



CITY of WILMINGTON North Carolina

ITEM PH5b

P.O. BOX 1810
28402

OFFICE OF THE CITY MANAGER
(910) 341-7810 | FAX (910) 341-5839
TDD (910) 341-7873

6/6/2017

City Council
City Hall
Wilmington, North Carolina 28401

Dear Mayor and Councilmembers:

Attached for your consideration is a resolution authorizing the City Manager to enter into a contract with Wilmington Downtown Incorporated (WDI) to provide municipal service within the newly established Downtown Municipal Services District (Downtown MSD).

This City of Wilmington adopted an ordinance establishing a Municipal Services District in the downtown area on December 6, 2017. Service providers for this district were solicited via a Request for Proposals (RFP) on March 2, 2017. The responses were due on April 4, 2017 by 3:00PM. An interview was conducted on April 27, 2017 by a panel of relative City employees.

Wilmington Downtown Incorporated was the only responder to the RFP. WDI submitted a proposal that satisfied the application requirements. The services they would provide include increased safety, enhanced cleaning, economic development, improved physical appearance, and marketing of the area. Administrative overhead accounts for 15 percent of the contract costs.

WDI originally submitted a proposal that totaled \$270,000 in total costs (the amount originally estimated to be available in the downtown as a result of the \$0.07 tax levy). Following New Hanover County's county-wide re-evaluation of property, a \$0.07 tax rate levied across the boundaries of the established district yielded an estimated \$377,000 in total revenues. WDI amended its original scope of services to increase the proposed services of safety and cleaning.

Passage of the attached Resolution is recommended.

Respectfully submitted,

Sterling B. Cheatham,
City Manager

PH5b-1

Resolution



City Council
City of Wilmington
North Carolina

Introduced By: Sterling B. Cheatham, City Manager

Date: 6/6/2017

Resolution Authorizing the Award of a Professional Services Contract to Wilmington Downtown, Incorporated in the Amount of \$377,000 for the Services Provided in the Municipal Services District and Authorizing the City Manager to Enter into that Agreement on the Behalf of the City

LEGISLATIVE INTENT/PURPOSE:

The City sought proposals for the provision of services in the recently established Downtown Municipal Services District (Downtown MSD). In accord with Council direction, the staff solicited proposals for the provision of services within the Downtown MSD. Wilmington Downtown, Incorporated (WDI) submitted the only response to the request for proposals.

WDI proposes to provide services in the Downtown MSD that will enhance the safety, cleanliness, and attractiveness of the downtown area. These services include increased safety, enhanced cleaning services, economic development, improvements in physical appearance and marketing of the area.

This resolution authorizes the award of a professional services contract for services provided in the Municipal Services District in the amount of \$377,000.

THEREFORE, BE IT RESOLVED:

THAT, the City Manager is hereby authorized to execute an agreement with Wilmington Downtown, Incorporated for specified services to be provided in the Downtown Municipal Services District in the amount of \$377,000.

Adopted at a _____ meeting
on _____ 2017

Bill Saffo, Mayor

ATTEST:

APPROVED AS TO FORM:

Penelope Spicer-Sidbury, City Clerk

City Attorney

April 4, 2017



Board of Directors

Nick Balding
Sharon Boyd
Blair Brown
Nancy Bullock
Tom Davis
Erris Dunston
Hank Estep
Donna Gurganus
Tom Harris
Margaret Haynes
Deb Hays
Clark Henry
Jeff Hovis
Billy King
Lee Knight
Sylvia Kochler
Lara Landgraf
Mike Lardieri
Eric Laut
Connie Lincoln
Cathey Luna
Elizabeth Marion
Rachel Nadeau
Tim Neathery
Paul Pascarosa
Daniel Pena
Tyler Pegg
Dr. Gabriel Rich
Jennifer Rigby
Randy Reeves
Dane Scalise
John Sneed
Colin Tarrant
Spruill Thompson
John Walker
Stephen Whitney
Rob Zapple

Staff

Ed Wolverton
Haven Holsinger

City of Wilmington
ATTN: Daryle L. Parker, Purchasing Manager
305 Chestnut Street, 5th Floor
Wilmington, NC 28401

A: Cover Letter and Letter of Intent

RE: Manage and Provide Enhanced Services in the Downtown Municipal Services District – RFP No.: S1-0317

Dear Mr. Parker,

On behalf of Wilmington Downtown Incorporated (WDI), I am honored to submit this response to the City of Wilmington's Request for Proposals seeking a qualified firm to provide enhanced services to the Downtown community. WDI is actively involved in redeveloping Downtown and we are eager to accelerate activities through the newly established MSD.

The WDI Board of Directors is excited about this submission. We believe it honors the strategic direction set by the Mayor and City Council when they voted to establish the MSD in December 2016 and will further strengthen the center city. Downtown Wilmington has had tremendous success over the past five years and WDI is proud of our role in attracting investment and growing the local economy. Our experience, our team and our relationships with existing and new stakeholders in the MSD area make WDI uniquely qualified to provide enhanced services described in the RFP.

As WDI's President, I will serve as the point of contact and can be reached at ed@downtownwilmington.com or by phone at (910) 763-7349. Our mailing address is 221 N. Front Street, Suite 102, Wilmington, North Carolina 28401. Additionally, please be advised that this proposal shall remain valid for 90 days from the date of its submission.

Sincerely,

Edwin J. Wolverton, President & CEO
Wilmington Downtown Incorporated

B. Executive Summary

Wilmington Downtown Incorporated (WDI) is a nonprofit agency with a mission to promote the economic growth and development of Downtown. Originally started in 1977 as the Downtown Area Revitalization Effort, WDI is a sterling example of a successful public-private partnership that has generated significant, positive economic results for the entire region. The partnership includes the City of Wilmington, New Hanover County and a wide range of business and property owners.

The genesis of the Downtown MSD goes back to the City's Vision 2020 Plan that was adopted in 2004. WDI was a key stakeholder in crafting this plan and has been involved in implementing many recommendations from the document. At the same time, WDI has aggressively directed a range of additional programs to recruit and retain businesses, improve public safety, cleanliness and other City services, market Downtown to a local and regional audience, implement placemaking initiatives, plan for future growth and development and engage local business and property owners.

In terms of the services proposed in this RFP, WDI has intimate and expert knowledge in the district's goals and the necessary effort needed to carry out each activity in the program of work. This is due to the fact that WDI was contracted by the City of Wilmington in 2014 to evaluate



WDI hosted a series of stakeholder forums to obtain input and answer questions about the MSD

the creation of an MSD and the enhanced services needed to further improve Downtown. Over the course of almost 2 years, a 13-member task force convened and led by WDI painstakingly reviewed options and crafted a plan. This process included a stakeholder survey, 3 public meetings, 5 affinity group sessions and multiple presentations to individuals and groups. The plan recommended by WDI was accepted by City Council and served as the nucