the Physical Inspection of Real Estate (NSPIRE)

In May 2016, in response to instructions from Congress, the Department of Housing and Urban Development (HUD) initiated an effort to consolidate, update, and enhance the Housing Quality Standards (HQS) and the Uniform Physical Condition Standards (UPCS). The aim was to establish a unified inspection protocol for public housing and voucher units. After dedicating seven years to this goal, HUD has published the NSPIRE Final Rule, titled the Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate. This rule introduces HUD's modern approach to defining and evaluating housing quality while aiming to reduce regulatory burdens. The overarching objective is to prioritize health, safety, and functional defects over appearance, focusing on the areas that impact residents the most, their homes. Further information can be found in the Federal Register at <a href="https://www.federalregister.gov/documents/2023/05/11/2023-09693/economic-growth-regulatory-relief-and-consumer-protection-act-implementation-of-national-standards">https://www.federalregister.gov/documents/2023/05/11/2023-09693/economic-growth-regulatory-relief-and-consumer-protection-act-implementation-of-national-standards</a>.

The NSPIRE Final Rule will be implemented in two phases. Starting on July 1, 2023, Public Housing will transition to NSPIRE, followed by the Multifamily Housing programs, Housing Choice Voucher (HCV), Project Based Voucher (PBV) programs, and the Community Planning and Development programs on October 1, 2023. Under this new requirement, which takes effect on **HUD** programs must use the new NSPIRE inspection framework for all units assisted with acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services (24 CFR 574.300(b)(3)); new construction (24 CFR 574.300(b)(4)); project or tenant-based rental assistance (24 CFR 574.300(b)(5)); and operating costs (24 CFR 574.300(b)(8)). Additional found information can be the https://www.federalregister.gov/documents/2023/07/07/2023-14362/national-standards-for-the-physical-inspection-ofreal-estate-and-associated-protocols-scoring. All NSPIRE Score Calculator features are based on the Proposed NSPIRE Scoring Notice (88) 18268) Proposed **NSPIRE** Standards Notice located FR https://www.hud.gov/sites/dfiles/PIH/documents/6092-N-02nspire propose-standards.pdf.

#### **Financial Management**

As a direct recipient of HUD funds, the City of Concord must abide by the financial management requirements of the Federal Office of Management and Budgets found at 2 CFR part 200.

# Section 504 Barrier Removal Standards for Multifamily Housing

For new construction of rental or owner-occupied multifamily projects of four or more units, a minimum of 5 percent of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and an additional 2%, at a minimum, of the units (but not less than one (1) unit) must be accessible to individuals with sensory impairments. The total number of units in a HOME-assisted project, regardless of whether they are all HOME-assisted, is used as the basis for determining the minimum number of accessible units. Also, in a project where not all the units are HOME-assisted, the accessible units may be either HOME-assisted or non- HOME-assisted. The standards for ensuring

compliance with Section 504 are the Uniform Federal Accessibility Standards, although deviations are permitted in specific circumstances. Accessible units must be, to the maximum

extent feasible, distributed throughout the projects and sites and must be available in a sufficient range of sizes and amenities so as not to limit choice.

Owners and managers of projects with accessible units must adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with handicaps. They also must take reasonable non-discriminatory steps to maximize use of such units by eligible individuals. When an accessible unit becomes vacant, before offering the unit to a non-handicapped individual, the owner/manager should offer the unit first, to a current occupant of the project requiring the accessibility feature; and second, to an eligible qualified applicant on the waiting list requiring the accessibility features.

#### **Prevailing Wages and Labor Standards Requirements**

Labor standards requirements may impact the cost of construction work and should be factored in during the development of the project budget. The labor standards processes may require additional reporting and documentation during construction. Monitoring for compliance with labor standards requirements will be performed by the City of Concord. Applicants should assume that state prevailing wage rates will apply and build the requisite costs into all project development budgets, unless they obtain a determination otherwise from the North Carolina Department of Labor (NCDOL). Applicants are advised to consult with the NCDOL and/or private legal counsel prior to applying for funding to determine whether prevailing wages must be paid and, if so, whether commercial or residential rates apply.

If an applicant receives a loan that is incurring interest, is not forgivable, and is required to be repaid in full, such loan in and of itself is not expected to trigger a requirement that prevailing wages be paid on the project. However, if the applicant is receiving other public funds and/or is a public entity (e.g., housing authority), it may be required to pay state prevailing wages on the project. A definitive determination regarding the applicability of state Prevailing Wage law can only be obtained from the NCDOL.

Federal Davis Bacon prevailing wages apply to all projects with 12 or more HOME-assisted units regardless of whether HOME funds were used for construction or other projects costs. When triggered, Davis Bacon wages apply to the entire project. When federal funds trigger prevailing wages determined under the Davis-Bacon Act in a project, the higher of either the State Residential Prevailing Wage Rates (unless modified as stated below) or Davis-Bacon wage rates will apply to each job classification, unless applicable law requires otherwise. In cases where Davis-Bacon wages are triggered, Davis-Bacon monitoring procedures are followed.

### **Related Acts:**

- The Contract Work Hours and Safety Standards Act (CWHSSA) requires contractors and subcontractors to pay laborers and mechanics one and one-half (1.5) times their standard rate of pay for all hours worked more than 40 hours in a workweek.
- The Copeland Anti-Kickback Act prohibits a contractor or subcontractor from coercing an employee into giving up any part of their earned wages.

#### **Anti-Predatory Lending Policy**

The City of Concord supports the expansion of affordable and equitable homeownership and recognizes that predatory lending practices are inconsistent with advancing homeownership. To discourage predatory lending practices, the City of Concord established this Anti-Predatory Lending Mortgage Policy (the "Policy").

A residential mortgage loan is ineligible for funding from the City of Concord's HOME Investment Partnerships Program if it does not comply with all applicable federal, state, and local predatory lending laws and other laws designed to prevent unfair or abusive lending practices (collectively, "Anti-Predatory Lending Laws"). Neither the City of Concord, nor any of its funded Subrecipients, will not knowingly fund a Mortgage Loan that involves any of the following practices or characteristics:

- Requiring the borrower to obtain prepaid, single-premium credit life, credit disability, credit unemployment, or other similar credit insurance as a condition of the loan;
- Including in loan documents a mandatory arbitration provision with respect to dispute resolution;
- Charging prepayment penalties for paying off a loan;
- Lending without regard to a borrower's ability to make payments on the mortgage;
- Loans that violate the Home Ownership and Equity Protection Act of 1994 and its implementing regulations (collectively, "HOEPA Requirements") or other Anti-Predatory Lending Laws;
- Loans that are ineligible for inclusion in a structured finance transaction due to a rating agency's determination that it cannot rate a transaction that includes such loans;
- Loans where the terms of, or practices in connection with, such loans do not comply with the provisions of regulation Z (12 CFR Part 226) relating to Higher-priced Mortgage Loans; or
- Loans that fail to comply with any requirement of the MPF Program relating to predatory lending, including with limitation, Section 2.6 of the MPF Origination Guide.

#### ADDITIONAL GENERAL POLICIES AND PROCEDURES FOR DEVELOPMENT PROJECTS

The remaining provisions in this chapter apply to HOME-funded rental housing development, rental housing acquisition (no rehabilitation), and homebuyer development projects, collectively referred to as "Development Projects."

#### **Applicant Standards**

Requests for HOME Development Funds will need to demonstrate, with a reasonable level of assurance, that the sponsoring organization is fiscally sound and has reliable systems to manage and account for public funds. The following documents will be submitted at the City of Concord's request:

- Complete audit reports for each of the past two (2) years for the applicant, including an OMB circular A-133 supplement as appropriate, any audit findings, corrective action plan, management letter and agency response.
  - o If the applicant's organization has not been audited, financial statements for each of the past two (2) fiscal years and a year-to-date statement certified by the applicant's Chief Financial Officer. Financial statements will include balance sheets and cash flow, revenue, and long-term debt statements.
    - Nonprofit organizations must submit an IRS Form 990 for the prior two (2) years.
    - Outstanding HOME Annual, Close-out, or Monitoring Reports.

Applicants must demonstrate that the skills and experience of the development team and the property management team, and the capacity of the organization are appropriate to the size and complexity of the project. If the applicant does not have prior experience in affordable housing development or has not had experience within the past ten (10) years, they must partner with a development consultant experienced in affordable housing development.

Applicants will need a signed board resolution or board minutes authorizing submittal of a written request for funding. If selected for funding, the organization's board must designate in writing the person(s) authorized to execute agreements on behalf of the organization.

#### **Eligible Development Costs**

HOME development funds may be used for, but are not limited to:

- Site preparation or improvement, including demolition if construction begins within 12 months
- Securing buildings
- Construction materials and labor
- Onsite improvements in keeping with surrounding projects, including sidewalks, utility laterals, etc. Offsite infrastructure is not eligible as a HOME expense.
- Relocation costs, including moving costs, replacement housing costs, advisory services, and staff costs related to relocation assistance
- Financing fees
- Credit reports
- Title binders and insurance
- Recording fees and transaction taxes
- Legal and accounting fees, including project audit costs
- Appraisals
- Architectural and engineering fees
- · Environmental reviews
- Developer fees (subject to a limit)
- · Permit fees
- System development charges
- Affirmative marketing, initial leasing, and marketing costs
- Initial operating deficit reserve during lease-up: limited to 18 months (new construction projects only)
- Homebuyer counseling to purchasers of HOME-assisted housing units only

## **Appraisal and Real Property Acquisition**

If the applicant is proposing the purchase of real property and/or building(s), a full appraisal must support the purchase price. Appraisals and acquisition must comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended. The URA generally applies to federally funded projects involving acquisition, rehabilitation, or demolition, and requires compliance with following the real property acquisition process, unless the project meets the requirements of 49 CFR 24.101(b)(1)-(5).

Applicants must follow the procedures for a Voluntary Acquisition under the URA. Prior to making an offer for the property, the applicant must, in writing, advise the owner of the property that federal funds may be involved in the purchase of the property, let the owner know that the applicant does not have the power of eminent domain and that it will be unable to acquire the property if negotiations fail to result in agreement, and provide the owner with what it currently believes to be the market value of the property. If the applicant has not yet completed an appraisal of the property at the time of the offer, the statement of market value provided to the seller must have a reasonable basis (e.g., assessed value).

The request for HOME funding must include a current appraisal. An appraisal must be dated no more than 12 months prior to the funding request submission date. A letter updating an appraisal completed more than 12 months prior to the funding request submission date will be accepted. The appraisal must be conducted by someone with a current general appraisal certificate in the State of North Carolina.

#### **Minimum Property Standards**

## **New Construction Projects**

Projects also must comply with the *N.C. State Building Codes that are applicable to new construction, residential, and existing structures,* which the City of Concord has adopted as its construction performance standards. Housing must meet all applicable requirements upon project completion.

All new construction HOME-assisted projects will also meet the requirements described below:

- Accessibility. All housing will meet the accessibility requirements of 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Covered multi-family dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619).
- **Disaster mitigation**. Where relevant, housing must be constructed to mitigate the impact of potential disasters (e.g., earthquakes, hurricanes, flooding, and wildfires), in accordance with municipal, county, State ICC or IFC codes, or such other requirements as HUD may establish.
- Written cost estimates, construction contracts and construction documents. The City of Concord will
  ensure that construction contracts and construction documents describe the work to be undertaken in
  adequate detail to conduct inspections. The City must review and approve written cost estimates for
  construction and determine that costs are reasonable.
- **Construction progress inspections**. The City's staff also must conduct progress and final inspections of construction to ensure that work is done in accordance with the applicable codes, the construction contract, and construction documents (draw requests).

#### **Rehabilitation Projects**

For existing single-family properties assisted with the City of Concord's HOME funds, the unit must meet local codes, ordinances and zoning requirements for the municipality or county in which the project is located. The scope of work for home repairs will be determined during the initial inspection. During the initial visit, the Construction Coordinator must be able to see all aspects of the home, such as floors, walls, electrical outlets, the attic, the crawlspace, etc., to fully assess the needs of the home to complete the Work Write-Up. If all aspects of the home are not visible during the initial visit, staff will provide additional resources to assist the resident(s) to clear the required area(s) of the home. If the home is not accessible after receiving resources to assist with cleaning up the home and 30 days have passed, assistance may be denied. Projects must also comply with the *N.C. Building Code and the Concord Development Ordinance*, and must address the major systems of the unit in the following manner:

## Structural support

• If the initial inspection by the City of Concord or the approved designee shows any evidence of foundation, sill, joist or other structural support damage, these items must be corrected as part of the initial rehabilitation of unit prior to lease.

#### Roofing

- If deemed as not meeting the five-year threshold of useful life, the roofing, including all wood sheeting, framing, boxing, and fascia that is identified as compromised (rotted, missing, etc.) must be replaced along with the shingles.
- If the roofing is deemed as meeting the five-year threshold of useful life, any specifically identified issues (damaged fascia, guttering, boxing, etc.) must be corrected as part of the initial rehabilitation of the unit prior to lease.
- All attics must be vented.

## Cladding and Weatherproofing (e.g., windows, doors, siding)

- If initial inspection by the City of Concord, or approved designee, shows any evidence of specified damage, the items must be corrected as part of the initial unit rehabilitation prior to lease.
- If existing windows are single-pane and determined to be in working order, the City of Concord, developer, or subrecipient must ensure that all windows have been properly sealed, both inside and out, to remove any

potential air leakage.

#### **Plumbing and Water Heater**

- All plumbing issues identified in the initial inspection by the City of Concord or approved designee must be corrected.
- If the water heater is deemed as not meeting the five (5) year threshold of useful life, it must be replaced.
- Water heaters must be placed in drain pans with drain piping plumbed to disposal point as per the latest approved addition of the International Plumbing Code, only if located in a living space.
- Pipe all Water Heater Temperature & Pressure (T&P) relief valve discharges to disposal point as per the latest approved edition of the International Plumbing Code.

## **Electrical**

- If deemed as not meeting the five-year threshold of useful life, the electrical system must be replaced as part of the initial rehabilitation of the unit prior to lease.
- If deemed as meeting the five (5) year threshold of useful life, any specifically identified issues associated with the wiring must be corrected prior to lease.
- Wall switch-controlled Energy Star rated overhead lighting is required in all rooms.
- Each bedroom and hallway, etc. must have, as required by Code Regulations (local, state, or Federal) a hard-wired or battery back-up smoke detector.

#### Heating, Ventilation, and Air Conditioning

- If the unit is not properly insulated, a minimum of R19 insulation must be installed under all living space flooring and a minimum of R-38 insulation must be installed above all living spaceceilings.
- If the heating or air conditioning systems do not meet the five (5) year threshold of useful life, they must be replaced with a proper-capacity, high-efficiency system with proper seer capacity for heated and cooled space.

### **Site and Neighborhood Standards**

A site for newly constructed housing must meet the following site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
- The site must promote a greater choice of housing opportunities.
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

#### Accessibility

All housing must meet the accessibility requirements in 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201, also must meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). Rehabilitation may include improvements that are not required by regulation or statute that permits use by a person with disabilities.

## **Disaster Mitigation**

Where relevant, the City of Concord requires housing to be improved to mitigate the impact of potential disasters (e.g., earthquakes, hurricanes, flooding, and wildfires) in accordance with State and local codes, ordinances, and requirements.

## Compliance with State/Local Codes, Ordinances, and Zoning Requirements

The City of Concord's standards require that rehabilitated housing meet all applicable State and local codes, ordinances, and requirements or, in the absence of a State or local building code, the International Existing Building Code of the International Code Council.

#### **Uniform Physical Condition Standards**

The City of Concord will use the Uniform Physical Conditions Standards (UPCS), HUD's prescribed physical inspection procedures. UPCS requires that upon completion, all HOME assisted projects and units will be decent, safe, sanitary and in good repair.

#### **Capital Needs Assessments**

For multifamily rental housing projects of 26 or more total units, the City of Concord will determine all work to be performed on the rehabilitation of the housing and the long-term physical needs of the project through a capital needs assessment.

### **Construction Documents and Cost Estimates**

The City of Concord's staff will ensure that the work to be undertaken meets the City of Concord's rehabilitation standards. The construction documents (i.e., written scope of work to be performed) must be in sufficient detail to establish the basis for a uniform inspection of the housing to determine compliance with the Consortium Members' standards. The Consortium Members will review and approve a written cost estimate for rehabilitation after determining that costs are reasonable.

## **Frequency of Inspection**

The City of Concord must conduct an initial property inspection to identify the deficiencies that must be addressed. The City's inspectors will conduct progress and final inspections to determine that work was done in accordance with work write-ups.

All other existing housing that is acquired with HOME assistance for rental housing must meet the rehabilitation property standards requirements.

The City of Concord will document compliance based upon an inspection that is conducted no earlier than 90 days before the commitment of HOME assistance. If the property does not meet these standards, HOME funds will not be used to acquire the property unless it is rehabilitated to meet the standards.

The City of Concord will adhere to the following guidelines:

- On-site inspections will be performed within one (1) year following project completion and each one (1) to three (3) years during the affordability period.
- Property owners must annually certify to the City of Concord that each building and all HOME-assisted units in the project are suitable for occupancy.
- For projects with one (1) to four (4) HOME-assisted units, 100% of the HOME-assisted units will be inspected
  for site, building exterior, building systems, and common areas for each building that houses HOME-assisted
  units.

## **Ongoing Property Condition Standards for Rental Housing**

As with all other types of HOME-assisted housing, the City of Concord's established construction standards will be used to ensure that owners of all rental housing maintain the housing as safe, decent, sanitary and in good repair throughout the affordability period.

# **Inspection Procedures**

The City of Concord will establish written inspection procedures. The procedures must include detailed inspection checklists, a description of how and by whom inspections will be carried out, and procedures for training and certifying qualified inspectors. The procedures also must describe how frequently the property will be inspected.

## **Compliance and Monitoring**

During a project, monitoring shall be implemented through periodic on-site visits so that any problems that may occur will be resolved as soon as possible. The goal of monitoring is to assist and support recipients in complying with applicable State, Federal, and Local requirements and in implementing their project activities in a timely manner.

The City of Concord is required to maintain complete financial and program files and to comply with program reporting requirements. The City must also provide citizens with reasonable access to records pertaining to the use of funds.

**Technical Assistance Visit:** A technical assistance visit is an informal visit. The intent of this meeting is to share information that will enable the City of Concord to meet the various State and Federal requirements for its grant. A technical assistance visit could consist of explanations of project start-up requirements and the establishment of program files. The City of Concord must demonstrate compliance with applicable regulations and document this by maintaining accurate and complete records and files. The filing system must provide a historical account of the City's activities, be easy to use, and centrally located.

**Monitoring Visit:** A monitoring visit is more formal than a technical assistance visit. The monitoring visit is utilized to determine if the project is being conducted in compliance with applicable Federal and State laws and requirements. The review also determines the City of Concord's ability to implement the program in a timely manner.

The monitoring visit consists of a review of project files, records, and documentation, and may include a visit to the project site. All records, files, and documentation should be available for review at the monitoring visit. If other public agencies, attorneys, or consultants have assisted in program implementation, these records must be available for review for the monitoring visit. Failure to produce such records upon request will result in issuance of either a program "concern" or "finding" of non-compliance and will jeopardize the organization's eligibility for future HOME project funding. The issuance of a program "concern" or "finding" may, at the discretion of the City of Concord's staff, result in the recapture of funds provided by the City of Concord.

# **Project Completion Deadline and Terminated Projects**

As required in 24 CFR §92.205(e), the City of Concord's staff must be able to execute a written agreement with the Subrecipient for the project within 12 months of July 1 of the year in which funding is awarded. The Subrecipient must typically be able to complete the project and expend all funds within two (2) years of the execution of the written agreement.

When HOME funds are expended for projects that are terminated before completion, for whatever reason, the HOME funds that have been expended are ineligible and must be repaid. The City of Concord must terminate any project that does not meet the HOME requirements for affordable housing (i.e., affordability provisions, income targeting, property standards, etc.) and repay HOME funds that are expended for the project.

## **Corrective and Remedial Actions**

The inability to properly execute the terms of the contract and/or maintain records in the prescribed manner may result in a finding that the City of Concord has failed to meet the applicable requirement of the contract. Remedial actions may include technical assistance to bring the project into compliance, or recapture of HOME funds.

## **HOME-assisted Development Projects must meet the following standards:**

- New construction: New construction is required to meet all state and local codes and ordinances plus the
  Model Energy Code and all Handicapped Accessibility requirements. While new single-family homes are
  not required to comply with Section 504 accessibility standards, if the applicant for the housing is disabled,
  the home must meet their accessibility needs. Where it is practical to do so, new single-family homes
  should be constructed to be accessed by a person with mobility impairments and adaptable to the needs
  of future residents seeking to age in place. New construction of rental housing must meet HOME site and
  neighborhood standards.
- <u>Acquisition (no rehabilitation)</u>: Acquired housing must meet applicable state and local housing quality standards, if relevant standards exist, including lead-based paint hazard requirements. If none exists, then acquired housing must comply with Section 8 Housing Quality Standards.

Construction contracts and construction documents must be provided in adequate detail and reviewed by the City of Concord to ensure that the documents address minimum housing and property standards, as well as city and/or state code requirements. Applicants also must provide written cost estimates prior to the execution of construction contracts to ensure that costs are reasonable.

#### Site Control

Site control is typically required at the time of requesting funds for development projects. Site control documentation includes the following: a deed of trust, current option, current purchase and sale agreement, a current title report showing the entity holding fee simple title, an executed lease agreement for the length of the commitment to serve low-income households, or an executed disposition or development agreement.

#### **Phase 1 Environmental Site Assessment**

Development projects must provide proof that a Phase 1 Environmental Site Assessment (ESA) is underway at the time of submitting the written funding request to ensure that any environmental hazards are recognized and mitigated. The Phase I ESA should be prepared in accordance with the requirements of ASTM E-1527 "Standard Practice for Environmental Site Assessments, Phase I Environmental Site Assessment Process," and must clearly document compliance with 24 CFR 58.5(i)(2) or 50.3(i). Each assessment will include limited surveys of lead-based paint, asbestos, mold, and wetlands as applicable. If any hazards are identified, they will be abated or mitigated before occupancy. The Phase I ESA must be dated six months or less from the submission of the written funding request. If, at the time that the City of Concord undertakes the federal Environmental Review, the Phase I ESA is more than six months old, an update will be required. If the Phase I ESA is more than a year old at the time that the City undertakes the federal Environmental Review, a new Phase I ESA must be completed. Development projects must also meet state requirements under the State Environmental Policy Act (SEPA) and federal environmental review requirements under the National Environmental Policy Act (NEPA) as applicable.

## Relocation

HOME-funded projects are subject to relocation requirements contained in the Uniform Relocation Act (URA) and, in some cases, Section 104(d) of the Housing and Community Development Act (also known as the Barney Frank Amendments). URA relocation requirements are triggered whenever displacement occurs as a direct result of rehabilitation, demolition, or acquisition of a HOME-assisted project. Displacement includes residential and commercial tenants and owners. More information is available in HUD Handbooks 1378 and 1374.

As a practical matter, the City of Concord discourages projects that involve permanent displacement because of the impact on residents, the cost, and the delay.

### **Subsidy Layering and Underwriting Guidelines**

The City of Concord must determine that no more than the necessary and allowable amount of HOME funds (in combination with other governmental funds), are invested in projects. The procedure for making this determination is the layering review.

The layering review will be conducted for those projects that include state or other public funds. It will take place as part of the review for funding and again at the time of funding commitment. The review will consider the sources and uses of funds proposed for a project, the reasonableness of project development costs, the proposed project operating costs, and the amount of cash flow generated over time.

Subsidy layering also applies to homebuyer units with multiple government funding awards.

Before committing funds to a project, the City of Concord must evaluate the project in accordance with the following guidelines that determine a reasonable level of profit or return on the owner's or developer's investment in a project.

### • Reasonable Costs:

- <u>Rental Development Projects</u>: Rental development project costs are considered reasonable if they
  are within the Total Development Cost (TDC) Limits set by the North Carolina Housing Finance
  Agency. If the project exceeds these limits, the owner or developer will be required to submit a
  waiver request that identifies project characteristics that create cost levels above these limits.
- <u>Homebuyer Projects</u>: No housing purchase value, constructed or after-rehabilitation, may exceed
   95 percent of the median purchase price of owner-occupied homes or exceed the maximum per unit HOME-investment value.
- <u>Debt Coverage Ratio for Rental Projects</u>: Projects must have an overall Debt Coverage Ratio (DCR) that provides a cushion against risk that may result from unforeseen circumstances, including higher than anticipated vacancy rates. Deferred loans are not considered in the DCR calculation during the deferral period, only the year when they become due and payable. The annual contributions to operating and replacement reserves must be included in the operating expenses when calculating the DCR. Projects should have an overall DCR of at least 1.10:1. The City of Concord reserves the right, during contract development, to direct the use of excess cash flow when a project has an overall DCR granter than 1.20:1.
- **Developer Fee:** A reasonable maximum developer fee is ten percent (10%). For projects serving homeless, special needs populations or with 12 or fewer units, a reasonable developer fee is 15 percent (15%).
- <u>Project Contingencies</u>: If the City of Concord is providing funds for construction of housing, a 10% contingency for new construction is required, with the right to request an exception, if needed.
- <u>Market Demand</u>: Applicants must, at a minimum, describe efforts to identify properties that are within the proposed project's market area and are available to the target population. A third-party market study must accompany the written funding request if the project involves low-income housing tax credits or if another funder requires a market study. Market studies are not required for the following projects:
  - o Projects for persons with Developmental Disabilities (DD)
  - Projects for persons with chronic mental illness (CMI)
  - o Projects for homeless persons
  - Domestic violence (DV) projects
  - Special needs projects for persons with chronic substance abuse issues combined with homelessness and/or other conditions requiring intensive support services

If the project does not meet any of the above criteria, a market study is required. The market study must be submitted with the written funding request for funding if the applicant has site control. If site control has not been obtained, the market study must be submitted upon receipt of site control.

• <u>Vacancy Rates</u>: Applicants should use a 5% residential vacancy rate for rental projects and a 10% non-residential vacancy rate when preparing their operating pro forma. Exceptions will be allowed if adequate justification is provided, such as in the case of very small or special needs projects.

# **Costs Associated with the Administration of Development Projects**

The City of Concord incurs costs associated with the oversight and administration of individual development projects, including both those that occur during the development phase (e.g., environmental review, underwriting, subsidy layering analysis, loan processing, and construction inspection/oversight, appraisal and legal fees) and those that occur during the affordability period (e.g., monitoring and inspections). The City of Concord may charge these costs to individual projects.

The costs incurred during the development phase will be included in the project's per-unit subsidy and match calculations, but they will not be included in any indebtedness incurred by the City of Concord and thus are not included in the loan amount.

Costs incurred during the affordability period will be charged as they are incurred by the City of Concord. The City must include the estimated monitoring costs as an allowable operating expense in their operating budget for the project.

#### V. DEVELOPMENT OF HOMEOWNERSHIP HOUSING

The City of Concord may fund the development of homeownership units for first-time homebuyers.

Please refer to the section entitled "General Policies and Procedures for Development Projects" for information related to:

- Applicant Standards
- Eligible Development Costs
- Appraisal and Real Property Acquisition
- Minimum Property Standards
- Site and Neighborhood Standards
- Accessibility
- Disaster Mitigation
- Compliance with State/Local Code, Ordinances, and Zoning Regulations
- Uniform Physical Condition Standards
- Gap Needs Assessment
- Construction Documents and Construction Estimates
- Frequency of Inspections
- Ongoing Property Condition Standards for Rental Housing
- Inspection Procedures
- Compliance and Monitoring
- Project Completion and Termination of Projects
- Corrective and Remedial Actions
- Site Control
- Phase 1 Environmental Site Assessment
- Relocation
- Subsidy Layering and Underwriting Guidelines
- Costs Associated with the Administration of Development Projects

# **Project Eligibility**

### Eligible Activities

Activities allowed with the use of City of Concord's HOME funds are activities that support the development of affordable homes for first-time homebuyers and that address the needs identified in the Consolidated Plan.

- New Construction:
  - Financial assistance provided for the construction of affordable housing units for first-time homebuyers.

## Eligible Properties

- Properties eligible for HOME development assistance must serve as the purchaser's principal residence throughout the period of affordability.
- · Property types:
  - Single-family dwelling
  - o Condominium
  - Manufactured Home

## Eligible homeownership types

- Fee simple title to the property
- Own a condominium
- Housing located on land owned by a community land trust, for at least 50 years
- Manufactured housing on a ground lease that is at least equal to the applicable affordability period.

#### Homebuyer Eligibility

- First-time homebuyer: Applicant must not have owned a home during the previous 3 years prior to receiving federal funds excluding:
  - A displaced homemaker who owned a home with his or her spouse or resided in a home owned by the spouse.
  - A single parent who owned a home with his or her spouse or resided in a home owned by the spouse.
- Homebuyer households assisted must have incomes at, or below, 80% of the area median income (AMI) and occupy the home as their primary residence.

## Maximum Property Value

- For new construction or acquisition of standard housing to be considered an eligible property, the property must have a purchase price that does not exceed 95% of the median purchase price for single-family housing in the area.
- HUD establishes the median purchase price limits and these limits can be found on its website: https://www.hudexchange.info/resource/2312/home-maximum-purchaseprice- after-rehab-value/. The City of Concord will provide current and updated limits, but the developer is responsible for confirming maximum property values for each transaction.

#### Resale Policy

The City of Concord has elected to use a resale methodology for ensuring compliance with HUD homebuyer affordability requirements. The City of Concord's resale policies and guidelines ensure that the HOME-assisted units remain affordable and owner-occupied over the entire affordability period. Before each HOME-assisted unit purchase, the resale restrictions and affordability period are set forth in a funding agreement and restrictive covenant. Upon sale of the property by the initial homebuyer(s) during the period of affordability, the subsequent homebuyer must be an income-qualified household that will occupy the property as their principal residence. The initial homebuyer must receive net proceeds from the sale that represent a fair return on their investment.

The Homeownership Development Program is designed to provide financial assistance to a developer who agrees to sell homes to income-qualified homebuyers, resulting in a direct benefit to the homeowner households. In this case, HOME funding, known as "Development Subsidy," is provided directly to a developer to assist with or reduce development costs, when the developer agrees to sell homes to income-qualified homebuyers under terms that make the monthly cost of the home affordable to the homebuyer. These funds are not provided directly to the homebuyer but are a "development subsidy" that enables the homes to be affordable to a low-income homebuyer. This includes HOME assistance that helps to close the gap between the cost of producing the home and the market value of the property (i.e., the development subsidy where the cost of development is higher than that market price of the home) but excludes any additional public funds that will reduce the purchase price from fair market value to an affordable price. When HOME funds are used for the cost of developing a property and the unit is sold below fair market value, the difference between the fair market value and the purchase price is the HOME subsidy.



# **Enforcement of Resale Provisions**

The resale policy is enforced with a Written Agreement and Restrictive Covenant signed by the homebuyer and developer, if applicable, at or before the closing of an escrow account for the sale of

the home. The Written Agreement and Restrictive Covenant will specify:

- 1. Affordability Period. The resale policy is enforced for the affordability period and is based on the total amount of HOME funds invested in the unit. The affordability period for HOME-assisted home purchases is 5 years for up to \$15,000-\$25,000 of HOME funds, 10 years for \$25,001-\$50,000 of HOME funds, 15 years for amounts greater than \$50,000 of HOME funds. For newly constructed homes by the City of Concord or by an approved developer, the term is twenty years. If more than one type of funding is used to assist the homebuyer, the home may be subject to multiple affordability periods. Where multiple affordability periods exist in a home, the resale of the home will be restricted to the longest period set forth in the Funding Agreement and Restrictive Covenant.
- 2. <u>Initial Homebuyer Requirement</u>. The initial homebuyer must occupy the home as their principal residence, and permanent sublease or renting is not allowable.
- 3. Subsequent Homebuyer Requirements and Reasonable Range of Low-Income Homebuyers. When sold, the home must be made affordable to a reasonable range of low-income households. Affordable is defined as a monthly housing cost for mortgage principal, interest, taxes, and insurance of not more than 30% of the gross monthly income for a household between 60% and 80% of the area median income, adjusted for household size.

The initial homebuyer may not sell the home during the affordability period except in a manner that results in a subsequent homeowner who will occupy the home as their principal residence and whose household income is between 60% and 80% of area median income, adjusted for household size. To accomplish this, proceeds from the sale that exceed the fair return on investment will be returned to the HOME account to be used to make the unit affordable for a subsequent homebuyer.

The City of Concord will verify the subsequent buyer's income eligibility. To determine maximum purchase price paid by the subsequent homebuyer, the City will use the HOME affordable homeownership limits for the area provided by HUD in accordance with 24 CFR 92.254(a)(2)(i).

4. Security. Any HOME funds invested in housing that does not meet the affordability and resale requirements must be repaid to the City of Concord. The City will secure its financial interest in the affordability requirements through a recorded Restrictive Covenant, a Recoverable Grant Agreement, a Deed of Trust and/or Promissory Note or any combination thereof that will ensure repayment if the affordability requirements are not met.

The affordability restrictions may terminate upon the occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. The participating jurisdiction may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability.

In the event of foreclosure, the City of Concord may be at risk of losing its HOME investment in the home and may be required to repay the funds to the HOME Investment Trust Fund Treasury account or the local City account. To minimize the City of Concord's risk for repayment in the event of foreclosure, the City will adhere to the following policies:

- If the City of Concord's HOME investment is a development subsidy, the City will require the developer to provide other suitable security or assurance that the funds will be repaid to the City of Concord.
- If the City of Concord's HOME investment assists a homebuyer on property leased from a
  community land trust, the City will require the community land trust to secure the HOME
  investment with a recorded Restrictive Covenant, Recoverable Grant Agreement, Deed of
  Trust and/or Promissory secured against the leased land.
- If the City of Concord's HOME investment assists a homebuyer on property not leased from a community land trust, the City will require the homebuyer to secure the HOME investment with a recorded Restrictive Covenant, Recoverable Grant Agreement, Deed of Trust and/or Promissory secured against the land.
  - If the housing does not continue to be the principal residence of the family for the duration of the period of affordability, the housing can be made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as the family's principal residence.
- 5. Fair Return to Initial Buyer. A homeowner that sells HOME-assisted homes is provided with a fair return on her/his investment. The homeowner that sells a home may receive from sale proceeds their original contribution (down payment), plus amounts paid towards mortgage principal, plus the value of any credit-eligible improvements paid by the homeowner plus/less any agreed-upon appreciation/depreciation. The calculation is further described below:
  - <u>Cash down payment</u>. The amount of cash paid by the homebuyer to acquire the property.
  - <u>Amount paid to the principal</u>. The amount of cash paid by the homebuyer that is credited to the principal on a mortgage on the property.
  - Capital improvements. The addition of livable space (bedroom, bathroom, finished basement, finished attic space, porch or deck, the addition of a garage (either attached or detached)) shall be considered a Qualified Capital Improvement. To receive credit for a Qualified Capital Improvement, the homebuyer must submit to the City of Concord (or leaseholder, if a community land trust), prior to commencing construction, detailed plans, itemization of expected costs and permits for the proposed construction. The City (and leaseholder, if a community land trust) may agree to the scope of the proposed construction and timeline for completion, in addition to the future affordability of the improvements for subsequent resale to qualified low-income homebuyers. Fifty percent of the value of the qualified Capital Improvements that is agreed to in advance by the City (or community land trust) shall qualify as Capital Improvement Credit.
  - <u>Capital Systems Replacement</u>. For qualifying as a Capital Systems Replacement, the roof, plumbing (excluding fixtures), foundation, electrical (excluding fixtures), heating, sewer line, insulation, or windows, shall be considered Capital Systems if at least fifty percent of the Capital System is replaced, and the new Capital System has an expected lifespan of at least thirty years. The addition of alternative energy production system(s) shall qualify for credit under this passage. To receive a credit for Capital Systems Replacement, the homeowner must consult with the City of Concord (or community land trust) prior to replacing a Capital

System, and an agreement must be reached between the homeowner and the City of Concord (or community land trust) regarding the scope and cost of the proposed replacement. The intention of this credit is to encourage and create incentives for homeowners to maintain the functionality of these systems and to increase the quality of energy efficiency, durability, and ease of maintenance over time while simultaneously maintaining affordability. Provided all conditions of this paragraph and the agreement between the City of Concord (or community land trust) and homeowner described herein are met, the following payment schedule shall apply:

If the home sale is less than 10 years from Capital System Replacement, 100 percent of the cost can be credited. If the home sale is between 10 and 20 years from Capital System Replacement, 50 percent of the cost can be credited. Replacement of less than fifty percent of any Capital System will be considered repair and the cost of such a repair will not be eligible for credit under this section.

Appreciation/Depreciation. The City of Concord uses the housing price index (HPI) calculator, provided by the Federal Housing Finance Agency, to achieve its dual goals of providing a fair return to the original homeowner/seller at resale and ensuring an affordable price to the incoming, low-income homebuyer. The calculator can be accessed at the following link: <a href="https://www.fhfa.gov/DataTools/Tools/Pages/HPI-Calculator.aspx.">https://www.fhfa.gov/DataTools/Tools/Pages/HPI-Calculator.aspx.</a>

The resale formula stipulates that the homeowner, should they choose to sell, will be able to sell the home for the original price paid (not including the HOME subsidy at the time of purchase) plus 25% of any increase in the combined value of the home and land based on the HPI during the time of ownership. Additionally, at resale, the homeowner is allowed to receive an equity "credit" for qualified capital improvements made, as follows: 100% of the increase in appraised value attributable to the addition of one (1) or more bedroom and one (1) or more bathroom and 50% of the actual cost for the work of other qualified capital improvements.

By using a market-rate appraisal conducted by an independent, state-licensed appraiser to establish the value of the property prior to the initial purchase of the home, the City of Concord follows the standard practice for all real estate purchase transactions. By using the Housing Price Index to determine the value, upon notice of intent to sell by the homeowner, the City ensures that the previous and prospective homeowners and the public have a transparent method of determining the home price. In this way, the market values are easily measured, professionally determined, and publicly accessible. No subjective judgments are made by the City of Concord or the homeowner as to what constitutes value and how value is determined.

- 6. Resale Process. The homebuyer must notify the City of Concord prior to offering the home for sale. The homebuyer will need to provide the City with documentation of principal paid, capital improvements made, and capital systems replaced to help determine the homebuyer's fair return on investment. Within thirty days, the City will provide a written response regarding the homeowner's fair return on investment.
  - Proceeds from the sale that exceed the fair return on investment will be returned to the HOME account to be used to make the unit affordable for a subsequent homebuyer.

### **Termination of Affordability Restrictions:**

The affordability restrictions may terminate upon the occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.

- The City of Concord may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability.
- The affordability restrictions will be enforced according to the original terms if, during the original affordability period, the owner of record obtains an ownership interest in the housing prior to the termination event.
- Under the following conditions, certain housing may be presumed to meet the resale restrictions during the period of affordability without the imposition of enforcement mechanisms by the City of Concord:
  - The presumption must be based upon a market analysis/appraisal of the neighborhood in which the housing is located. The market analysis must include an evaluation of the location and characteristics of the housing and residents in the neighborhood (e.g., sale prices, age and amenities of the housing stock, incomes of residents, percentage of owner-occupants) in relation to housing and incomes in the housing market area.
  - An analysis of the current and projected incomes of neighborhood residents for an average period of affordability
    for homebuyers in the neighborhood must support the conclusion that a reasonable range of low-income families
    will continue to qualify for mortgage financing.
  - The City of Concord will periodically update its market analysis to verify continued affordability.

## Recapture

pture Provisions: For all homebuyer down payment and closing cost assistance and housing development subsidies that cause the unit to be sold below fair market value projects, a recapture provision shall be utilized. These subsidies represent a direct subsidy to the homebuyer. If the home is sold during the period of affordability, the City of Concord must be notified of the sale. The City of Concord will execute written agreements that reflect the recapture provisions at or before the time of sale and will be forced via a recorded lien. Affordability periods are based on the amount of HOME investment. Any Subrecipients will be required to enforce these recapture provisions. The City of Concord will allow a prorata reduction of the recapture amount during the affordability period. The reduction will be void if repayment is triggered. These provisions will be included in the loan documents.

**Recapture Method:** In the event of a voluntary or involuntary sale, the City of Concord will recapture and retain all appreciation before the homebuyer receives a return. The recapture amount is limited to the net proceeds available from the sale. The homebuyer will then retain remaining funds after the City retains its investment up to 100 percent (100%) including project related soft costs. The net proceeds are defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs.

If the property owner no longer uses the property as a principal residence, violates other HOME principal residency requirements of the property, is unable to continue ownership, or violates the affordability requirements of the HOME program, any outstanding amount of HOME assistance will be recaptured by the City of Concord from the net sales proceeds. Any proceeds from the recapture of HOME funds will be used to facilitate the acquisition, construction and/or rehabilitation of housing for the purposes of promoting affordable housing.

- The City of Concord will structure its recapture provisions based on its Homeownership Program design and market conditions.
- Recapture provisions may permit the subsequent homebuyer to assume the HOME assistance (subject to the HOME
  requirements for the remainder of the period of affordability), if the subsequent homebuyer is low-income, and no
  additional HOME assistance is provided.

This assistance could be directly, in the form of down-payment assistance, a first or second mortgage, or indirectly, such as through the sale of the home to the buyer at less than fair market value.

Therefore, the borrower acknowledges that the affordability period information has been provided and is encouraged to read and understand the HOME Regulations.

Recapture Options: The City of Concord can use the following options regarding the recapture of HOME funds:

- **Recapture** Entire **Amount:** The City of Concord may recapture the entire amount of the HOME investment from the homeowner.
- Reduction during Affordability Period: The City of Concord may reduce the HOME investment amount to be recaptured on a pro rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.
- Shared Net Proceeds: If the net proceeds are not sufficient to recapture the full HOME investment, plus enable the homeowner to recover the amount of the homeowner's down payment and any capital improvement investment made by the owner since purchase, the City of Concord will share the net proceeds. Net proceeds equal the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

HOME Investment HOME Investment + Homeowner Investment	x Net Proceeds = HOME Funds to be Recaptured
Homeowner Investment HOME Investment + Homeowner Investment	x Net Proceeds = Amount to Homeowner

- Owner Investment Returned First: The City of Concord may permit the homebuyer to recover the homebuyer's entire investment (down payment and capital improvements made by the owner since purchase) before recapturing the HOME investment.
- Amount Subject to Recapture: The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance that reduces the purchase price from fair market value to an affordable price but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy).
- Recaptured funds must be used to carry out HOME-eligible activities in accordance with the requirements of this part. If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used.
- Lease-Purchase: HOME funds may be used to assist homebuyers through lease-purchase programs for existing housing and for housing to be constructed. The housing must be purchased by a homebuyer within

36 months of signing the lease-purchase agreement. The homebuyer must qualify as a low-income family at the time the lease-purchase agreement is signed. If the HOME funds are used to acquire housing that will be resold to a homebuyer through a lease-purchase program, the HOME affordability requirements for rental housing in §92.252 shall apply if the housing is not transferred to a homebuyer within 42 months after project completion.

- Preserving Affordability of Housing that was Previously Assisted with HOME Funds: To preserve the affordability of HOME-assisted housing, the City of Concord may use additional HOME funds for the following costs:
  - Costs to acquire the housing through a purchase option, right of first refusal, or other preemptive
    right before foreclosure, or at the foreclosure sale. (The foreclosure costs to acquire housing with
    a HOME loan in default are eligible. However, HOME funds may not be used to repay a loan made
    with HOME funds.)
  - Costs to undertake any necessary rehabilitation for the housing acquired.
  - Costs of owning/holding the housing pending resale to another homebuyer.
  - Costs to assist another homebuyer in purchasing the housing.
  - When HOME funds are used to preserve the affordability of such housing, the additional investment must be treated as an amendment to the original project. The housing must be sold to a newly eligible homebuyer within a reasonable period, typically nine (9) months or less.
  - The total amount of the original and additional HOME assistance may not exceed the maximum per unit subsidy amount.
  - The cost can be charged to the HOME program as a reasonable administrative cost so that the additional HOME funds for the housing are not subject to the maximum per-unit subsidy amount. To the extent administrative funds are used, they may be reimbursed, in whole or in part, when the housing is sold to a new eligible homebuyer.

#### **Rehabilitation Not Involving Acquisition**

Housing that is currently owned by an eligible household qualifies as affordable housing only if:

- The estimated value of the property, after rehabilitation, does not exceed 95 percent (95%) of the median purchase price for the area; and
- The housing is the principal residence of an owner whose household qualifies as a low-income family at the time HOME funds are committed to the housing. The income of all persons living in the housing must be used to determine income eligibility.
- The households with residents that are 60 years of age or older with total household incomes between 50% to 80% of the area median income will not suffer undue burdens when applying for rehabilitation assistance because the City of Concord established forgivable liens with no repayment requirements and a maximum affordability period of 15 years.
- The homeowner must be current on taxes, mortgage payments, and insurance on the property.

## **Types of Ownership Interest**

- Inherited Property: Inherited property with multiple owners is defined as: housing for which title has been passed to several individuals by inheritance, but not all heirs reside in the housing, sharing ownership with other nonresident heirs. (The occupant of the housing has a divided ownership interest.) The owner-occupant may be assisted if the occupant is low-income, occupies the housing as his or her principal residence, and pays all the costs associated with ownership and maintenance of the housing (e.g., mortgage, taxes, insurance, utilities).
- Life Estate: The person who holds the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent. The person holding the life estate may be assisted if the person is low-income and occupies the housing as his or her principal residence.
- A Living Trust: A living trust is created during the lifetime of a person. A living trust is created when the owner of property conveys his or her property to a trust for his or her own benefit or for that of a third party (the beneficiaries). The trust must be valid and enforceable and ensure that each beneficiary has the legal right to occupy the property for the remainder of his or her life. The person holding the living trust may be assisted if the person is low-income and occupies the housing as his or her principal residence.
- **New Construction without Acquisition**: Newly constructed housing that is built on property currently owned by a family that will occupy the housing upon completion. The household must qualify as low-income, and the housing must be their permanent residence.

# **Converting Rental Units to Homeownership Units for Existing Tenants**

- The City of Concord can allow the owner of the HOME-assisted rental units to convert the units to homeownership units by selling, donating, or otherwise conveying the units to the existing tenants to become homeowners. Refusal by the tenant to purchase the housing does not constitute grounds for eviction or for failure to renew the lease.
- If there are no additional HOME funds that can be used to assist tenants in becoming homeowners, the units are subject to a minimum period of affordability equal to the remaining affordable period if the units continued as rental units.
- If additional HOME funds are used to assist tenants to become homeowners, the minimum period of affordability will be based on the amount of direct homeownership assistance provided.

## **Homebuyer Program Policies**

The City of Concord will work to preserve and expand the area's affordable housing stock by providing grants, deferred loans and/or low-interest loans to housing partners to produce affordable housing units. The City of Concord's HOME funds will be leveraged with other, non-HOME funding to maximize the numbers of units produced while minimizing the cost burden to new homeowners.

To qualify for homebuyer assistance, individual participants must complete a comprehensive housing counseling program through a HUD-certified counselor or agency.

In addition to the educational resource on housing and financial literacy that the counseling program provides, home buyer assistance may also provide some gap financing to make purchases more affordable in for forms of closing costs and/or down payment assistance.

To qualify for first-time homebuyer assistance the person must:

- Occupy the property as their primary residence;
- Have not owned a home within the previous three (3) years;
- Be at or below 80 percent (80%) of area median income;
- Qualify for a first mortgage through a lending entity approved by the City of Concord; and
- Have completed a qualified homebuyer education and counseling class and be able to demonstrate ability to repay the loan.
- The maximum price of the purchased home cannot exceed those limits published by HUD.
- The prospective homeowner's housing costs cannot exceed 30% of their gross income and debt-to-income ratio limits must meet standard underwriting guidelines.

These funds may be used with other available funding to assist the same segment of the regional population. As mentioned above, the City of Concord may use local funds to directly assist homebuyers. The City also may use deobligated subrecipient funding for homeownership initiatives.

## VI. DEVELOPMENT OR ACQUISITION OF RENTAL HOUSING

Please refer to the section entitled "General Policies and Procedures for Development Projects" for information related to:

- Applicant Standards
- Eligible Development Costs
- Appraisal and Real Property Acquisition
- Minimum Property Standards
- Site and Neighborhood Standards
- Accessibility
- Disaster Mitigation
- Compliance with State/Local Code, Ordinances, and Zoning Regulations
- Uniform Physical Condition Standards
- Gap Needs Assessment
- Construction Documents and Construction Estimates
- Frequency of Inspections
- Ongoing Property Condition Standards for Rental Housing
- Inspection Procedures
- Compliance and Monitoring
- Project Completion and Termination of Projects
- Corrective and Remedial Actions
- Site Control
- Phase 1 Environmental Site Assessment
- Relocation
- Subsidy Layering and Underwriting Guidelines
- Costs Associated with the Administration of Development Projects

# **Qualification as Affordable Housing: Rental Housing**

All HOME-assisted rental units must be occupied by households that are low-income eligible with rents conforming to high and low HOME rents for the area median income and adjusted for household size.

- Rental units must have initial occupancy within 18 months of completion.
  - If at six (6) months a unit is still vacant, the City of Concord may require changes to the marketing efforts.
  - If the unit is still vacant at 18 months, repayment of HOME funds invested must be made.

# **Rent Limitation (High HOME Rents)**

The maximum HOME rents (High HOME Rents) are the lesser of:

- The fair market rent for units by number of bedrooms, and the HOME 65% rents for a comparably sized unit. The lower of the two rents is the High HOME Rent.
- Rent plus monthly utilities, or the utility allowance, cannot exceed 30 percent of the adjusted income of a
  family whose annual income equals 65% of the area median income (AMI) for the area, with adjustments
  for number of unit bedrooms.
- The HOME rent limits provided by HUD will include the average occupancy per unit and the adjusted income assumptions.

### **Additional Rent Limitations (Low HOME Rents)**

In rental projects with five or more HOME-assisted rental units, at least 20 percent (20%) of the HOME-assisted units must be occupied by very low-income families and meet one of the following rent requirements:

- The rent does not exceed 30 percent (30%) of the annual income of a family whose income equals 50 percent (50%) of AMI, as determined by HUD, with adjustments for smaller and larger families.
- The rent does not exceed 30 percent (30%) of the family's adjusted income, if the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent (30%) of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.

## Additional Rent Limitations for Single Room Occupancy (SRO) Projects

- For SRO units that have both sanitary and food preparation facilities, the maximum HOME rent is based on the zero-bedroom fair market rent.
- For SRO units that have no sanitary or food preparation facilities or only one of the two, the maximum HOME rent is based on 75 percent (75%) of the zero-bedroom fair market rent. The project does not require low HOME rents but must meet occupancy requirements.

## **Initial Rent Schedule and Utility Allowances**

- The City of Concord will establish maximum monthly allowances for utilities and services (excluding telephone) and update the allowances annually. The City of Concord will use the HUD Utility Schedule Model <a href="http://huduser.org/portal/resources/utilmodel.html">http://huduser.org/portal/resources/utilmodel.html</a> to determine the utility allowance for the project based on the type of utilities used at the project.
- The City of Concord will review and approve rents proposed by the owner for units designated as high or low HOME rents. For all units subject to the maximum rent for which the tenant is paying utilities and services, the City of Concord will ensure that the rents do not exceed the maximum rents minus the monthly allowances for utilities and services.

#### AFFORDABILITY PERIODS

HOME-Assisted Activity or Project	Maximum Period of Affordability in Years
Under \$15,000	5
\$15,000 to \$25,000	5
\$25,001 to \$40,000	10
\$40,001 to \$50,000	10
Greater than \$50,000	15

**Affordability Periods:** HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the table above, beginning after project completion.

- Affordability requirements will apply without regard to the terms of any loan or mortgage, repayment of the HOME investment, or the transfer of ownership;
- The City of Concord will impose affordability requirements through a deed restriction, a covenant running

with the land, an agreement restricting the use of the property, or other mechanisms approved by HUD.

• Purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure can be used to preserve affordability.

## **Subsequent Rents During the Affordability Period**

For subsequent income determinations during the period of affordability, the City of Concord will use one of the following methods:

- Obtain from the family a written statement of the amount of the family's annual income and family size, along with a certification that the information is complete and accurate. The certification must state that the family will provide source documents upon request.
- Obtain a written statement from the administrator of a government program under which the family receives benefits and that examines the family's annual income.
  - O The statement must indicate the tenant's family size and the amount of the family's annual income; or
  - The statement must indicate the current dollar limit for very low- or low-income families for the family size of the tenant and state that the tenant's annual income does not exceed this limit.
- HOME rents for a project are not required to be lower than the HOME rent limits established for the project at the time of project commitment.
- Annually, the owners of rental properties must provide the City of Concord with information on rents and occupancy for HOME-assisted units to show compliance. The City of Concord will review and approve any rent increases.
- Owners must provide tenants of HOME-assisted units with 30 days prior written notice before implementing any increase in rents.
- HUD may adjust the HOME rent limits for a project, only if HUD finds that an adjustment is necessary to support the project's continued financial viability, and only by an amount that HUD determines is necessary.

### **Designating HOME-Assisted Units**

The HOME Program distinguishes between the units in a project that are assisted with HOME funds and those that are not, hence the term HOME-assisted unit. In deciding the number of HOME-assisted units to designate in a project, the following factors should be considered:

- Maximum HOME assisted unit investment: HUD has established the maximum per-unit subsidy limit
  as 100 percent of the dollar limits for a Section 234-Condominium Housing basic mortgage limits,
  for elevator-type projects. These limits change annually and will be provided by the City of Concord.
- If there are 12 or more HOME-assisted units in a project, Davis-Bacon wage rates apply.

All HOME-assisted units must be designated as "fixed" or "floating" at the time of project commitment.

 Fixed: When HOME-assisted units are "fixed," the specific units that are HOME-assisted (and, therefore, subject to HOME rent and occupancy requirements) are designated and never change. • Floating: When HOME-assisted units are "floating," the units that are designated as HOME-assisted may change over time as long as the total number of HOME-assisted units in the project remains constant.

Most applicants will choose to designated HOME-assisted units as floating because it provides greater flexibility.

#### Maximum Incomes and Rents for HOME-Assisted Units

In projects of five or more HOME-assisted united rental units, at least 20% of the HOME-assisted units must be occupied by households who have annual incomes that are 50% or less of median income. These very low-income tenants must occupy units with rents at or below the Low HOME Rent level. The balance of HOME-assisted units must be occupied by households who have annual incomes that are 60% or less of median income, and the rents must be at or below the High HOME Rent level. More than 20% of HOME-assisted may be designated as 50% or less of median income/Low HOME Rent units.

# **Site and Neighborhood Standards**

New construction of rental housing must meet the site and neighborhood standards outlined in 24 CFR § 983.57(e)(2) and (3). The site must not be located in an area of minority concentration, except as permitted, and must not be located in a racially mixed area, if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.

Additionally, the applicant must demonstrate the residents will have access to core services, such as grocery, transportation, and relevant social services (homeless projects), within easy access. The City of Concord will use a ½ mile radius to measure maximum distance to these services. If the development is within ¼ mile of a bus stop, this requirement may be waived.

#### Form of HOME Investment

The City of Concord may provide rental housing development awards in the form of amortized loans, deferred loans, recoverable grants, grants or a combination of these.

Grants may be provided to housing projects serving the lowest-income, highest-need populations that require public operating subsidy to cover basic operating expenses. These projects will typically not have the cash flow or financial ability to service additional debt reflected in the operating pro forma submitted and reviewed as part of the written funding request process. Grants may need to be structured based on the nature and additional sources being leveraged as in the case of HUD-funded projects.

Loans may be amortized or deferred. Loans will be structured based on the project's operating pro forma. Deferred loans will have principal and interest, if interest is being charged, due and payable in full on or before the termination date of the contract. Loan terms may be set based on the needs of other funding sources such as the federal Low-Income Housing Tax Credit program. The City of Concord's interest in the property will be secured by appropriate collateral and documentation. The City may authorize deferred payment and/or forgivable loans for those projects with inadequate sources to repay the loans. Deferred payment and/or forgivable loans shall be secured in a manner to ensure that if the project no longer provides the benefits of affordable housing as approved by the City, that the loan (with interest) will become due and payable.

# **Project Deadlines**

HOME-funded projects must meet the following deadlines or face loss or required repayment of HOME funds:

1. Before the City of Concord can enter into a HOME funding commitment, the City must provide evidence of firm written financial commitments from all other funders for the project. Projects failing to obtain these commitments within twelve months of the time of the award letter face the loss of their preliminary allocation of HOME funds.

- 2. Construction must begin within 12 months of project commitment (Written Agreement signature).
- 3. If the HOME-funded unit is not occupied by eligible tenants within six months following the date of project completion, the City must develop marketing information and a marketing plan to attract eligible tenants. If the HOME units remain vacant for 18 months after the date of project completion, the City of Concord will be required to repay the HOME funds invested in those units.

## **Tenant Protections and Selections**

- 1. Tenants must be offered written leases for a period of not less than one year, unless by mutual agreement between the tenant and the owner, a shorter period is specified.
- 2. Lease terms must be consistent with the tenant protections set forth in the HOME Rules, 24 CFR § 92.253 (HOME Lease Addendum).
- 3. Owners of rental housing must comply with the affirmative marketing requirements pursuant to 24 CFR § 92.351(a) and (b).
- 4. The owner must adopt and follow written tenant selection policies and criteria consistent with 24 CFR§ 92.253(d).
  - Project Owners must adopt written tenant selection policies and criteria. These policies and criteria must be based on local housing needs and priorities consistent with the City of Concord's Consolidated Plan. Selection policies must:
    - Comply with the City's affirmative marketing requirements.
    - Limit housing to very low-and low-income people.
    - Not limit eligibility or give preference to a particular segment of the population, unless specifically authorized in the written agreement.
    - Not excluding applicants with vouchers or TBRA.

HOME-assisted units in a rental housing project must be occupied by households that are eligible as low-income families and must meet the requirements of §92.252 to qualify as affordable housing.

- Utility allowances must be calculated using the HUD Utility Schedule Model. This model can be found at http://huduser.org/portal/resources/utilmodel.html.
- Applicants for rental housing must submit, along with their application, the following documentation that
  must be dated within a reasonable amount of time from the date that the application was completed and
  submitted:
  - Valid photo ID, such as driver's license, state photo ID or passport.
  - Social Security Card.
  - Most recent year's state and federal income tax returns (additional years may be required if a potential homebuyer is self-employed or had 1099 income).
  - W-2 statements for most recent years.
  - O Two months of pay stubs.
  - Last two (2) consecutive months of financial statements for all accounts.
  - Proof of any additional household income that may include but is not limited to: social security disability (for children as well as adults), veteran's pension or disability, social security retirement, child support payments or alimony, or TANF.
  - O Credit score and statement of current debts.

There must be a written lease for all HOME-assisted rental units, and the statutory tenant protections must be integrated into the lease.

- Mandatory supportive services: Lease terms that make tenant acceptance of supportive services mandatory <u>are prohibited.</u>
- Tenants in transitional housing may be required to accept supportive services as part of an overall program.
- Tenants must receive a 30-day written notice prior to evictions.
- Tenants must also receive a 30-day, written notice prior to rent increases.
- Rental assistance subsidy holders cannot be turned down for HOME-assisted housing because of the status of
  the prospective tenant as a holder of such a certificate, voucher, or comparable HOME tenant-based assistance
  document.

#### **DISPLACEMENT, RELOCATION AND ACQUISITION**

#### **Minimizing Displacement**

The City of Concord will ensure that all reasonable steps are taken to minimize the displacement of people (families, individuals, businesses, nonprofit organizations, and farms) because of a project assisted with HOME funds. To the extent feasible, residential tenants must be provided with a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary, and affordable dwelling unit in the building/complex upon completion of the project.

#### **Temporary Relocation**

The following policies will cover residential tenants who will not be required to move permanently but who must relocate temporarily for the project. Such tenants must be provided:

- Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs.
- Appropriate advisory services, including reasonable advance written notice of:
  - The date and approximate duration of the temporary relocation;
  - The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;
  - The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the project.

#### **Relocation Assistance for Displaced Persons**

- A "displaced person" must be advised of his or her rights under the Fair Housing Act.
- In the event of any temporary or permanent relocation of residents because of a HOME-funded activity, the City of Concord will follow its policies on displacement, relocation, acquisition, and replacement of housing as applicable.

#### A person does not qualify as a displaced person if any of the following circumstances apply:

- The person has been evicted for a cause based upon a serious or repeated violation of the terms and
  conditions of the lease or occupancy agreement, violation of applicable federal, State, or local law, or
  other good cause, and the City of Concord determines that the eviction was not undertaken for the
  purpose of evading the obligation to provide relocation assistance.
- The effective date of any termination or refusal to renew must be preceded by at least 30 days' advance written notice to the tenant specifying the grounds for the action.

- HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.
- All prospective tenants, prior to signing the lease and beginning occupancy, must be informed, and provided with written notice of the displacement policy and all related rules.
- Appeals: A person who disagrees with the project owner's determination concerning whether the person qualifies as a displaced person, or the amount of relocation assistance for which the person may be eligible, may file a written appeal of that determination with the City of Concord. A person who is dissatisfied with the City's determination on his or her appeal may submit a written request for review of that determination to HUD'S Columbia, SC Field Office.

The City of Concord's Uniform Relocation Assistance Policy for City-Funded, CDBG & HOME-Eligible Projects provides further guidance related to the assistance of tenants and owner-occupied households that are voluntarily, temporarily, or permanently relocated in response to a City-funded, CDBG-funded or HOME-funded housing project.

#### **Troubled Home-Assisted Rental Housing Projects**

If rental housing is not fully leased by eligible tenants within six (6) months following the date of project completion, the City of Concord will submit marketing information and, if appropriate, a marketing plan to HUD.

- If HOME-assisted rental units are not rented to eligible tenants 18 months after the date of project completion, the City of Concord will be required to repay the HOME funds invested in any housing unit to HUD.
  - The City of Concord will also implement the recapture of HOME funds from the grantee for any rental units that are not rented by 18 months after the date of project completion.
  - The affordability requirements also apply to the HOME-assisted, non-owner-occupied units in single-family housing purchased with HOME funds in accordance with §92.254. The tenant must have a written lease that complies with §92.253.
  - 24 CFR §92.210 provides participating jurisdictions with flexibility to assist in averting foreclosures and would enable HUD to approve these actions without the process required to grant waivers that can be time-consuming. However, 24 CFR §92.210 limits total investment in the project to the maximum per-unit subsidy in 24 CFR §92.250(a) and provides HUD with the option of requiring an extension of the period of affordability as a condition of permitting the investment of additional HOME funds in the project. 24 CFR §92.210 also permits a reduction in the number of HOME-assisted units, but only if the project contains more than the minimum number of units required to be designated as HOME-assisted units under 24 CFR §92.205(d).

#### Recordkeeping

One of the City of Concord's/Project Owner's responsibilities is to keep adequate records, to be able to demonstrate compliance with HOME requirements. The City of Concord/Project Owner should keep both project and tenant records.

a. Project records should include documentation to back-up rent and utility allowance calculations. If the project's HOME-assisted units are "floating," the owner should also keep records to show how HOME occupancy targets were met (for example, rental logs to show that as units were vacated or tenantsbecame over-income, HOME-assisted units were properly replaced). General rental housing

- records must be kept for five (5) years after the conclusion of the City of Concord's/Project Owner's period of affordability.
- b. Tenant files should include the documentation necessary to demonstrate that each HOME-assisted unit is properly occupied by an income-eligible tenant. Such documentation includes: the tenant's application, initial income verification documents, subsequent annual income recertification documents and the tenant's lease. Tenant income, rent and inspection information must be kept for the most recent five years, and until five years after the HOME affordability period.

#### **Project Monitoring**

Project owners must submit information on tenant incomes and rents annually on the form provided by the City of Concord.

With advance notice to the project owner, the City of Concord will conduct an on-site inspection of HOME properties at least as frequently as follows throughout the HOME affordability period:

- Annually: Projects with 26 or more total units
- Every two years: Projects with 5-25 total units
- Every three years: Projects with 1-4 total units

The City of Concord will inspect at least 15 percent to 20 percent of the HOME-assisted units in a project, and a minimum of one unit in every building to ensure compliance with property standards. The City of Concord will also ask to see a sample of the files of residents of HOME-assisted units to review income documentation, rent calculations, HOME lease provisions, and compliance with other HOME regulations.

#### VII. TENANT-BASED RENTAL ASSISTANCE (TBRA) OVERVIEW

The Tenant Based Rental Assistance (TBRA) Program provides targeted, very low-income households with utility, deposit, and rent costs for up to two (2) years.

#### **Eligible Activities and Costs**

- 1. Up to 24 months of rent assistance per household to help pay the costs of monthly rent and utilities. A household may continue to receive assistance for the initial 24 months, dependent on available funding.
- 2. Security deposits, regardless of whether the household will be receiving rental assistance.
- 3. Utility deposit assistance, **only** in conjunction with rental assistance.
- 4. Project delivery costs, which specifically includes administrative time determining income eligibility.
- 5. When HOME TBRA is combined with other subsidies, the HOME TBRA assistance may only be used as a supplement to further reduce the household rent payment to 30 percent of income.

#### **Ineligible Activities**

- 1. Project-based rental assistance. Households must be free to use the assistance in any eligible unit.
- 2. Rental assistance to a household already receiving rental assistance under another Federal program, ora state or local rental assistance program that reduces the tenant rent payment to 30% of income.
- 3. Providing TBRA for overnight or temporary shelter.
- 4. Move-in costs and credit checks.
- 5. Case management and support services.
- 6. Utility deposits without rental assistance.
- 7. Payment of rent arrearages.

#### **Subrecipient Eligibility**

Eligible applicants are public housing authorities and nonprofit community-based organizations assisting households within Concord's city limits and its approved extraterritorial jurisdiction (ETJ). Applicants must have prior experience administering a tenant-based rental assistance program unless an experienced entity has agreed to mentor the applicant for the term of the contract.

#### **Target Populations**

This program targets households that are literally homeless or exhibit characteristics that make them highly vulnerable to becoming homeless. Persons within the target population shall be identified through locally determined, coordinated entry access and referral policies and procedures.

#### **Eligible Beneficiaries**

The following is an overview of the criteria that households must meet to be eligible for TBRA. Further details regarding eligibility verification and documentation can be found in Program Administration and Implementation: Eligibility Verification and Documentation.

- The household's verified income must be below 50 percent of the area median income (AMI) for the area being served.
- The household must apply and be referred to the TBRA HOME program through the area's local coordinated entry system, in compliance with all coordinated entry policies and procedures as established by the local continuum. Coordinated entry eligibility and referral must be clearly documented in the client file.

#### PROGRAM ADMINISTRATION AND IMPLEMENTATION

#### **Tenant Selection**

Tenants must be selected from the target population as detailed in the TBRA Overview. Within the target population, Subrecipients will use a vulnerability index or assessment tool to prioritize applicants for selection, as indicated by local coordinated entry policies and procedures. Subrecipients should not administer their TBRA program on a first-come, first-served basis.

The Subrecipient's program cannot be administered in a manner that limits the opportunities of persons based on race, color, religion, sex, national origin, handicap, sexual orientation, gender identification, or familial status. A person selected for the TBRA program may not be prohibited from applying for or participating in other available programs or forms of assistance for which he or she might qualify.

Subrecipients must administer the TBRA HOME program in compliance with Fair Housing Law and the North Carolina Law Against Discrimination.

#### **Eligibility Verification and Documentation**

Initial eligibility documentation must be dated within 6 months of the lease start date, and must include the following:

- 1. Housing Status and Coordinated Entry Referral Verification
  - The Subrecipient must verify and document the housing status of the household, as well as coordinated entry eligibility and referral as determined by local coordinated entry policies and procedures.
  - The Subrecipient shall verify housing status per the following situations and documentation methods:

Situation	Documentation
Persons who are homeless or in short-term emergency shelter	Information should be obtained to indicate that the participant is homeless or in short-term emergency shelter. This may include names of organizations or outreach workers who have assisted them in the past, whether the client receives any general assistance checks and where the checks are delivered, or any other information regarding the participant's activities in the recent past that might provide documentation. If unable to verify that the person is homeless or in a short- term emergency shelter, the participant or staff person may prepare a short, written statement about the participant's previous living place. The participant should sign the statement and date it.
Persons coming from transitional housing for homeless persons	Obtain written verification from the transitional housing staff that the participant has been residing at the transitional housing facility. The verification should be signed and dated by the referring agency personnel. The Subrecipients also should obtain written verification that the participant was homeless or

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	in an emergency shelter prior to living in the transitional housing facility (see above for required documentation for emergency shelter) or was discharged from an institution or evicted from a private dwelling prior to living in the transitional housing and would have been homeless if not for the transitional housing (see below for required documentation for eviction from a private dwelling).
Persons being evicted from a private dwelling	Obtain evidence of formal eviction notice indicating that the participant was being evicted within a week before receiving homeless assistance. Also obtain information on the participant's income and efforts made to obtain housing and why, without the homeless assistance, the participant would be living on the street or in an emergency shelter.
	If the participant's family is evicting, a statement describing the reason for eviction must be signed by the family member and dated. In other cases where there is no formal eviction process, persons are considered evicted when they are forced out of the dwelling unit by circumstances beyond their control. In those instances, obtain a signed and dated statement from the participant describing the situation. The Subrecipient must make efforts to confirm that these circumstances are true and have written verification describing the efforts and attesting to their validity. The verification should be signed and dated.
Persons from a short-term stay (up to 90 consecutive days) in an institution who previously resided on the street or in an emergency shelter	Obtain written verification from the institution's staff that the participant has been residing in the institution for less than 91 days and information on the previous living situation. See above for guidance.
Persons being discharged from a longer stay in an institution	Obtain evidence from the institution's staff that the participant was being discharged within the week before receiving homeless assistance. Obtain information on the income of the participant, what efforts were made to obtain housing and why, without the homeless assistance, the participant would be living on the street or in an emergency shelter.
Persons fleeing domestic violence	Obtain written verification from the participant that he/she is fleeing a domestic violence situation. If a participant is unable to prepare verification, the grantee/recipient may prepare a written statement about the participant's previous living situation for the participant to sign and date.

#### 2. Income Verification

- The Subrecipient must verify and document that the household income is below 50 percent of the area median income (AMI) for the area being served. Verification and documentation of income eligibility must be completed before assistance is provided.
- Updated income limits are published annually by the U.S. Department of Housing and Urban Development (HUD). The City of Concord will distribute updated income limits as soon as they are available, which may be prior to the date of implementation for the updated area median income. The Subrecipient must implement updated income limits in accordance with "effective by" dates as published by the HUD.
- Income must be counted for all household members, including non-related individuals, according to the requirements of 24 CFR 5.609.
- At least two months of source documentation (e.g., wage statements, interest statements, or unemployment compensation documentation) must be examined when determining household income for potential TBRA beneficiaries. A tax return is not an acceptable form of income documentation for the purposes of TBRA.

- The City of Concord's TBRA program uses the Section 8 definition of income, also known as the Part 5 definition, found at 24 CFR 5.609. Use of the HUD exchange CPD Income Eligibility Calculator is now the required method for Subrecipients to determine and document income eligibility. This tool can be accessed by the following link: https://www.hudexchange.info/incomecalculator/dashboard/.
  - Once income verification has been conducted using the CPD Income Eligibility Calculator, a hard copy of this income verification must be retained in the client file.
  - o Subrecipients should not record any identifying information in the CPD Income Eligibility Calculator.
  - If a situation arises when the CPD Income Eligibility Calculator cannot be used to verify the income eligibility
    of a household, the Subrecipient must communicate with the staff of the City of Concord regarding the
    situation. The Subrecipient must also clearly document in the client file the reasons for not utilizing the CPD
    Income Eligibility Calculator.

#### **TENANT INCOME ELIGIBILITY**

- Before a tenant occupies a HOME unit, the City of Concord requires the project owner to determine that the tenant is income eligible with verification of household income documentation.
- Total household income includes the income of all persons over the age of 18, who reside in the household.
- Required income source documentation includes <u>two (2) months</u> of wage statements, pay stubs, or interest income (such as financial statements) that have amounts that can vary from month to month.
- Income sources also include pensions, social security disability and retirement, veteran's benefits, Supplemental Security Income (SSI) for children and adults, child support and alimony, and Temporary Assistance for Needy Families (TANF).
- Verification of all asset income is required.

**Over-income Tenants:** HOME-assisted units can continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the incomes of existing tenants if actions satisfactory to the City of Concord and HUD are being taken to ensure that all vacancies are filled in accordance with this section until the noncompliance is corrected.

- Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent (30%) of the family's adjusted income.
- Tenants residing in HOME units designated as floating, who no longer qualify as low-income, are not required to pay as rent an amount that exceeds the market rent for comparable, unassisted units in the neighborhood.

#### **UNIT SELECTION AND APPROVAL**

#### **Unit Type**

Approved applicants may select units that are publicly or privately owned and located within Concord's city limits or its approved ETJ as determined by the Subrecipient's county of service. TBRA may not be provided to a family who proposes to rent a unit that receives project-based rental assistance through federal, state, or local programs, if the TBRA assistance would lower the household's rent and utility costs to less than 30% of the household income. Student housing units are not eligible for TBRA assistance.

#### **Rent Reasonableness**

Units must rent for a reasonable amount, compared to rents charged for comparable, unassisted units. Subrecipients must document the basis of their rent reasonableness determinations, using the Rent Reasonableness Checklist and Certification form. Although documentation of three (3) comparable units is preferable, in some rural areas this may be difficult or impossible. In these cases, comparable units from neighboring communities are acceptable if the rents are similar. Documentation of fewer than three (3) units is also acceptable with a written explanation.

A rental lease must be disapproved if the rent is not reasonable, based on rents charged for comparable unassisted units.

#### **Housing Quality Standards (HQS)**

All units must meet Section 8 Housing Quality Standards (HQS). Inspections must be made at initial occupancy and annually during the length of assistance. A copy of the inspection must be retained in the client file. If tenants are occupying a unit owned by the contractor, the unit must be inspected by a third party.

Units must comply with the North Carolina State Building Code Carbon Monoxide Alarm Laws (N.C. General Statute §143-138). Alarms must be located outside of each separate sleeping area, in the immediate vicinity of the bedroom and on each level of the residence. Single station carbon monoxide alarms must be listed as complying with UL 2034 and installed in accordance with code and the manufacturer's instructions. Combined carbon monoxide or CO detectors and smoke alarms are permitted.

#### **Lead-Based Paint**

HUD Lead Regulation 24 CFR Part 35, Subpart M applies to the TBRA program. The regulation only applies to structures built before 1978 that house children under the age of six. Please consult the regulation itself to make sure that your agency implements this regulation fully and properly.

#### 1. Evaluation

The Subrecipient must conduct a visual assessment of a unit prior to occupancy and at least annually thereafter. The visual assessment identifies deteriorated paint, dust, debris, and other residue. The visual assessment must be done by a person who is trained in visual assessment.

#### 2. Paint Stabilization

The property owner must correct any conditions identified in the HQS inspection, including stabilizing deteriorated paint identified in the visual inspection. Paint stabilization can involve repairing the substrate, scraping, and repainting the surface. All deteriorated paint must be stabilized by properly trained or supervised workers using lead-safe work practices.

Documentation of safe work practices is required and consists of having copies of certificates of safe work practices training completion on file for those doing the lead reduction work.

When work is complete, the Subrecipient must ensure that the unit passes clearance and keep a copy of the clearance report. Failure to get clearance on any unit where lead hazard reduction activities have occurred will result in rental assistance being discontinued on the unit. Keep records of any unit where clearance is required but has not been obtained to ensure that the unit does not become rent assisted, even if another eligible household wants to live there.

#### 3. Communication with Residents

The Subrecipient must ensure that residents receive the following communications:

a. Lead Hazard Information Pamphlet: Prior to occupying the unit, the Subrecipient must provide the resident with the most up to date Protect Your Family from Lead in Your Home pamphlet. This

- document can be accessed in multiple languages at the following link: <a href="https://www.epa.gov/lead/lead-safety-documents-and-outreach-materials">https://www.epa.gov/lead/lead-safety-documents-and-outreach-materials</a>. The Subrecipient must retain in the client file documentation of receipt of this pamphlet by the resident prior to occupation of the unit, which must include a signature of acknowledgement signed by the resident.
- b. Lead Disclosure Notice: Residents must receive, from the owner, a Lead Disclosure Form notifying them of any known lead-based paint or hazards in the unit, prior to occupying the unit. The Subrecipient must retain in the client file documentation of any Lead Disclosure provided to the resident by the owner, which must include a signature of acknowledgement signed by the resident.
- c. Notice of Lead Hazard Reduction: For instances in which visual assessment and lead hazard evaluation determines a need for paint stabilization and/or abatement, and the owner has conducted paint stabilization activities, the resident must receive a Notice of Lead Hazard Reduction within 15 days of the completion of paint stabilization and clearance. The Subrecipient must retain this documentation in the client file, which must include a signature of acknowledgement signed by the resident.
- d. Notice of Lead Hazard Evaluation: Because a visual assessment is not a method of lead hazard evaluation, a notice of lead hazard evaluation is not required. However, if any lead hazard evaluation is conducted, for example in the event of a child with an Environmental Intervention Blood Lead Level (EIBLL), such a notice is required and must be posted at the applicable work site. The Subrecipient must retain all related documentation in the client file.

#### 4. Child with an Elevated Blood Lead Level (EIBLL)

a. Should the Subrecipient be made aware that a child less than 6 years of age living in a dwelling unit participating in the TBRA program has been identified as having elevated blood lead levels, the Subrecipient must conduct an inspection of the dwelling unit for Lead-Based Paint risk. The Subrecipient must immediately notify the household and the owner of the unit of the results of the inspection, and the owner must conduct paint stabilization and/or abatement in compliance with the requirements of 24 CFR Part 35, Subpart M. Hazard reduction must occur within 30 calendar days of notification to the owner. The Subrecipient must retain all documentation of the EIBLL, as well as subsequent inspections, notifications, and stabilization and/or abatement in the clientfile.

#### **Occupancy Standards**

Occupancy standards are used to determine the unit size for which the household is eligible and thus, the amount of assistance to be provided. Fair housing rules permit a household to select smaller units that do not create seriously crowded conditions. Participants may also select larger units, but the Subrecipient is not required to increase the subsidy to cover the increased costs of a larger unit.

Subrecipients will use the Section 8 Housing Quality Standards (HQS) basic occupancy standard of two persons per living/sleeping area. This basic standard can be modified when a specific household composition or circumstance warrants the need to deviate from this standard. In conjunction with the annual re-examination of income, the Subrecipient should re-examine the household's size and composition to determine whether the current unit is still suitable and appropriate.

#### **Unit and Lease Approval**

In addition to ensuring that the unit selected by the household meets the above requirements for Rent Reasonableness, Housing Quality Standards, and Occupancy Standards, the Subrecipient must also ensure that the unit lease meets all requirements of the HOME program, as outlined in 24 CFR 92.253. The lease may not contain any of the provisions prohibited in 24 CFR 92.253(b):

- a. Agreement to be sued: Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease.
- b. Treatment of property: Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the right of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law.
- c. Excusing owner from responsibility: Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent.
- d. Waiver of notice: Agreement of the tenant that the owner mayinstitute a lawsuit without notice to the tenant.
- e. Waiver of legal proceedings: Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant could present a defense, or before a court decision on the rights of the parties.
- f. Waiver of a jury trial: Agreement by the tenant to waive any right to a trial by jury.
- g. Waiver of right to appeal to the court decision: Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.
- h. Tenant chargeable with cost of legal actions regardless of outcome: Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
- i. Mandatory supportive services: Agreement by the tenant to accept supportive services that are offered.

#### Rent Standard

Rent standards are determined annually for each county based upon HUD's most recent fair market Rents. Current rent standards will be posted on **HUD's Fair Market Rent Documentation System's webpage**, located at the following: <a href="https://www.huduser.gov/portal/datasets/fmr.html">https://www.huduser.gov/portal/datasets/fmr.html</a>.

The rent study will typically be conducted in the fall to allow for the release of updated rent standards in January of each year. The City of Concord may choose to review the rent standard more frequently to assure that limits remain appropriate for the City.

#### **Payment Standard**

The City of Concord uses the Rent Standard for calculating the TBRA subsidy rather than using a separate payment standard. Utility allowances are deducted from the tenant portion of the monthly rent.

The Subrecipient may exercise the option of recalculating beneficiary subsidies when rent standard updates are made available.

#### **Calculating the Subsidy**

Subrecipients of the City of Concord's HOME funds must use a modified Rental Coupon Model to determine the household subsidy amount. While the Rental Coupon model assumes a fixed Subrecipient payment and flexible tenant payment, the HOME calculations may result in variations in both the Subrecipient payment and household payment amounts depending on the utility allowance for a particular unit.

Use of the CPD Income Calculator is the required method for determining the household subsidy amount. This tool can be accessed by the following link: <a href="https://www.hudexchange.info/incomecalculator/dashboard/">https://www.hudexchange.info/incomecalculator/dashboard/</a>.

Documentation from the CPD Income Calculator for the determination of adjusted income and the rental assistance payment must be retained in the client file.

#### Underwriting Standards

- Household income requires documentation of all people living in the household over the age of 18.
- Applicants for homeownership assistance must submit, along with their application, the following minimum
  documentation that must be dated within a reasonable amount of time from the date that the application was
  completed and submitted:
  - Valid photo ID, such as driver's license, state photo ID or passport.
  - Social Security Card.
  - Two (2) months of pay stubs.
  - Last two (2) consecutive months of financial statements for all accounts.
  - Proof of any additional household income that may include but is not limited to: social security disability (for children as well as adults), veteran's pension or disability, social security retirement, child support payments or alimony, or TANF.
  - Credit score and statement of current debts.

Additional underwriting standards are included in the required documents for City-approved lenders. These documents can be found in the Appendix as the Lender FY 24-25 Memo of Understanding and Exhibit A.

#### **Deposit Assistance**

Deposits will be provided as a grant. Subrecipients can decide to provide security and utility deposit assistance to eligible applicants. Security deposit payments may be made to the household or the owner; utility deposits to the household or the appropriate utility company.

#### a. Security Deposits:

The amount of security deposit paid should be based on the landlord's policies. However, the maximum amount of a security deposit is the equivalent of two months' rent for the unit. Only the prospective tenant, not the owner, may apply for TBRA security deposit assistance.

#### b. Utility Deposits:

Utility deposits must be in conjunction with rental assistance. Utility deposits may be paid for any of the tenant-paid utility services included on the utility allowance schedule. This includes fuel for cooking, heating and lighting (electric, gas, propane, etc.), water/sewer, and trash collection, if not provided as a city service, but does not include telephone, internet, or cable deposits.

#### **Access to Rent Standard Exception**

The City of Concord may allow an exception to the published Rent Standard for up to 30% of households on the TBRA program. Exceptions to the Rent Standard will be granted by the City and must be requested on a case-by-case basis by the Subrecipient on behalf of the household. The rent standard exception cannot exceed the established rent standard for the unit size by more than 10%. To request a rent standard exception, the Subrecipient must submit an explanation to the City of Concord detailing the household situation and the unique circumstances of the household which merit consideration of a unit above the rent standard.

In instances in which the City of Concord grants an exception to the rent standard for a household, the Subrecipient

is not obligated to cover the additional unit cost above the rent standard. The Subrecipient must maintain policies and procedures that detail how the Subrecipient will determine if/when to bear responsibility for the additional unit cost associated with a household who is provided with a rent standard exception, and if/when the household will be responsible for the additional unit cost above the rent standard. If the Subrecipient elects to cover the additional cost of the unit under a Rent Standard Exception, the TBRA subsidy must not reduce the household's rent and utility costs below 30% of the household's adjusted income or 10% of the household's gross income. Documentation that the City of Concord has granted a rent standard exception must be maintained in the client file.

#### **ANNUAL ASSISTANCE RENEWAL**

The Subrecipient may renew TBRA assistance after the conclusion of the first year of assistance for a household, so long as the annual renewal requirements detailed below are met.

#### **Annual Eligibility Determination**

Each household's eligibility to participate in the program and its share of the rent must be confirmed annually. If a participating household's income exceeds the HUD Income Limit, the household's assistance must be ended. In order to assure that the re-examination is completed on time and that adequate notice is given to both the owner and the tenant of changes in the household's eligibility or share of the rent, the re-examination process should begin 60-90 days in advance of the household's one-year anniversary.

Using the same basic procedures described previously to determine the household's initial eligibility and share of the rent, the Subrecipient must re-verify household size, composition, and income. The Subrecipient will exclude, from annual income, certain increases in the income of a disabled member of families who receive TBRAassistance in order to further their economic self-sufficiency. These include annual increases that result from:

- 1. The employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment.
- 2. Increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program.
- 3. Annual income documentation must be retained in the client file.

#### **Annual HQS Unit Inspection**

The TBRA Program regulation requires that all units assisted with TBRA funds meet Section 8 Housing Quality Standards (HQS). Each unit under contract must be inspected by the Subrecipient, at least annually, to assure that this requirement is met. Units may also be inspected because of housing quality complaints initiated by the owner or the tenant.

If a unit fails to pass inspection, the owner may be given a reasonable period to correct the deficiencies. If the owner fails to make the needed corrections, the Subrecipient has several options. The Subrecipient may, with adequate notice to the owner and household, terminate the TBRA Rental Assistance Contract and require the household to move to another location to continue to receive assistance. Inspection documentation shall be retained in the client file.

#### **Processing Requests for Rent Increases**

Typically, owners offer leases that specify the rent for one year. This means that, unless the Subrecipient has negotiated a two-year rent, most owners will request a rent increase at the end of the first year of the contract. The

Subrecipient must again determine that the proposed rent is reasonable in comparison to rents charged for comparable, unassisted units, and also that it is within any other limitations established in the Subrecipient's program.

#### Moves and Termination of Tenancy

Subrecipients should, at a minimum, require that owners comply with local landlord-tenant ordinances and may impose some additional requirements.

TERMINATION: The Subrecipient must notify the tenant in writing when terminating tenant assistance. The Subrecipient must follow landlord tenant rules of the State of North Carolina.

- 1. <u>End of Assistance Time Period</u>: Provide notice in writing to tenant and landlord. If deposit assistance was provided at the beginning of the lease term, all returned deposits shall belong to the tenant.
- 2. <u>Property Owner Termination</u>: If a property owner terminates the tenancy through no fault of the tenant, and the tenant is still eligible for assistance, the Subrecipient will work to find another unit. Any deposit assistance received at the beginning of the original lease term that is returned to the tenant must be applied to the new unit if assistance is continued.
- 3. <u>Tenant Caused Eviction</u>: If the tenant is evicted due to breaking the lease or participating in illegal activities, the agency is under no obligation to continue to provide rental assistance. If it is determined that the tenant may continue to receive assistance and is eligible to receive their security deposit back, the returned deposit must be applied to the required deposits for the new unit.
- 4. <u>Tenant Moves</u>: Tenant moves are accommodated only in rare instances such as family size, job change, unit not meeting annual HQS standards, or other extenuating circumstances that pose a threat to the terantshealth, safety, or wellbeing as documented by a case manager. Any deposit assistance received at the beginning of the original lease term that is returned to the tenant must be applied to the new unit if assistance is continued.

Notices of moves and terminations of tenancy must be documented in writing and maintained in the tenant file. Acceptable forms of documentation include eviction letters issued by the landlord, notice of lease ending, etc. Documentation should detail why the tenant is moving or tenancy is being terminated. All types of deposits may only be provided using HOME funds twice during a 12-month period per household.

#### **Progressive Engagement**

Subrecipients are highly encouraged to consider the implementation of progressive engagement strategies in conjunction with the requirements of the HOME-TBRA program. Progressive engagement can be applied to voluntary supportive services that may support the stability and progress of households on the TBRA program and can be applied to the level of subsidy assistance provided with TBRA funds. For example, while HOME requires that households on the TBRA program be annually re-evaluated for income eligibility and the amount of subsidy assistance provided, Subrecipients may elect to more frequently evaluate the income and subsidy level of the household in the context of case management focused on increasing the household's income and independence. Any application of progressive engagement strategies utilized by Subrecipients in the TBRA program must be implemented in accordance with written policies and procedures and must be consistently applied to all households on the program. For example, if a Subrecipient determines that it will re-evaluate income and subsidy level quarterly, the Subrecipient must have written policies and procedures documenting this progressive engagement strategy, and this strategy must be applied to all households on the HOME-TBRA program.

#### **Billing and Administration**

#### **Billing Procedures**

The Subrecipient must bill the City of Concord monthly for reimbursement of allowable costs. Invoices must be submitted within 30 days of the end of the month of service. Payment will be made within 30 days of invoice approval. To receive reimbursement, Subrecipients must also submit the TBRA Report monthly. Failure to submit a monthly invoice packet in a timely manner will result in a delayed or withheld payment.

The Subrecipient must submit any billing adjustments within 60 days of the end of the month of service. All end-of-year billings must be submitted by the Subrecipient no later than the 10<sup>th</sup> of January.

The Subrecipient must maintain records that disclose all costs allowable for reimbursement.

#### Reports

The Subrecipient is responsible for submitting required reports by the due dates on the required forms.

Report	Due Date
Quarterly Report	Due on the 15 <sup>th</sup> of the month following the end of the quarter. The Subrecipient will be notified of changes in the report due date.
TBRA Beneficiary Record	Due monthly on the 15 <sup>th</sup> of the month following provision of services. The Subrecipient will be notified of any changes in report due date.

#### Monitoring

The City of Concord will monitor TBRA Subrecipients through data and documentation collected in periodic program reports and on-site monitoring visits. Subrecipients also will be subject to monitoring and evaluation by the U.S. Department of Housing and Urban Development.

#### **Performance Measures**

Subrecipients must perform services defined in the Subrecipient's TBRA Program Application (as updated) for the contract period, with amendments, if any; in accordance with all applicable laws, ordinances, codes, regulations, and policies of local, state, and federal governments. The City of Concord reserves the right to modify the terms of the performance standards, measures, and outcomes by contract amendment at any time for the duration of the term of the contract.

#### **Number of Households Served**

The City of Concord will regularly monitor the number of households served by the Subrecipient. If the Subrecipient falls short of serving the number of households identified in their scope of work, the City may request a written explanation for this shortfall. The City also may accept the explanation and require the Subrecipient to submit a revised Scope of Work for the remainder of the current contract or choose to reduce any future requests for funding.

#### **Fixed-Unit Projects**

If a tenant's household income increases over 80 percent (80%) of AMI at recertification, the project owner should take the following steps to maintain the correct numbers of High and Low HOME rent fixed units:

- If the income of a tenant occupying a Low HOME rent unit increases above 50 percent (50%) of AMI but <u>does</u>
   <u>not exceed 80 percent (80%)</u> of AMI, that unit remains a Low HOME rent unit until a HOME-assisted unit can
   be substituted.
- The owner may not increase the tenant's rent above the Low HOME rent limit for as long as the unit retains the Low HOME unit designation and is occupied by the low-income household whose income increased above 50 percent (50%) of AMI but does not exceed 80 percent (80%) of AMI.
  - When a High HOME rent unit in the property vacates, that unit must be re-designated as a Low HOME rent unit. This unit must be rented to a very low-income tenant, at no more than the Low HOME rent.
  - Once the new Low HOME rent unit has been designated, the previous Low HOME rent unit that is
    occupied by the tenant at between 50% and 80% of AMI must be re-designated as a High HOME rent
    unit. At this time, the owner can increase the tenant's rent up to the High HOME rent, subject to the
    terms of the lease.
- If a tenant's income <u>increases above 80 percent (80%)</u> of the area median income, the unit this tenant occupies is still considered to be a HOME-assisted unit, but the tenant's rent must be adjusted as described below:
  - Over-income tenants with incomes over 80 percent (80%) of AMI in HOME- assisted "fixed" units must pay 30 percent (30%) of their adjusted income for rent and utilities. There is no rent cap for "fixed" units.
  - If the person whose income went over 80 percent (80%) of AMI was in a Low HOME unit and they elect to vacate the property, the new tenant must be at or below 50 percent (50%) of AMI and the unit must be rented at a Low HOME rent.
  - If the person whose income went over 80 percent (80%) of AMI was in a High HOME unit and they elect to vacate the property, the new tenant must be at or below 80 percent (80%) of AMI and the unit must be rented at a High HOME rent.

#### **Floating-Unit Projects**

- The owner must use the following procedures to maintain the correct numbers of High and Low HOME rent floating units:
- The owner can draw on all the units in the property to designate High and Low HOME rent units. This means that the owner is not restricted to those units initially designated as HOME-assisted units when looking to re-designate a comparable unit as the new Low or High HOME unit.
  - At no point is the owner required to designate more HOME-assisted units than was agreed upon in the written agreement with the PJ.
  - When the income of a tenant occupying a Low HOME rent unit increases over 50 percent (50%) of AMI but does not exceed 80 percent (80%) of AMI, the unit that is occupied by the over-income tenant is considered a Low HOME rent unit until a comparable unit can be substituted.
  - The rent of the tenant whose income has increased above 50 percent (50%) of AMI must not exceed the Low HOME rent limit while the unit has a Low HOME rent unit designation.

- To replace the Low HOME rent unit, the owner must rent the next available High HOME-assisted unit to a very low-income tenant. The newly designated Low HOME rent unit must be rented to a tenant whose income does not exceed the very low-income limit (50% of median), at a rent that does not exceed the Low HOME rent limit.
- Once a new Low HOME rent unit has been designated, subject to the terms of the lease, the rent of the initial tenant whose income has increased may be increased to the High HOME rent for the unit. This process should not increase the number of assisted units.

#### **Expenditures**

The City of Concord shall review the Subrecipient's expenditures as reported on the monthly TBRA invoices and compare them to the Subrecipient's expenditure projections. If a Subrecipient fails to expend TBRA funds at the projected rate, The City may request that the Subrecipient submit a written explanation. The City also may accept the explanation and require an updated budget that reflects the Subrecipient's ability to spend down the grant before the end date as stated on the contract or choose to reduce any future requests for funding.

#### **Unexpended Funds**

The level of funds reduction for failure to meet performance standards, outcomes or expenditure projections shall be negotiated between the City of Concord and the Subrecipient, with the City retaining the authority to set the reduction level. Any unused funds will first be reallocated to other TBRA Subrecipients and then placed in the HOME General Fund for use in all HOME programs.

#### Repayments

HOME-TBRA funds used to assist households who do not meet the eligibility requirements, or to lease units not in compliance with HOME requirements, must be repaid.

#### **Environmental Review**

Because the proposed project involves the provision of rental assistance to private landlords on behalf of tenant, it is exempt from the National Environmental Policy Act (NEPA) requirements of 24 CFR 58. There are no circumstances that require compliance with laws and authorities in 24 CFR 58.5; therefore, the project is found to be exempt pursuant to Section 58.34(a)(10). The City of Concord must certify that the proposed project is exempt from NEPA and SEPA requirements (RCW 43.21C.110).

#### **VIII. APPENDIX A: GLOSSARY**

<u>Action Plan</u>: The one-year portion of the Consolidated Plan (see below). It includes the Participating Jurisdiction's (PJ's) annual application for HOME funds.

<u>Adjusted Income</u>: Adjusted income is annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and childcare (these are the same adjustment factors used by the Section 8 Program). Adjusted income is used in HOME to compute the actual tenant payment in TBRA programs and the low HOME rent in rental projects in which rents are based on 30% of a family's adjusted gross income.

<u>Affordability</u>: The requirements of the HOME Program that relate to the cost of housing both at initial occupancy and over established timeframes, as prescribed in the HOME Final Rule. Affordability requirements vary depending upon the nature of the HOME-assisted activity and the level of funding (i.e., housing rehabilitation, downpayment assistance, acquisition-rehab-resale, demolition-reconstruction, new construction, or rental housing).

Affordability Period: The length of time that is based on the dollar amount of HOME-funded assistance that is provided for eligible activities or projects as established by the federal program requirements. The affordability period will begin when specific documents are signed based on the program funding. If the recipient receives Downpayment Program assistance, the affordability period will begin when the Homebuyer Certificate of Affordability Period is signed. If the recipient receives Housing Rehabilitation Program assistance, the affordability period will begin when the Housing Rehabilitation Owner Certificate of Satisfaction is signed.

<u>Annual Income</u>: The HOME Program allows the use of two definitions of annual income: Section 8 annual income and adjusted gross income as defined for reporting on IRS Form 1040. Annual income is the total amount of household money earned in a year, and it will be calculated by gross income for all individuals in the house and will include any income from for-profit or non-profit businesses.

Appeal: The 30-day process that allows all persons that disagree with the determination of eligibility, or that are not satisfied with the outcome of a HUD program or project may submit a written request for a review of that determination for resolution.

<u>Commitment</u>: Commitment means one of three (3) things: (1) The PJ has executed a legally-binding agreement with a State recipient, subrecipient, or contractor to use a specific amount of HOME funds to produce affordable housing or to provide tenant-based rental assistance; or (2) has executed a written agreement reserving a specific amount of funds for a CHDO; or (3) has met the requirements to commit to a specific local project as defined below.

Commitment to a specific local project. Commitment to a specific local project means that a legally binding agreement was executed meeting one of the following sets of requirements: (1) For rehabilitation or new construction projects, the PJ (or other entity) and the project owner will execute an agreement for an identifiable project under which construction can reasonably be expected to start within 12 months of the agreement date. If the project is owned by the PJ or state recipient, the project must be set up in the disbursement and information system and construction must reasonably be expected to start within 12 months of the set-up date. (2) If the project consists of acquisition of standard housing by the PJ, the agreement must be a binding contract for the sale of an identifiable property and the property title must be transferred to the PJ (or other entity) within six months of the date of the contract. (3) If the project involves the acquisition of standard housing and the PJ is providing HOME funds to a purchaser, under the agreement, the title of the property must be transferred to the purchaser within six months of the agreement date. (4) If the project consists of TBRA, the PJ must enter into a rental assistance contract with the owner or the tenant in accordance with the provisions of 24 CFR Part 92.209.

<u>Consolidated Plan</u>: A plan prepared in accordance with the requirements set forth in 24 CFR Part 91 that describes community needs, resources, priorities, and proposed activities to be undertaken under certain HUD programs, including HOME.

<u>Consortium</u>: Neighboring units of general local government that receive an allocation of HOME federal funding directly from the U. S. Department of Housing and Urban Development (HUD) for the purpose of increasing the amount of and access to affordable housing within each affiliated jurisdiction.

<u>Community Housing Development Organization (CHDO)</u>: A private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations at 24 CFR Part 92.2. A participating jurisdiction must award at least 15 percent of its annual HOME allocation to CHDOs.

<u>Draw-Down</u>: The process of requesting and receiving HOME funds. PJs and authorized state recipients draw down funds from a line of credit established by HUD.

<u>Final Rule</u>: The Final HOME Rule was published at 24 CFR Part 92 on September 16, 1996, and became effective on October 16, 1996.

<u>Group Home</u>: Housing occupied by two or more single persons or families consisting of common space and/or facilities for group use by the occupants of the unit, and (except in the case of shared one-bedroom units) separate private space for each family.

<u>HOME-Assisted Units</u>: A term that refers to the units within a HOME project for which rent, occupancy and/or resale restrictions apply. The number of units designated as HOME-assisted affects the maximum HOME subsidies that may be provided for a project.

<u>HOME Funds</u>: All appropriations for the HOME Program, plus all repayments and interest or other returns on the investment of these funds.

<u>HOME Investment Trust Fund</u>: The term given to the two accounts - one at the Federal level and one at the local level - that "hold" the PJ's HOME funds. The Federal HOME Investment Trust Account is the U.S. Treasury account for each participating jurisdiction. The local HOME Investment Trust Fund account includes repayments of HOME funds, matching contributions and payment of interest or other returns on investment.

Household: One or more people occupying a housing unit.

Jurisdiction: A state or unit of general local government.

<u>Low-Income Families</u>: Families whose annual incomes do not exceed 80 percent of the median income for the area (adjusted for family size).

<u>Match</u>: Match is the PJ's contribution to the HOME Program -- the local, non-Federal contribution to the partnership. The PJ's match contribution must equal not less than 25 percent of the HOME funds drawn down for projects in that fiscal year.

<u>New Construction</u>: The creation of new dwelling units. Any project that includes the creation of new or additional dwelling units in an existing structure is considered new construction.

<u>Owner Certificate of Satisfaction:</u> This document is signed by the owner at the end of a completed activity or project to confirm that the property improvements were completed in accordance with the contract or cost estimate and to the satisfaction of the owner.

<u>Participating Jurisdiction (PJ)</u>: The term given to any state, local government or consortium that has been designated by HUD to administer a HOME Program. HUD designation as a PJ occurs if a state or local government meets the funding thresholds, notifies HUD that they intend to participate in the program and has a HUD-approved Consolidated Plan.

<u>Program Income</u>: Gross income received by the PJ, state recipient, or a subrecipient directly generated from the use of HOME funds or matching contributions.

<u>Project</u>: A site or an entire building or two or more buildings, together with the site or sites on which the building or buildings are located, that are under common ownership, management, and financing, and are to be assisted with HOME funds, under a commitment by the owner as a single undertaking. The HOME Final Rule eliminated the requirement that all buildings fall within a four-block radius.

<u>Project completion</u>: All necessary title transfer requirements and construction work have been performed; the project complies with all HOME requirements; the final draw-down has been disbursed for the project; and the project completion information has been entered into the disbursement and information system established by HUD. For TBRA, project completion means the final draw-down has been disbursed for the project.

<u>Reconstruction (also rehabilitation)</u>: The rebuilding, on the same lot, of housing standing on a site at the time of project commitment. The number of housing units on the lot may not be changed as part of the reconstruction project, but the number of rooms per unit may change. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.

<u>Satisfaction</u>: A legal document that the City of Concord records to confirm the successful completion of the affordability period for the activity or project. Homeowners that are required to repay portions of the costs for the activity or project must complete all payments before a Satisfaction is executed.

<u>Single-Room Occupancy (SRO)</u>: Housing consisting of single-room dwelling units that is the primary residence of its occupant or occupants. The unit must contain food preparation and/or sanitary facilities, if the project involves new construction, conversion of non-residential space, or reconstruction. If the units do not contain sanitary facilities, the building must contain sanitary facilities shared by the tenants.

<u>Subrecipient</u>: A public agency or nonprofit organization selected by a PJ to administer all or a portion of the PJ's HOME Program. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not a subrecipient.

<u>Targeting</u>: Requirements of the HOME Program relating to the income or other characteristics of households that may occupy HOME-assisted units.

<u>Tenant-Based Rental Assistance (TBRA)</u>: A form of direct rental assistance in which the recipient tenant may move from a dwelling unit with the right to continued assistance. TBRA includes security and utility deposits associated with the rental of dwelling units.

<u>Very-Low-Income Families</u>: Families whose annual incomes do not exceed 50 percent of the median income for the area (adjusted for family size).

Source: Building HOME: A Home Program Primer-Training, <a href="https://www.hudexchange.info/resource/2368/building-home-a-home-program-primer/">https://www.hudexchange.info/resource/2368/building-home-a-home-program-primer/</a>



#### **MEMORADUM**

DATE: Friday, October 10, 2025

TO: Jackie Deal, Director of Engineering

FROM: Veronika Galitsky, Const. Mgr.

SUBJECT: Roadway Acceptance

PROJECT NAME: Copperfield Market Mixed Use

PROJECT NUMBER: 2020-023

DEVELOPER: Copperfield Apartment, LLC COUNCIL ACCEPTANCE DATE: Thursday, Otober 9, 2025 ONE-YEAR WARRANTY DATE: Friday, October 9, 2026

Street	Length in LF	ROW in FT	Plat
Dickens Place NE	695.00	65.00	
Crosspoint Drive NE	260.00	60.00	
Total	955.00		

Prepared by and Return to Concord City Attorney ROD Box

PINs: 5509-09-5299, 5509-06-0817 & 5509-18-2039

NORTH CAROLINA CABARRUS COUNTY

### STORMWATER CONTROL MEASURES (SCMs), ACCESS EASEMENT AND MAINTENANCE AGREEMENT

THIS STOR	MWATER C	CONTROL	MEASURES	(SCMs),	ACCESS	EASEMENT	AND
MAINTENANCE AC	GREEMENT ("	Agreement"	), made this	da	y of	, 20	)25, by
Baptist Retirement Ho	omes of North	Carolina, In-	c., a non-profit	corporation	n, whose pri	ncipal address i	s 1912
Bethabara Road, Wing profit corporation, whe "Grantors"), with, to,	ose principal a	ddress is 19	12 Bethabara R	Road, Winst	ton Salem, 1	NC 27106 (here	inafter
Carolina, whose addr "City").			•				
		<b>XX</b> / T/T	י אוד פפדים ו	т.			

#### WITNESSETH:

WHEREAS, THE CITY COUNCIL ACCEPTED THIS STORMWATER CONTROL MEASURES (SCMs), ACCESS EASEMENT AND MAINTENANCE AGREEMENT ON \_\_\_\_\_

WHEREAS, Grantors are the owners in fee simple of certain real property situated in the City of Concord, County of Cabarrus, North Carolina and more particularly described as follows: 3700 Taylor Glen Lane NW, Concord, NC, Cabarrus County Property Identification Numbers (PIN): 5509-09-5299, 5509-06-0817 and 5509-18-2039. It being the land conveyed to Grantors by deeds recorded in Books and Pages 2752/116 and 11705/109 in the Office of the Register of Deeds for Cabarrus County (hereinafter referred to as the "Property"); and

WHEREAS, Grantors desire to develop or redevelop all or portions of the Property; and

WHEREAS, the Property is located within the planning jurisdiction of the City of Concord, and is subject to certain requirements set forth in the City of Concord Code of Ordinances Chapter 60, the Concord Development Ordinance, (hereafter "CCDO"), and the Concord Technical Standards Manual (hereafter "Concord Manual"); and

WHEREAS, conditions for development and/or redevelopment of the Property includes (i) the construction, operation and maintenance of two (2) engineered stormwater control structures, namely two (2) Wet Detention Basins, as provided in the CCDO and the Concord Manual (the "Stormwater Control Measure" or "SCM"), (ii) Grantors' dedication of a non-exclusive access easement to the City, as described in this Agreement, for inspection and maintenance of the Stormwater Control Measures; and (iii) the assumption by Grantors of certain specified maintenance and repair responsibilities; and

WHEREAS, this Agreement and the easements created herein are established in accordance with the requirements of N.C.G.S. Sec 143-211 *et. seq.*, Article 4 of the CCDO and Article I of the Concord Manual; and

WHEREAS, Grantors have full authority to execute this Agreement so as to bind the Property and all current and future owners and/or assigns.

NOW, THEREFORE, for valuable consideration, including the benefits Grantors may derive there from, the receipt and sufficiency of which is hereby acknowledged, Grantors hereby dedicate, bargain, grant and convey unto Grantee, and its successors and assigns, a perpetual, and irrevocable right and non-exclusive easement in gross (of the nature and character and to the extent hereinafter set forth) in, on, over, under, through and across those portions of the Property shown on the attached Exhibit "A" titled "Taylor Glen Easement Dedication Plat", labeled "Wet Pond #1 Access and Maintenance Easement" and "Wet Pond #2 Access and Maintenance Easement" recorded in Plat Book 107 at Pages 5-11 for the purpose of inspection and maintenance of the Stormwater Control Measures (hereinafter referred to as "SCM Easements"). Within the SCM Easements Grantors shall conduct best management practices as more fully set forth herein and in the CCDO and Concord Manual. Also within the SCM Easements, Grantors shall construct, maintain, repair and reconstruct the Stormwater Control Measures or SCMs, which include (i) the SCMs and any other stormwater quantity and/or quality control devices and/or structures, described on the plans approved by the City of Concord and filed at the A.M. Brown Operations Center, 850 Warren Coleman Blvd., Concord, NC 28025; and (ii) access to the aforesaid SCM as shown on the attached Exhibit "A" titled "Taylor Glen Easement Dedication Plat", labeled "Wet Pond #1 Access and Maintenance Easement", "Wet Pond #2 Access and Maintenance Easement" and "Wet Pond #1 & #2 Access Easement 191,559 SQ. FT. or 4.3976 Acres" recorded in Plat Book 107 at Pages 5-11, for the purpose of permitting City access, inspection and, in accordance with the terms of paragraph 4 of this Agreement, maintenance and repair of the SCMs, as more fully set forth herein and in the CCDO and Concord Manual. Except as set forth herein, nothing contained in this Agreement shall be deemed to be a gift or dedication of any portion of Grantors' Property to the general public or for any public use or purpose whatsoever, and further except as specifically provided herein for the benefit of the City, no rights, privileges or immunities of Grantor shall inure to the benefit of any third-party, nor shall any third-party be deemed to be a beneficiary of any of the provisions contained herein.

The additional terms, conditions, and restrictions of this Agreement are:

1. The requirements pertaining to the SCM Easements are more fully set forth in the current adopted and published editions of the following four (4) documents: (i) Article 4 of the CCDO, (ii) Article I, Section 1 of the Concord Manual, (iii) the Wet Detention Basin Inspection and Maintenance Plans attached as **Exhibit "B"** and (iv) as provided in the North Carolina Department of Environmental Quality (DEQ) Stormwater Design Manual (the "NCDEQ Manual"), all of which are incorporated herein by reference as if set forth in their entireties below. Grantors agree to abide by all applicable codes including, but not limited to, those set forth above. All provisions required by the CCDO Section 4.4.6.B.1 are incorporated herein by

reference, and Grantor agrees to abide by said provisions. Grantor further agrees that Grantors shall perform the following, all at their sole cost and expense:

- a. All components of the SCMs and related improvements within the SCM Easements are to be kept in good working order.
- b. The components of the SCMs and related improvements within the SCM Easements shall be maintained by Grantor as described in **Exhibit "B"**, the Wet Detention Basin Inspection and Maintenance Plans.
- 2. Upon completion of the construction of the SCMs, Grantors' N.C. registered professional engineer shall certify in writing to the Concord Director of Water Services that the SCMs and all components are constructed and initially functioning as designed. Annual inspection reports (hereinafter referred to as "Annual Report(s)") are required each year and shall be made by Grantors on the written schedule provided to Grantors in advance by the City. The Annual Report(s) shall describe the condition and functionality of the SCMs, and shall describe any maintenance performed thereon during the preceding year. The Annual Report(s) shall be submitted with the signature and seal of Grantors' N.C. registered professional engineer conducting the inspection. If necessary, the City will provide a letter describing the maintenance necessary to keep the SCM and all components and structures related to the SCMs functioning as designed and with reasonable timeframes in which to complete the maintenance. If the Annual Report(s) recommends maintenance actions, the repairs shall be made within a reasonable time as defined by the City.

Grantors and Grantee understand, acknowledge and agree that the attached Inspection and Maintenance Plans describe the specific actions needed to maintain the SCMs.

- 3. Grantors represent and warrant that Grantors are financially responsible for construction, maintenance, repair and replacement of the SCMs, their appurtenances and vegetation, including impoundment(s), if any. Grantors agree to perform or cause to be performed the maintenance as outlined in the attached Inspection and Maintenance Plans and as provided in the NCDEQ Manual. Grantors and any subsequent transferee of Grantors or succeeding owner of the Property shall give the City written notice of the transfer of a fee or possessory interest in the Property listing the transferee's name, address of the Property, transferee's mailing address and other contact information. Grantors and any subsequent transferee of Grantors or succeeding owner of the Property shall not be responsible for errors or omissions in the information about the transferee provided to the City caused by acts or omissions of the transferee. The transferee shall give the City written notice of the acceptance and any future transfer of an interest in the Property listing the transferee's name, address of the Property; transferee's mailing address and other contact information. Upon the conveyance of the Property by Grantors to any transferee acquiring the Property by means of a conveyance document containing the language set forth in paragraph 9 below, Grantors are released from any further covenants or other obligations set forth in this Agreement.
- 4. If Grantors fail to comply with these requirements, or any other obligations imposed herein, in the City of Concord Code of Ordinances, CCDO, the Concord Manual or approved Inspection and Maintenance Plans, the City of Concord may perform (but is not obligated to perform) such work as Grantor is responsible for and recover the costs thereof from Grantors.
  - 5. This Agreement gives Grantee the following affirmative rights:

Grantee, its officers, employees, and agents may, but is not obligated, to enter the SCM Easements whenever reasonably necessary for the purpose of inspecting same to determine compliance herewith, to

maintain same and make repairs or replacements to the SCMs, their appurtenances and condition(s) as may be necessary or convenient thereto in the event Grantor defaults in its obligations and to recover from Grantors the cost thereof, and in addition to other rights and remedies available to it, to enforce by proceedings at law or in equity the rights, covenants, duties, and other obligations herein imposed in this Agreement.

- 6. Grantors shall neither obstruct nor hinder the passage of vehicular traffic and pedestrians within the paved portion of the access easement granted herein by Grantors to Grantee.
- 7. Grantors shall, in all other respects, remain the fee owners of the Property and areas subject to the SCM Easements, and may make all lawful uses of the Property not inconsistent with this Agreement and the Easements granted herein.
- 8. Grantee neither waives nor forfeits the right to act to ensure compliance with the terms, conditions and purposes of the SCM Easements and this Agreement by a prior failure to act.

#### 9. Grantors agree:

- b. That the following statement, with the appropriate date, Deed Book and Page for this Agreement inserted in the relevant blanks, shall be inserted in any deed or other document of conveyance:

"Title to the property hereinabove described is subject to the following exceptions:

That certain Stormwater Control Mea	nauros (SCMs). Appeas Engar	mont on	d Mai	ntananaa A	~** ~ ~ ~ ~ ~ **
	, , , , , , , , , , , , , , , , , , , ,			•	_
dated	<u>, 2025</u> with and for			•	,
recorded in Book	, Page	in	the	Cabarrus	County
Registry, North Carolina, creating ob	oligations of payment and pe	erformai	nce on	the part of	Grantor
which Grantee hereby assumes and a	agrees to perform and pay as	s part o	f the o	consideratio	n of this
conveyance and except further that	this conveyance is made su	ibject to	any	and all enf	orceable
restrictions and easements of record (	if applicable)."				

In the event that such conveyance is other than by deed, the above terms of "grantor/grantee" may be substituted by equivalent terms such as "landlord/tenant."

TO HAVE AND TO HOLD the aforesaid rights, privileges, and easements herein granted to Grantee, its successors and assigns forever and Grantors do covenant that Grantors are seized of said premises in fee and has the right to convey the same, that except as set forth below the same are free from encumbrances and that Grantors will warrant and defend the said title to the same against claims of all persons whosoever.

Title to the Property hereinabove described is subject to all enforceable deeds of trust, liens, easements, covenants and restrictions of record.

The covenants agreed hereto and the conditions imposed herein shall be binding upon Grantors and their agents, personal representatives, heirs and assigns and all other successors in interest to Grantors and shall continue as a servitude running in perpetuity with the above-described land.

THE CONCORD CITY COUNCIL APPROVED THIS AGREEMENT AND SCM ACCESS EASEMENTS AND ACCEPTED THE SCM ACCESS EASEMENTS AT THEIR MEETING OF \_, 2025 AS ATTESTED TO BELOW BY THE CITY CLERK.

CONCORD CITY COUNCIL APPROVACONDITION PRECEDENT TO ACCEPTAN	L OF THIS AGREEMENT AND EASEMENT IS A NCE BY THE CITY.
IN WITNESS WHEREOF, the parties first above written.	s have caused this instrument to be duly executed day and year
	GRANTORS:
STATE OF <u>NC</u> COUNTY OF <u>Davidson</u>	Baptist Retirement Homes of North Carolina, Inc., a non-profit corporation  By:  Name: Real Vander Sing  Title: President and CED
I, Dorothy R. Schafer, a Notary Pured Vander Slik person he/she is the <u>President and CEO</u> profit corporation, and that he being authorized	blic of the aforesaid County and State, do hereby certify that ally appeared before me this day and acknowledged that of Baptist Retirement Homes of North Carolina, Inc., a Nondato do so, executed the foregoing on behalf of the company.  this the 23 day of Satember, 2025  Notary Public  My commission expires: Oct. 15, 2029

5

STATE OF <u>NC</u> COUNTY OF <u>Davidson</u>	Baptist Retirement Homes Foundation, a North Carolina non-profit corporation  By:  Name: Recd VanderSlog  Title: Presydent and CED
he/she is the <b>Resident and CEO</b> person	Public of the aforesaid County and State, do hereby certify nally appeared before me this day and acknowledged that _of Baptist Retirement Homes Foundation, a North being authorized to do so, executed the foregoing on behalf
WITNESS my hand and Notarial Se  DOROTHY R SCHAFER  NOTARY PUBLIC  Davidson County  North Carolina  My Commission Expires October 15, 2029	al this the 23rd day of September, 2025  Notary Public  My commission expires: October 15, 2029

	GRANTEE:
	City of Concord, a municipal corporation
ATTEST:	By:
Kim J. Deason, City Clerk [SEAL]	
APPROVED AS TO FORM	
VaLerie Kolczynski, City Attorney	
STATE OF NORTH CAROLINA COUNTY OF CABARRUS	
City Clerk of the City of Concord and that the foregoing STORMWATER CON MAINTENANCE AGREEMENT was an	, a Notary Public of the aforesaid County and State, do ally appeared before me this day and acknowledged that she is the by authority duly given and as the act of the municipal corporation. TROL MEASURES (SCMs), ACCESS EASEMENT AND approved by the Concord City Council at its meeting held on and_ was_signed_in_its_name_by_its_City
Manager, sealed with its corporate seal ar	and was signed in its name by its City and attested by her as its City Clerk.
WITNESS my hand and notarial	seal, this the _ day of, 2025.
	Notary Public My commission expires:



### Wet Detention Basin Inspection and Maintenance Plan WET POND #1

Grantor agrees to keep a maintenance record on this SCM. This maintenance record will be kept in a log in a known set location. Any deficient SCM elements noted in the inspection will be corrected, repaired or replaced immediately. These deficiencies can affect the integrity of structures, safety of the public, and the removal efficiency of the SCM.

The wet detention basin system is defined as the wet detention basin, pretreatment including forebays and the vegetated filter if one is provided.

This system ( <i>check one</i> ): ☐ does     does not	incorporate a vegetated filter at the outlet.
This system ( <i>check one</i> ): ☐ does	incorporate pretreatment other than a forebay.

Important maintenance procedures:

- Immediately after the wet detention basin is established, the plants on the vegetated shelf and perimeter of the basin should be watered twice weekly if needed, until the plants become established (commonly six weeks).
- No portion of the wet detention pond should be fertilized after the first initial fertilization that is required to establish the plants on the vegetated shelf.
- Stable groundcover should be maintained in the drainage area to reduce the sediment load to the wet detention basin.
- If the basin must be drained for an emergency or to perform maintenance, the flushing of sediment through the emergency drain should be minimized to the maximum extent practical.
- Once a year, a dam safety expert should inspect the embankment.

After the wet detention pond is established, it should be inspected once a month and within 24 hours after every storm event greater than 1.0 inches. Records of inspection and maintenance should be kept in a known set location and must be available upon request.

Inspection activities shall be performed as follows. Any problems that are found shall be repaired immediately.

SCM element:	Potential problem:	How I will remediate the problem:
The entire SCM	Trash/debris is present.	Remove the trash/debris.
The perimeter of the wet detention basin	Areas of bare soil and/or erosive gullies have formed.	Regrade the soil if necessary to remove the gully, and then plant a ground cover and water until it is established. Provide lime and a one-time fertilizer application.
	Vegetation is too short or too long.	Maintain vegetation at a height of approximately six inches.

SCM element:	Potential problem:	How I will remediate the
		problem:
The inlet device: pipe or swale	The pipe is clogged.	Unclog the pipe. Dispose of the sediment off-site.
	The pipe is cracked or	Replace the pipe.
	otherwise damaged.	
	Erosion is occurring in the	Regrade the swale if necessary to
	swale.	smooth it over and provide erosion
		control devices such as reinforced
		turf matting or riprap to avoid
		future problems with erosion.
The forebay	Sediment has accumulated to	Search for the source of the
	a depth greater than the	sediment and remedy the problem if
	original design depth for	possible. Remove the sediment and
	sediment storage.	dispose of it in a location where it
		will not cause impacts to streams or
		the SCM.
	Erosion has occurred.	Provide additional erosion
		protection such as reinforced turf
		matting or riprap if needed to
		prevent future erosion problems.
	Weeds are present.	Remove the weeds, preferably by
		hand. If pesticide is used, wipe it on
		the plants rather than spraying.
The vegetated shelf	Best professional practices	Prune according to best professional
	show that pruning is needed	practices
	to maintain optimal plant	
	health.	Determine the source of the
	Plants are dead, diseased or	1
	dying.	problem: soils, hydrology, disease,
		etc. Remedy the problem and replace plants. Provide a one-time
		fertilizer application to establish the
		ground cover if a soil test indicates
		it is necessary.
	Weeds are present.	Remove the weeds, preferably by
	Weeds are present.	hand. If pesticide is used, wipe it on
		the plants rather than spraying.
The main treatment	Sediment has accumulated to	Search for the source of the
area	a depth greater than the	sediment and remedy the problem if
	original design sediment	possible. Remove the sediment and
	storage depth.	dispose of it in a location where it
	storage deptii.	will not cause impacts to streams or
		the SCM.
	Algal growth covers over	Consult a professional to remove
	50% of the area.	and control the algal growth.
	Cattails, phragmites or other	Remove the plants by wiping them
	invasive plants cover 50% of	with pesticide (do not spray).
	the basin surface.	This pestioned (do not spray).

SCM element:	Potential problem:	How I will remediate the problem:
The embankment	Shrubs have started to grow on the embankment.	Remove shrubs immediately.
	Evidence of muskrat or beaver activity is present.	Use traps to remove muskrats and consult a professional to remove beavers.
	A tree has started to grow on the embankment.	Consult a dam safety specialist to remove the tree.
	An annual inspection by an appropriate professional shows that the embankment needs repair.	Make all needed repairs.
The outlet device	Clogging has occurred.	Clean out the outlet device. Dispose of the sediment off-site.
	The outlet device is damaged	Repair or replace the outlet device.
The receiving water	Erosion or other signs of damage have occurred at the outlet.	Contact the local NC Division of Water Quality Regional Office, or the 401 Oversight Unit at 919-733-1786.

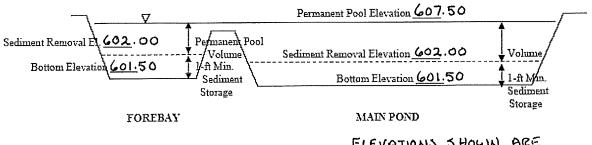
The measuring device used to determine the sediment elevation shall be such that it will give an accurate depth reading and not readily penetrate into accumulated sediments.

Elevations used are approved design or equivalent as-built elevations. (Indicate which is being indicated in this document.)

When the permanent pool depth reads <u>5.5</u> feet in the main pond, the sediment shall be removed.

When the permanent pool depth reads 5.5 feet in the forebay, the sediment shall be removed.

### BASIN DIAGRAM (fill in the blanks)



ELEVATIONS SHOWN ARE APPROVED DESIGN ELEVATIONS.

OWNER: BAPTIST RETIREMENT HOMES OF NC, INC. PO BOX 11024 WINSTON-SALEM, NC

LEGEND

LINE LEGEND

SHEET 2 >

EASEMENT INF PROPERTY LINE PROPERTY LINE (NOT SURVEYED) AGGHT-OF-WAY (NOT SURVEYED) SETMACK

HATCH LEGEND

SHEET 4

SCM ACCESS AND PUBLIC WATER UTILITY ACCESS EASEMENT WET POND #1 & #2 ACCESS EASEMENT PUBLIC WATER UTILITY EASEMENT AND UTILITY ACCESS EASEMENT

ZUNG GOOMENGED DEUTE

## ZONING DISCLAIMER

SURJECT PROPERTY ZONED: G.I.CD ZONING RESTRICTIONS AS PER ZONING ORDINANCE:

MINIMUM SETBACK: 10 MINIMUM SIDE YARD: ... MINIMUM REAR YARD: ...

FOR FURTHER INFORMATION CONTACT THE CITY OF CONCORD PLANNING DEPARTMENT AT 704-920-5152.

### GPS STATEMENT

I, ALL DISTANCES SHOWN HEREON ARE GROUND DISTANCES UNLESS OTHERWISE NOTED.

2. GPS CONTROL SHOWN HEREON WAS SET BY USE OF THE NORTH CAROLINA REAL THE BETWOOK UTILETING MADSS[2011] HORIZONTAL DATUM AND KAYDSS VERTICAL DATUM:

INSTRUMENT USED: CARLSON BRK.<sup>2</sup>
METHOD USED: PRELIT MEK KINEMATIC
COMBINED SCALE FICTOR: LOGITANIC
COMBINED SCALE FICTOR: LOGITANIC
FIELD WORK WAS COMPLETED ON 08002/02
FIELD WORK WAS COMPLETED ON 08002/02

# TALYOR GLEN

EASEMENT DEDICATION PLAT
3695 TAYLOR GLEN LANE NW &
2554 PLANTRION ROAD NW
CITY OF CONCORD, CABARRUS COUNTY, N.C.
D.B. 2752, PG, 116 &
D.B. 17705, PG, 109
TAX PARCEL NO: 55091820390000
& 55090819630000

SHEET 1 OF 7
NOTE: NOTA VALID
SURVEY WITHOUT
ALL SHEETS.

FILED Sep 19, 2025 11:40 am BOOK 00107 PAGE 0005 meu 0005 N INSTRUMENT # 21142 N EXCISE TAX \$0.00





NOTE: SEE PAGE 7 FOR LINE TABLES AND CURVE TABLES.

ALL CORNERS MONUMENTED AS SHOWN

2. THE PURPOSE OF THIS PLAT IS TO CREATE MULTIPLE EASEMENT, ALL AS SHOWN HEREON.

3. NO RECOVERABLE NGS MONUMENT LOCATED WITHIN 2,000 FEET OF SUBJECT PROPERTY.

A. BROKEN LINES UNLESS THEY LAVE A METES AND BOUNDS DESCRIPTION, INDICATE PROPERTY LINES NOT SURVEYED.

3. THE OFF-SITE RICHT-OF-WAY SHOWN HEREON IS FOR ILLUSTRATUTE PURPOSES ONLY THE UNDERSOUNDED CRETIFIES ONLY TO THE RICHT-OF-WAY SURFIZED, AA ONLY THE UNDERSOUND CRETIFIES WAY WITH OF ANY ADJACENT PROPERTIES.

SHEET 3

6. THE PROPERTIES SHOWN HEREON HAVE DIRECT VEHICULAR ACCESS TO PITTS SCHOOL ROAD AND PLANTATION ROAD NW, DEDICATED PUBLIC RIGHTS-OF-WAY. 7. THIS SURVEY WAS PERFORMED WITHOUT BENEFIT OF A TITLE COMMITMENT REFORT, R.B. PHUR & ASSOCIATES, P.A. DOES NOT CLAIN THAT ALL MATTERS OF RECORD WHICH MAY OR MAT NOT AFFECT THE SUBJECT PROPERTY ARE SHOWN HEREON.

8. PHYSICAL IMPROVEMENTS MAY EXIST ON THIS PROPERTY THAT ARE NOT SHOWN HEREON.

9. ALL AREAS SHOWN HEREON WERE DETERMINED BY COORDINATE COMPUTATION 10. NO NEW LOTS ARE CREATED WITH THIS PLAT.

# CERTIFICATE OF EXCEPTION PLAT APPROVAL

# 2/19/25

SHEET 6

は関連 111111

## PLAT REVIEW OFFICER CERTIFICATE

THE MENT OF THE PROPERTY OF THE SECTION OF CHANKES COUNTY, CERTIFY THAT THE THE THE SECTION OF A PETER OF SECTION OF THE SECTI 321116



I, THE UNDERGENERAL STREET, CERTIFY THEN PLY THE OBJECT WE OBSET IN CHIEF THE THE THE OBJECT HERE ALTHOUGH THE THE ADMINISTRY THE PROPERTY OF CHIEF THE THE THE OBJECT OF THE STREET OBJECT OF THE OBJECT OF

SURVEYOR'S CERTIFICATE

GRAPHIC SCALE

THIS PLAT IS OF A SURRIT OF ANOTHER CATEGORY, SUCH AS THE RECOMBINATION OF EXSTING DATES. A COUGH OMBRED SURFET OR OTHER EXCEPTIONS TO THE DEFINATION OF A SUBDIVISION.

THIS STOCKETTPT THE THE SUBBCT PROTESTY S. PARTLY.
LOCATION AN ASPICAL BOOD HEARD AND ASSISTANT ON
MACH THE FEDRAL BURKENCH MANGENET
MACH TREASH INSTRUCTION DATE
MACH THE TOTAL MINISTRATION DATE
MACH THE TOTAL MINISTRATION TO THE
MACH NIMBER: 37104599004, 37105509004; ZOME: AE, X

FLOOD CERTIFICATION

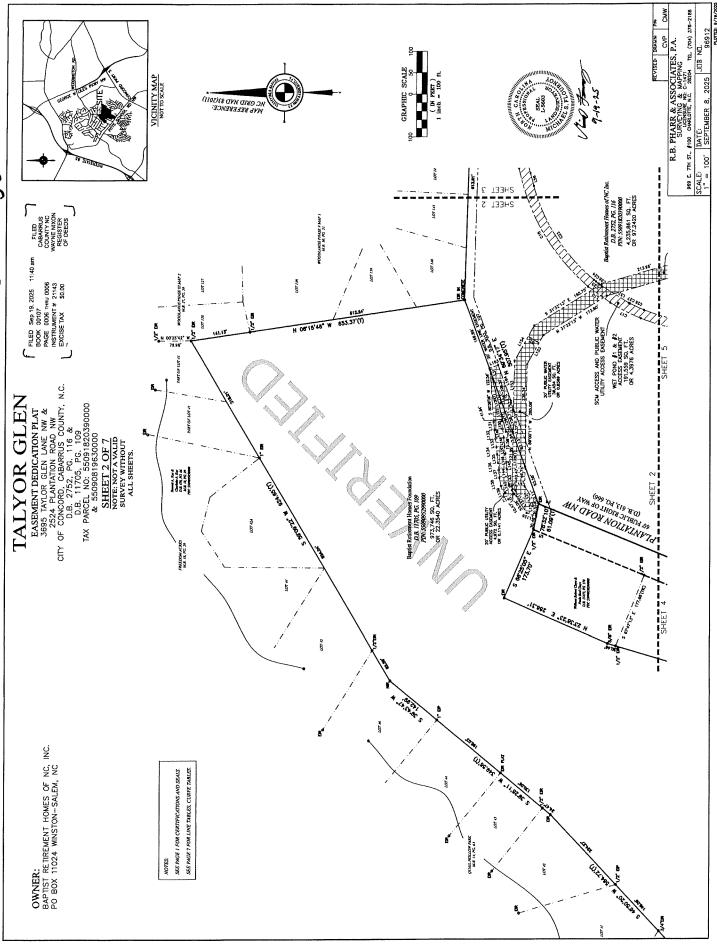
9-19-25 WELLE S. FLOORWOY, PLS. 1-5603

R.B. PHARR & ASSOCIATES, P.A. SURVEYING & MAPPING DESIGNER OF C-1471 1898 E. THI ST. #100 CHRONIT, R.C. TECH TE. (704) 379-2166 REVISED DRAWN

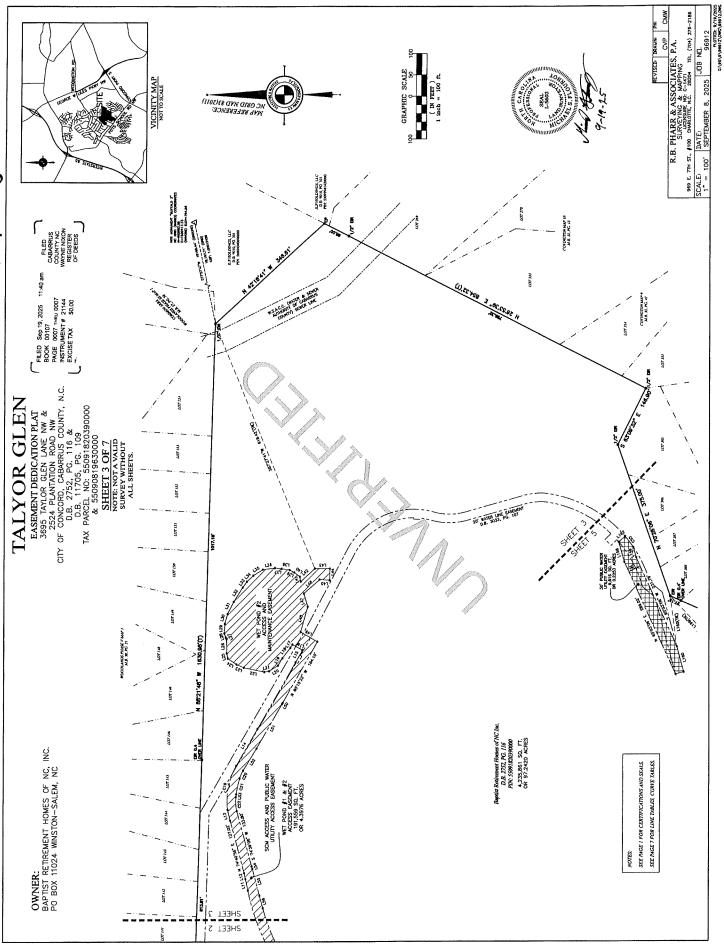
PLOTTED: 9/19/2025 C:\96\9\96912\0WC\96812.DWC SCALE: DATE: JOB ND. 1" = 250' SEPTEMBER 8, 2025 96912

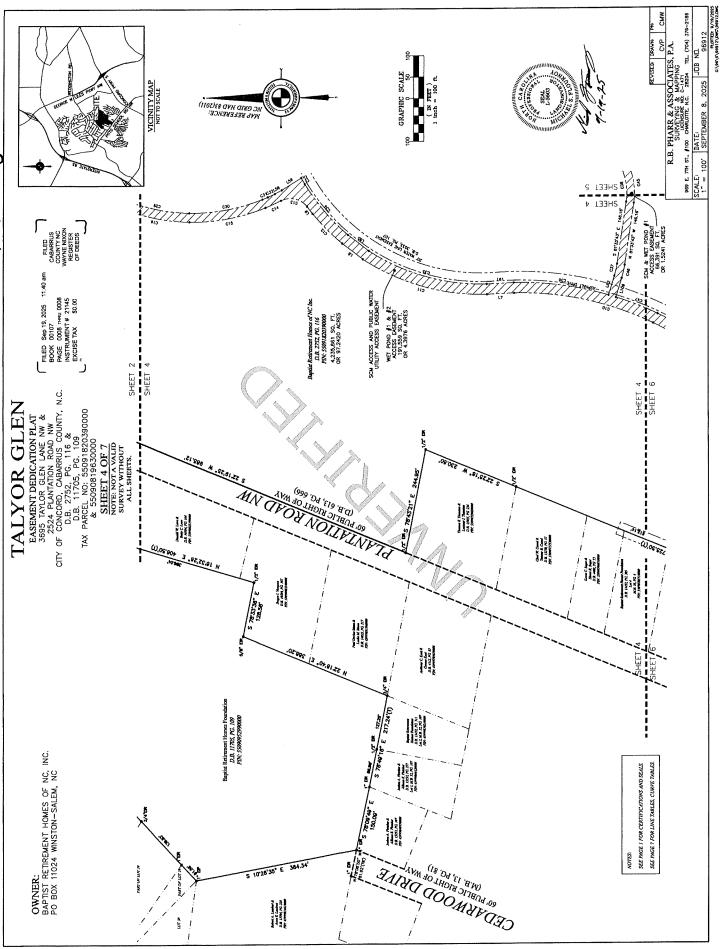
178

BK107 PB6

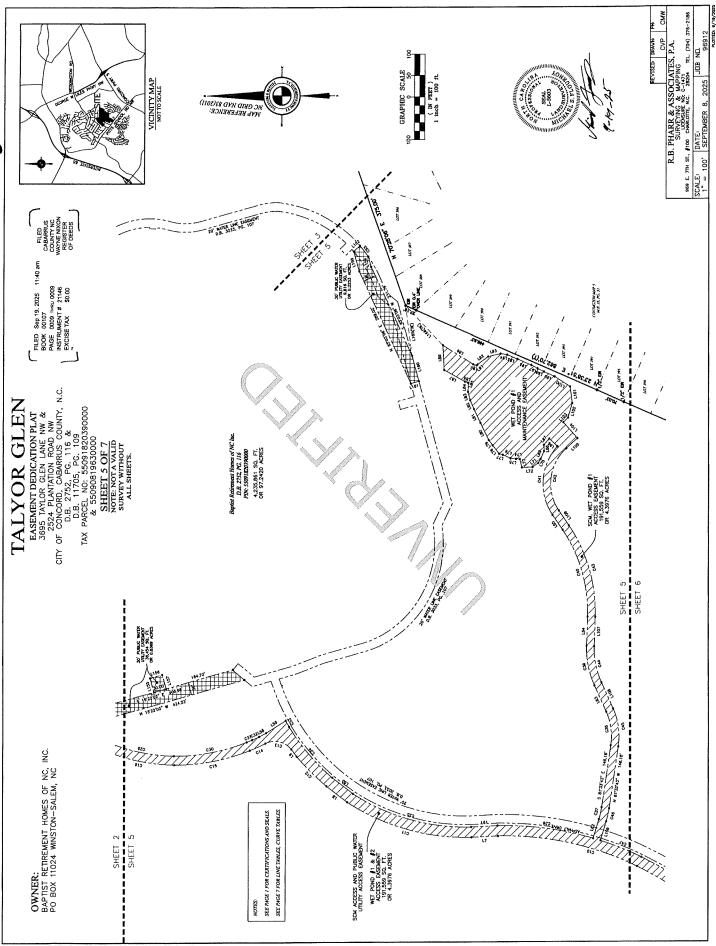


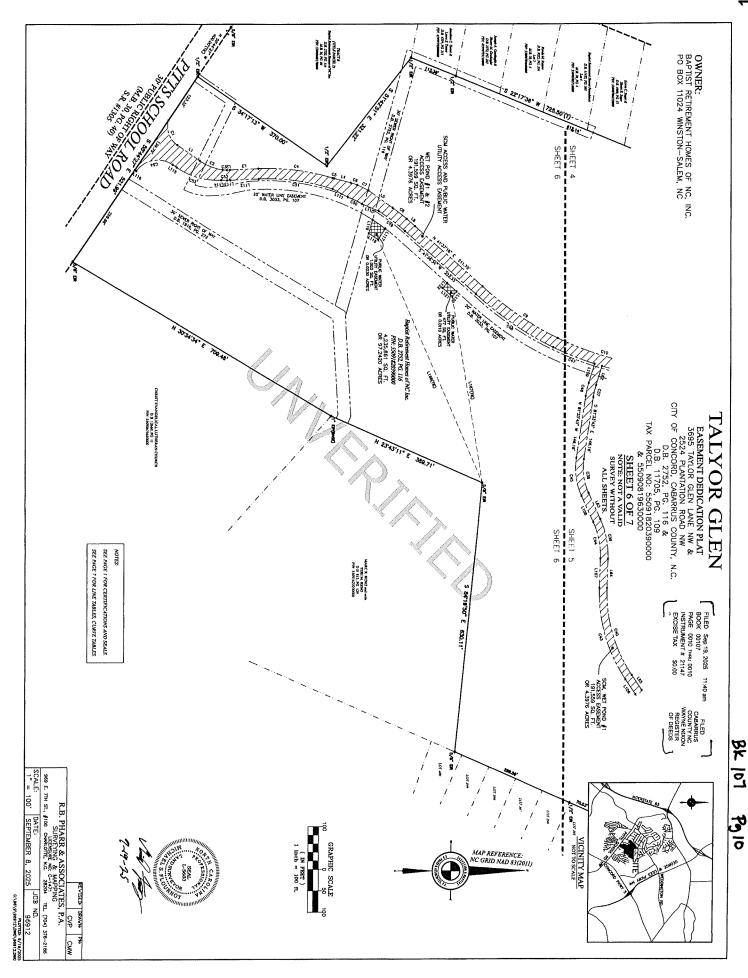
8k IN 1837

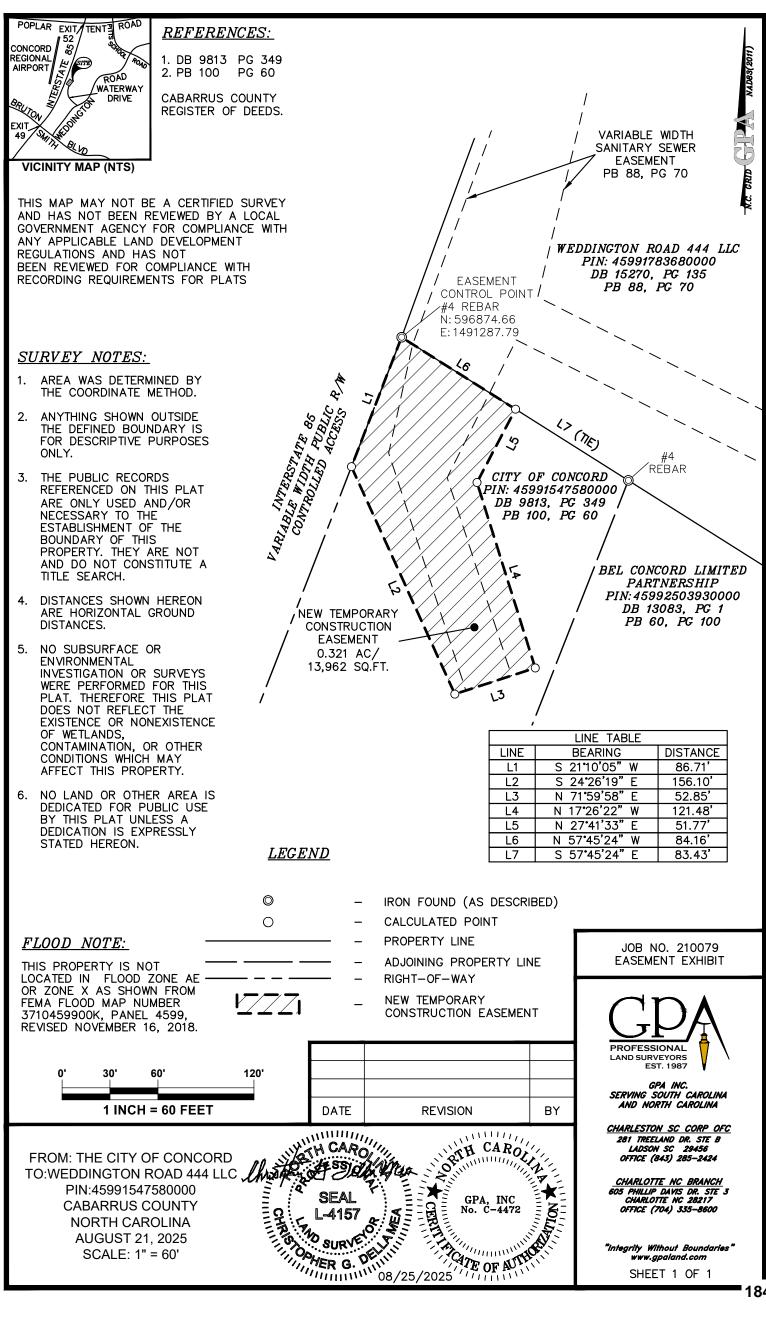




BL 107 PS9







Prepared by and Return to Concord City Attorney, ROD Box

STATE OF NORTH CAROLINA	)	P/O PIN#	4599-15-4758
COUNTY OF CABARRUS	)		
		Temporary C	onstruction Easement

The undersigned Grantor, the City of Concord, a North Carolina municipal corporation ("Grantor"), in consideration of payment to the Grantor of the sum of One Dollar, (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell and release unto Crescent Acquisitions, LLC, a Delaware limited liability company ("Grantee"), its successors, assigns and licenses, the right, privilege, a temporary construction easement to enter and re-enter during the construction of the project entitled "NCDEQ Sedimentation-Erosion Control Permit" (Project Number 2019-057) in order to install, dig, build, erect, maintain, repair, rebuild, operate, and patrol one or more public utilities including but not limited to wastewater infrastructure, underground pipes, utility lines, any and all related fixtures or appurtenances, the right to install, maintain and repair any and all utility structures including but not limited to piping and any and all related fixtures and appurtenances the premises to be affected as shown on the attached Exhibit "A" titled "Easement Exhibit" and hereby being more particularly described as follows:

BEGINNING AT A #4 REBAR ON THE WESTERN RIGHT OF WAY OF INTERSTATE 85, SAID POINT ALSO BEING A SHARED COMMON CORNER BETWEEN THE CITY OF CONCORD (PIN 45991547580000 – DB 9813, PG 349) AND WEDDINGTON ROAD 444 LLC (PIN 45991783680000 – DB 15270, PG 135) AND HAVING NC NAD 83 (2011) GRID COORDINATES OF N:596,874.66' E:1,491,287.79' AND RUNS THENCE ALONG THE EASTERN RIGHT-OF-WAY OF INTERSTATE 85 S 21°10'05" W, A DISTANCE OF 86.71' (L1) TO A POINT; THENCE LEAVING SAID RIGHT-OF-WAY THE FOLLOWING FOUR (4) CALLS: 1) S 24°26'19" E, A DISTANCE OF 156.10' (L2) TO A POINT; 2) N 71°59'58" E, A DISTANCE OF 52.85' (L3) TO A POINT; 3) N 17°26'22" W, A DISTANCE OF 121.48' (L4) TO A POINT; 4) N 27°41'33" E, A DISTANCE OF 51.77' (L5) TO A POINT ON THE COMMON SHARED PROPERTY LINE BETWEEN THE CITY OF CONCORD AND WEDDINGTON ROAD 444 LLC; THENCE WITH SAID SHARED LINE N 57°45'24" W, A DISTANCE OF 84.16' (L6) TO THE POINT AND PLACE OF BEGINNING AND COMPRISING AN AREA OF 13,962 SQUARE FEET, AND/OR 0.321 ACRES, MORE OR LESS.

The property described herein is subject to all rights-of-way, easements and restrictions of record.

The Grantor, by the execution of this instrument, acknowledges the plans for the above referenced project as it affects the remaining property has been fully explained to their authorized representative(s).

Together with any and all rights normally incident thereto, and particularly the right of ingress and egress thereto from time to time as necessary for construction, reconstruction, enlargement and/or maintenance.

To have and to hold the same unto the Crescent Acquisitions, LLC and its successors during the construction of the project and its immediate environs knows as the "NCDEQ Sedimentation-Erosion Control Permit" (Project Number 2019-057) as to the temporary construction easement.

For purposes of this easement, Temporary Construction Easement is defined as being used during the time of construction for grading, access, repair, and other activities related to the construction of the project and its immediate environs knows as the "NCDEQ Sedimentation-Erosion Control Permit" (Project Number 2019-057) and shall expire upon completion and acceptance of the said project.

IN WITNESS WHEREOF these on this the day of	presents have been duly executed under seal by the Grantor, 2025.
	GRANTOR:
	The City of Concord, a North Carolina municipal corporation
ATTEST:	By:
Kim J. Deason, City Clerk [SEAL]	
APPROVED AS TO FORM	
VaLerie Kolczynski, City Attorney	-

# STATE OF NORTH CAROLINA COUNTY OF CABARRUS

I,	, a Notary Public of the aforesaid Coun	ty and
State, do hereby certify that Kim J. Deaso	n personally appeared before me this da	y and
acknowledged that she is the City Clerk of the	City of Concord and that by authority duly	given
and as the act of the municipal corporation, the	foregoing document was signed in its name	by its
City Manager, sealed with its corporate seal an	d attested by her as its City Clerk.	
WITNESS my hand and notarial seal, the	his the day of,	2025.
	D 11'	
	otary Public	
M	ly commission expires:	

### AN ORDINANCE TO AMEND FY 2025-2026 BUDGET ORDINANCE

WHEREAS, the City Council of the City of Concord, North Carolina did on the 12<sup>th</sup> day of June, 2025, adopt a City budget for the fiscal year beginning July 1, 2025 and ending on June 30, 2026, as amended; and

WHEREAS, it is appropriate to amend the expense/expenditures and the revenue accounts in the funds listed for the reason stated;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Concord that in accordance with the authority contained in G.S. 159-15, the following accounts are hereby amended as follows:

<u>Revenues</u>				
Account	Title	Current Budget	Amended Budget	(Decrease) Increase
100-4323100	1% Local Govt SIs Tx	11,558,009	11,782,499	224,490
100-4323200	1/2% Article 40 SIs Tx	5,822,010	5,896,521	74,511
100-4323300	1/2% Article 42 SIs Tx	5,939,975	6,055,327	115,352
100-4323400	1/2% Article 44 SIs Tx	5,256,044	5,331,224	75,180
	Total			489,533

# **Expenses/Expenditures**

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
4190-5992000	Contingency	0	489,533	489,533
	Total			489,533

Reason: To appropriate excess FY25 sales tax to contingency.

Adopted this 9th day of October, 2025.

		CITY COUNCIL CITY OF CONCORD NORTH CAROLINA
		William C. Dusch, Mayor
ATTEST:	Kim Deason, City Clerk	
		VaLerie Kolczynski, City Attorney

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# AN ORDINANCE TO AMEND FY 2025-2026 BUDGET ORDINANCE

WHEREAS, the City Council of the City of Concord, North Carolina did on the 12<sup>th</sup> day of June, 2025, adopt a City budget for the fiscal year beginning July 1, 2025 and ending on June 30, 2026, as amended; and

WHEREAS, it is appropriate to amend the expense/expenditures and the revenue accounts in the funds listed for the reason stated;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Concord that in accordance with the authority contained in G.S. 159-15, the following accounts are hereby amended as follows:

<u>Revenues</u>				
Account	Title	Current Budget	Amended Budget	(Decrease) Increase
329-4334640	HOME ARP Revenue	\$4,772,338	\$4,779,504	\$7,166
	Tota	I		\$7,166

**Expenses/Expenditures** Title Current Account Amended (Decrease) Budget Increase **Budget** 3290-5121000 Regular \$112.716 \$113.495 \$779 3290-5484100 Consortium Admin Exp \$263,630 \$263,656 \$296 3291-5480011 **New Construction** \$736,698 \$738,672 \$1,974 3291-5484200 Consortium Project Exp \$3,319,790 \$3,323,907 \$4,117 \$7,166 Total

Reason: To amend the HOME ARP budget to include the amended grant amount.

Adopted this 9th day of October, 2025.

		CITY COUNCIL CITY OF CONCORD NORTH CAROLINA
		William C. Dusch, Mayor
ATTEST:	Kim Deason, City Clerk	
		VaLerie Kolczynski. City Attorney

# AN ORDINANCE TO AMEND FY 2025-2026 BUDGET ORDINANCE

WHEREAS, the City Council of the City of Concord, North Carolina did on the 12<sup>th</sup> day of June, 2025, adopt a City budget for the fiscal year beginning July 1, 2025 and ending on June 30, 2026, as amended; and

WHEREAS, it is appropriate to amend the expense/expenditures and the revenue accounts in the funds listed for the reason stated;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Concord that in accordance with the authority contained in G.S. 159-15, the following accounts are hereby amended as follows:

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
100-4343352	Developer Contributions	0	88,947	88,947
	Total			88,947

# **Expenses/Expenditures**

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
4510-5241000	Resurfacing	25,000	113,947	88,947
	Total			88,947

Reason: To appropriate funds held in escrow from Copperfield Apartments to complete unfinished work.

Adopted this 9th day of October, 2025.

		CITY COUNCIL CITY OF CONCORD NORTH CAROLINA
		William C. Dusch, Mayor
ATTEST:	Kim Deason, City Clerk	
		VaLerie Kolczynski, City Attorney

### ORD.#

# AN ORDINANCE TO AMEND FY 2025-2026 BUDGET ORDINANCE

WHEREAS, the City Council of the City of Concord, North Carolina did on the 12<sup>th</sup> day of June, 2025, adopt a City budget for the fiscal year beginning July 1, 2025 and ending on June 30, 2026, as amended; and

WHEREAS, it is appropriate to amend the expense/expenditures and the revenue accounts in the funds listed for the reason stated;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Concord that in accordance with the authority contained in G.S. 159-15, the following accounts are hereby amended as follows:

<u>Revenues</u>				
Account	Title	Current Budget	Amended Budget	(Decrease) Increase
340-4370000	Fund Balance Appropriated	0	201,866	201,866
340-4361000	Investment Earnings	0	2,000	2,000
	Total			203,866

# **Expenses/Expenditures**

Account		Title		Current Budget	Amended Budget	(Decrease) Increase
3400-5193000	Medical			0	203,866	203,866
			Total			203,866

Reason: To appropriate Opioid Settlement Funds received in prior years and investment earnings for Mobile MAT through Cabarrus County EMS. Mobile MAT would be considered an Option A, Strategy 2 (Evidence-based Addiction Treatment) and is an allowable use of the settlement funds.

Adopted this 9th day of October, 2025.

		CITY COUNCIL CITY OF CONCORD NORTH CAROLINA
ATTEST:	Kim Deason, City Clerk	William C. Dusch, Mayor
	, <b>,</b>	VaLerie Kolczynski, City Attorney

### **GRANT PROJECT ORDINANCE AMENDMENT**

BE IT ORDAINED by the City Council of the City of Concord, North Carolina that pursuant to Section 13.2 Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby amended:

- SECTION 1. The project authorized and amended are the projects included in the HOME Grant project fund.
- SECTION 2. The City Manager is hereby authorized to proceed with the implementation and amendments of the projects within the terms of the plans and specifications for the projects.

SECTION 3. The following revenues are anticipated to be available to the City of Concord for the completion of the projects:

#### Revenues

Account	Title	Current Budget	Amended Budget	(Decrease) Increase
320-4501100 320-4501100	Transfer from General Fund	\$193,157	\$194,294	\$1,137
	Total			\$1,137

SECTION 4. The following amounts are appropriated for the project

#### **Expenses/Expenditures**

Account	Title		Current Budget	Amended Budget	(Decrease) Increase
3212-5480012 3212-5480012	Match/PI Exp		\$126,347	\$127,447	\$1,100
3222-5480012	•			, ,	, ,
3222-5480012	Match/PI Exp		\$273,900	\$273,937 	\$37
		Total			\$1,137

SECTION 5. Accounting records are to be maintained by the Finance Department of the City of Concord in such manner as (1) to provide all information required by the project agreement and other agreements executed or to be executed with the various parties involved with the project; and (2) to comply with the Local Government Budget and Fiscal Control Act of the State of North Carolina.

SECTION 6. Within five (5) days after adoption, copies of this grant projects ordinance shall be filed with the City Manager, Finance Director, and City Clerk for direction in carrying out this project.

SECTION 7. The Finance Director is directed to report on the financial status of this project in accordance with the existing City policy. She shall also report to the City Manager any unusual occurrences.

Duly adopted by the City Council of the City of Concord, North Carolina this  $9^{\text{th}}$  day of October, 2025.

ATTEST:

	CITY COUNCIL CITY OF CONCORD NORTH CAROLINA
Kim Deason, City Clerk	William C. Dusch, Mayor
· ·	
Kim Deason, City Clerk	VaLerie Kolczynski, City Attorney

### **Article 3.15 Deployment Pay – Emergency Response Personnel**

For the purposes of this policy, deployment pay is defined as compensation provided to eligible City of Concord employees who are officially deployed to respond to federally or state-declared emergencies or to assist under approved mutual aid agreements that require overnight service outside the City's jurisdiction. Deployment pay is intended to recognize the unique demands placed on emergency personnel serving in disaster conditions, and to ensure compliance with FEMA (Federal Emergency Management Agency) and North Carolina disaster reimbursement standards.

Deployment pay shall apply to designated emergency response personnel, including but not limited to sworn fire, police, and emergency communications staff, who are formally activated by the City Manager or their designee for deployment in response to disaster relief efforts coordinated by FEMA, North Carolina Emergency Management, or other authorized agencies. To qualify for deployment pay, the employee must be required to remain overnight away from their regular duty station and must provide official documentation of the deployment, including the sponsoring agency, location, scope of assignment, and beginning and end dates of service.

Non-exempt and exempt employees meeting the criteria set forth above shall be compensated at one-and-one-half times (1.5x) their regular base hourly rate for all hours worked during the official deployment period. Deployment pay begins upon departure from the home jurisdiction and ends upon return, provided that the employee remains in deployment status during that time. Time worked must be recorded accurately and consistently in the City's timekeeping system and approved by the employee's supervisor and Department Director. Overtime associated with deployment must also follow standard approval procedures outlined in **Article 3.9 Overtime** of the City's *Personnel Policies and Procedures*.

Deployment pay shall not apply to mutual aid responses or emergency call-outs that do not require overnight deployment or that fall within the employee's normal geographic area of service. If the terms of a mutual aid agreement, deployment contract, or operational directive establish a different compensation structure, those terms shall govern compensation for the duration of that assignment. Under no circumstances shall the activation or payment of deployment pay be made contingent on a Presidential disaster declaration or federal funding. This policy is applied uniformly regardless of disaster status and is intended to support the City's eligibility for FEMA and state reimbursement for disaster-related personnel costs, consistent with FEMA's Public Assistance Program and Policy Guide.

All supporting documentation related to deployment pay, including time records, deployment orders, and supervisory approvals, shall be retained in accordance with City recordkeeping standards and applicable audit requirements.

### Tax Report for Fiscal Year 2025-2026

FINAL REPORT	August
Property Tax Receipts	
2025 BUDGET YEAR	13,094,918.12
2024	74,174.96
2023	4,034.25
2022 2021	227.49
2020	67.49 10.64
2019	31.00
2018	4.70
2017	4.70
2016	11.70
Prior Years Interest	4.80 5,261.65
Refunds	0,201.00
	13,178,751.50
Vehicle Tax Receipts- County	
2025 BUDGET YEAR	60.40
2024	
2023	
2022	
2021 2020	
2019	
Prior Years	
Penalty & Interest	
Refunds	60.40
	00.40
Fire District Tax - County	47.050.00
2025 BUDGET YEAR	17,953.66
Less: Collection Fee from County	
Net Ad Valorem Collections	13,196,765.56
423:Vehicle Tag Fee-Transportion Impr Fund	
100:Vehicle Tag Fee	
630:Vehicle Tag Fee-Transportion Fund	
Less Collection Fee - Transit	
Net Vehicle Tag Collection	
5.0	
Privilege License	127.50
Prepaid Privilege Licenses Privilege License interest	
Total Privilege License	127.50
-	
Oakwood Cemetery current	3,050.00
Oakwood Cemetery endowment	1,000.00
Rutherford Cometery condewment	4,308.34 966.66
Rutherford Cemetery endowment West Concord Cemetery current	4,775.01
West Concord Cemetery endowment	799.99
Total Cemetery Collections	14,900.00
Total Collections	\$ 13,211,793.06

Current Year Original Scroll Levy Penalty Adjustments Public Service Levy Penalty Discoveries/Annex Discovery Penalty	30,179.29 37,362.05
Total Amount Invoiced - Monthly	15,150.47 82,691.81
Total Amount Invoiced - YTD	96,810,022.61
Current Year Less Abatements (Releases) Real Personal Discovery Penalty - all Total Abatements	27,277.31
	,
Adjusted Amount Invoiced - monthly Adjusted Amount Invoiced - YTD	55,414.50 96,757,324.68
Current Levy Collected	13,094,918.12
Levy Collected from previous years	78,571.73
Penalties & Interest Collected Current Month Write Off - Debit/Credit	5,261.65
Total Monthly Collected	13,178,751.50
Total Collected - YTD	13,554,384.31
Total Collected - net current levy -YTD	13,467,041.98
Percentage of Collected -current levy	13.92%
Amount Uncollected - current year levy	83,290,282.70
Percentage of Uncollected - current levy	86.08%

100.00%

CITY OF CONCORD
Summary of Releases, Refunds and Discoveries for the Month of August 2025

RELEASES	
CITY OF CONCORD	\$ 27,277.31
CONCORD DOWNTOWN	\$ -

REFUNDS	
CITY OF CONCORD	\$ 2,354.67
CONCORD DOWNTOWN	\$ -

DISCOVERIES						
CITY OF CONCORD						
TaxYear	Real	Personal	Total	Rate	Calculated	Penalties
2019	0	0	0	0.0048	0.00	0.00
2020	0	1,162,214	1,162,214	0.0048	5,578.63	3,339.37
2021	0	1,181,228	1,181,228	0.0048	5,669.89	2,829.12
2022	0	1,721,474	1,721,474	0.0048	8,263.08	3,298.68
2023	0	2,000,656	2,000,656	0.0048	9,603.15	2,874.04
2024	0	1,963,643	1,963,643	0.0042	8,247.30	1,643.28
2025	4,409,420	2,776,126	7,185,546	0.0042	30,179.29	1,165.98
Total	4,409,420	10,805,341	15,214,761	\$	67,541.34	\$ 15,150.47
DOWNTOWN						
TaxYear	Real	Personal	Total	Rate	Calculated	Penalties
2019	0	0	0	0.0023	0.00	0.00
2020	0	0	0	0.0023	0.00	0.00
2021	0	0	0	0.0023	0.00	0.00
2022	0	0	0	0.0023	0.00	0.00
2023	0	0	0	0.0023	0.00	0.00
2024	0	0	0	0.0016	0.00	0.00
Total —	0	0	0	9		\$ -

City of Concord Portfolio Holdings Monthly Investments to Council Report Format: By Transaction Group By: Security Type Average By: Cost Value Portfolio / Report Group: All Portfolios As of 8/31/2025

Description	CUSIP/Ticker	Face Amount/Shares	Cost Value	Maturity Date	YTM @ Cost	% of Portfolio	Settlement Date	Cost Price	Days To Maturity
Commercial Paper		·							,
CP CREDIT AGRICOLE CIB NY 0 9/12/2025	22533TWC6	5,000,000.00	4,837,813.89	9/12/2025	4.537	1.13	12/20/2024	96.756278	12
CP PURE GROVE FDG 0 10/14/2025	74625TXE1	5,000,000.00	4,843,638.90		4.470	1.14			44
Nordea Bank 0 11/6/2025	65558JY68	5,000,000.00	4,894,165.28		4.301	1.15			67
TOYOTA CREDIT PR 0 11/14/2025	8923A0YE7	5,000,000.00	4,877,525.00		4.367	1.14		97.5505	75
NORDDEUTSCHE LANDSBK NY 0 1/2/2026	65558NA24	5,000,000.00	4,873,416.67		4.453	1.14			124
NATIXIS NY BRANCH CP 0 2/13/2026	63873KBD8	5,000,000.00	4,842,986.11		4.388	1.14	5/23/2025		166
TORONTO DOMINION 0 3/20/2026	89119CL8	5,000,000.00	4,839,991.67		4.360	1.13			201
MUFG BANK LTD 0 4/2/2026	62479MD26	5.000.000.00	4,856,650.00		4.355	1.14		97.133	214
TOYOTA MTR CR 0 5/15/2026	89233HEF7	5,000,000.00	4,847,940.28		4.198	1.14			257
Sub Total / Average Commercial Paper	002002	45,000,000.00	43,714,127.80		4.381	10.25		97.143964	129
FFCB Bond		10,000,000.00	.0,,					0.11.1000	.20
FFCB 0.53 9/29/2025-21	3133EMBH4	5,000,000.00	5,000,000.00	9/29/2025	0.530	1.17	9/29/2020	100	29
FFCB 1.21 12/22/2025-22	3133ENHU7	5,000,000.00	5.000.000.00		1.210	1.17	12/22/2021	100	113
FFCB 4.625 3/5/2026	3133EP4K8	5,000,000.00	4,999,610.20		4.628	1.17		99.992204	186
FFCB 0.625 6/16/2026-21	3133EMKV3	5,000,000.00	5,000,000.00		0.625	1.17	12/17/2020	100	289
FFCB 4.75 9/1/2026	3133EPUW3	5,000,000.00	4,971,300.00		4.961	1.17	9/22/2023	99.426	366
FFCB 0.94 9/28/2026-22	3133EM6E7	5,000,000.00	5,000,000.00		0.940	1.17	9/28/2021	100	
FFCB 4 2/23/2027	3133ETJF5	5,000,000.00	4,997,113.80		4.037	1.17	5/23/2025	99.942276	541
FFCB 1.55 3/30/2027-23	3133ELUN2	5,000,000.00	5,000,000.00		1.550	1.17	3/30/2020	100	576
FFCB 4.48 4/6/2027-26	3133ERR78	5,000,000.00	4,995,500.00		4.525	1.17	1/10/2025	99.91	583
FFCB 4.4 10/4/2027-25	3133ERVZ1	5,000,000.00	5,000,000.00		4.400	1.17	10/4/2024	100	764
FFCB 1.4 3/10/2028-22	3133EMSW3	5.000.000.00	5.000.000.00		1.400	1.17	3/10/2021	100	922
FFCB 1.5 3/23/2028-22	3133EMUB6	5,000,000.00	5,000,000.00	3/23/2028	1.500	1.17	3/23/2021	100	935
FFCB 4.14 6/16/2028-27	3133ETLE5	5,000,000.00	5,000,000.00	6/16/2028	4.140	1.17	6/16/2025	100	
FFCB 1.04 1/25/2029-22	3133EMNL2	5,000,000.00	4,986,250.00	1/25/2029	1.076	1.17	2/16/2021	99.725	1,243
FFCB 1.55 3/15/2029-22	3133EMSX1	5,000,000.00	4,960,000.00		1.658	1.16		99.2	1,292
FFCB 4.21 8/27/2029-26	3133ETVD6	5,000,000.00	5,000,000.00	8/27/2029	4.210	1.17	8/27/2025	100	1,457
FFCB 4.52 4/9/2030-26	3133ETCF2	5,000,000.00	5,000,000.00		4.520	1.17	4/9/2025	100	1,682
FFCB 4.37 4/16/2030-27	3133ETDA2	5,000,000.00	5,000,000.00	4/16/2030	4.370	1.17	4/22/2025	100	
Sub Total / Average FFCB Bond		90,000,000.00	89,909,774.00		2.793	21.07		99.900236	782
FHLB Bond	•	•		•					
FHLB 0.5 10/20/2025-21	3130AKNK8	5,000,000.00	4,999,000.00	10/20/2025	0.504	1.17	1/20/2021	99.98	50
FHLB Step 12/30/2025-21	3130AKLH7	5,000,000.00	5,000,000.00	12/30/2025	0.636	1.17	12/30/2020	100	
FHLB Step 1/29/2026-21	3130AKRA6	5,000,000.00	5,000,000.00	1/29/2026	1.002	1.17	1/29/2021	100	151
FHLB 0.53 2/17/2026-21	3130AKWS1	5,000,000.00	4,995,000.00		0.550	1.17		99.9	170
FHLB 0.8 3/10/2026-21	3130ALFS8	5,000,000.00	5,000,000.00	3/10/2026	0.800	1.17	3/10/2021	100	
FHLB Step 4/29/2026-21	3130ALZA5	5,000,000.00	5,000,000.00	4/29/2026	1.432	1.17	4/29/2021	100	241
FHLB 1 5/26/2026-23	3130AMME9	5,000,000.00	4,769,250.00	5/26/2026	4.356	1.12	12/20/2024	95.385	268
FHLB 4.4 11/13/2026-25	3130G3PG2	5,000,000.00	5,000,000.00		4.400	1.17	11/18/2024	100	
FHLB 3.86 12/18/2026-25	3130B2W68	4,985,000.00	4,985,000.00	12/18/2026	3.860	1.17	9/30/2024	100	
FHLB 4.375 1/8/2027-26	3130B4GP0	5,000,000.00	5,000,000.00	1/8/2027	4.375	1.17	1/8/2025	100	495
FHLB 4.35 2/12/2027-26	3130B4Y88	5,000,000.00	4,993,750.00		4.416	1.17	2/14/2025	99.875	530
FHLB 4.45 5/27/2027-25	3130B5PC6	4,900,000.00	4,900,000.00	5/27/2027	4.450	1.15	4/4/2025	100	
FHLB 0.825 8/17/2027-21	3130AJXH7	5,000,000.00	4,986,250.00		0.866	1.17	8/28/2020	99.725	716
FHLB 4.125 7/10/2028-26	3130B6YJ9	5,000,000.00	5,000,000.00		4.125	1.17	7/10/2025	100	1,044
FHLB 4.45 12/4/2028-26	3130B3XH1	5,000,000.00	5,000,000.00	12/4/2028	4.450	1.17	12/4/2024	100	

FHLB 4.25 9/10/2029-25	3130B2TX3	5,000,000.00	5,000,000.00	9/10/2029	4.250	1.17	9/23/2024	100	1,471
FHLB 2.32 11/1/2029-22	3130AHEU3	5,000,000.00	5,000,000.00		2.320	1.17	11/1/2019	100	1,523
Sub Total / Average FHLB Bond		84,885,000.00	84,628,250.00		2.746	19.84		99.709258	572
FHLMC Bond									
FHLMC 0.375 9/23/2025	3137EAEX3	1,570,000.00	1,405,668.10		4.166	0.33	10/6/2022	89.533	23
FHLMC 0.375 9/23/2025	3137EAEX3	1,010,000.00	893,535.53		4.694	0.21			23
FHLMC 0.375 9/23/2025	3137EAEX3	560,000.00	504,624.88	9/23/2025	4.156	0.12	12/6/2022	90.111586	23
FHLMC 0.8 7/14/2026-21	3134GV5T1	5,000,000.00	5,000,000.00	7/14/2026	0.800	1.17	7/14/2020	100	317
FHLMC 3.75 8/28/2026-25	3134HAHZ9	5,000,000.00	4,966,150.00		4.095	1.16	8/30/2024	99.323	362
FHLMC 4.25 2/22/2027-24	3134H1SN4	5,000,000.00	4,952,500.00	2/22/2027	4.593	1.16	2/22/2024	99.05	540
FHLMC 2.67 3/25/2027-24	3134GXNM2	5,000,000.00	4,745,882.69		4.500	1.11	3/25/2024	94.917654	571
FHLMC 4.1 5/20/2027-25	3134GAD91	5,000,000.00	4,977,705.00		4.290	1.17	11/20/2024	99.5541	627
FHLMC 3.5 7/1/2027-25	3134HAPH0	5,000,000.00	4,972,500.00		3.713	1.17	9/27/2024	99.45	669
FHLMC 3.375 9/23/2027-25	3134HALQ4	5,000,000.00	4,964,770.00		3.624	1.16	9/23/2024	99.2954	753
FHLMC 3.625 10/15/2027-25	3134HASE4	5,000,000.00	4,962,500.00		3.892	1.16	10/15/2024	99.25	775
FHLMC 4.65 11/12/2027-25	3134HAZQ9	5,000,000.00	5,000,000.00		4.650	1.17	11/14/2024	100	803
FHLMC 4 12/9/2027-25	3134GAL35	5,000,000.00	4,967,900.00		4.230	1.16	12/9/2024	99.358	830
FHLMC 4.4 12/16/2027-25	3134HAP80	5,000,000.00	4,991,250.00		4.463	1.17	12/20/2024	99.825	837
FHLMC 4.4 1/26/2028-26	3134HBYN5	5,000,000.00	5,000,000.00		4.400	1.17	7/15/2025	100	878
FHLMC 4.3 2/4/2028-27	3134HA5M1	5,000,000.00	5,000,000.00		4.300	1.17	2/4/2025	100	887
FHLMC 4.13 2/25/2028-26	3134HBJ85	5,000,000.00	4,998,000.00		4.147	1.17	8/25/2025	99.96	908
FHLMC 4.125 3/3/2028-26	3134HBBJ9	5,000,000.00	4,981,850.00		4.255	1.17	3/4/2025	99.637	915
FHLMC 4.23 3/27/2028	3134HBFL01	5,000,000.00	5,000,000.00		4.230	1.17	3/28/2025	100	939
FHLMC 4 4/10/2028-26	3134HBGA3	5,000,000.00	4,987,500.00		4.089	1.17	4/11/2025	99.75	953
FHLMC 3.875 6/23/2028-26	3134HBWV9	5,000,000.00	4,986,000.00		3.975	1.17	6/25/2025	99.73	1,027
FHLMC 4.2 7/21/2028-26	3134HBZU8	5,000,000.00	5,000,000.00		4.200	1.17	7/21/2025	100	1,055
FHLMC 4.2 7/2 1/2020-20 FHLMC Step 8/20/2029-25	3134HAGE7	5,000,000.00	5,000,000.00		4.286	1.17	8/20/2024	100	1,450
Sub Total / Average FHLMC Bond	3134FIAGE1	103,140,000.00	102,258,336.20		4.043	23.97	0/20/2024	99.187525	784
FNMA Bond		103, 140,000.00	102,230,330.20		4.043	23.91		99.107323	704
FNMA 0.5 11/7/2025	3135G06G3	1,295,000.00	1,169,555.72	11/7/2025	4.152	0.27	1/5/2023	90.313183	68
FNMA 0.5 11/7/2025 FNMA 0.5 11/7/2025	3135G06G3	830,000.00	743,924.04		4.682	0.27	3/7/2023		68
FNMA 0.5 11/7/2025 FNMA 0.5 11/7/2025	3135G06G3	885,000.00	815,301.29		3.719	0.17	4/5/2023		68
								92.12444	120
FNMA 0.57 12/29/2025-21	3135GABS9	5,000,000.00 545,000.00	4,563,350.00		4.967 3.805	1.07 0.12	11/17/2023 5/3/2023	95.315	236
FNMA 2.125 4/24/2026	3135G0K36	,	519,466.75						
FNMA 0.75 7/30/2026-20	3136G4D91	1,000,000.00	888,980.00		5.116	0.21	10/27/2023	88.898	333 424
FNMA 0.73 10/29/2026-21	3136G46F5	5,000,000.00	5,000,000.00		0.730	1.17	10/29/2020	100	
FNMA 4.25 4/9/2027-25	3135GAQU8	5,000,000.00	4,951,479.86		4.600	1.16	4/9/2024	99.029597	586
FNMA 3.5 9/24/2027-25	3135GAVE8	5,000,000.00	4,932,000.00		3.997	1.16	10/21/2024	98.64	754
FNMA 0.8 11/4/2027-22	3135GA2L4	5,000,000.00	5,000,000.00		0.800	1.17	11/4/2020	100	795
FNMA 4.32 3/10/2028-25	3136GACR8	5,000,000.00	5,000,000.00		4.320	1.17	3/10/2025	100	922
FNMA 4.6 5/5/2028-25	3136GAGT0	4,750,000.00	4,750,000.00		4.600	1.11	5/9/2025	100	978
FNMA 4 7/14/2028-26	3136GAK40	5,000,000.00	4,993,000.00		4.050	1.17	7/14/2025	99.86	1,048
FNMA 3.95 8/14/2028-26	3136GANR6	5,000,000.00	5,000,000.00		3.950	1.17	8/14/2025	100	1,079
FNMA 4 4/10/2030-26	3136GAENS	5,000,000.00	4,999,750.00		4.001	1.17	4/10/2025	99.995	1,683
FNMA 4.45 8/7/2030-26	3136GALN76	5,000,000.00	5,000,000.00		4.450	1.17	8/8/2025	100	1,802
Sub Total / Average FNMA Bond		59,305,000.00	58,326,807.66		3.710	13.67		98.45943	877
Local Government Investment Pool									
NC CLASS LGIP	NCCLASS		14,905,802.41		4.331	3.49			
NCCMT LGIP	NCCMT481	1,152,180.95			4.220	0.27	12/31/2005	100	
Sub Total / Average Local Government Investment Pool		16,057,983.36	16,057,983.36		4.323	3.76		100	1
Money Market									
PINNACLE BANK MM	PINNACLE	21,989,654.44	21,989,654.44		4.400	5.15		100	1
Sub Total / Average Money Market		21,989,654.44	21,989,654.44		4.400	5.15		100	1
Treasury Note									
T-Note 0.25 10/31/2025	91282CAT8	5,000,000.00	4,845,689.50		4.194	1.14	1/10/2025	96.91379	
T-Note 2.25 11/15/2025	912828M56	5,000,000.00	4,925,075.95	11/15/2025	4.250	1.15	2/7/2025	98.501519	76
Sub Total / Average Treasury Note		10,000,000.00	9,770,765.45		4.222	2.29		97.714105	
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Total / Average	430.377.637.80	426.655.698.91	3 5/15	100	99.171	601
Total / Average	430,377,037.00	420,000,090.91	3.343	100	99.17	1 00 1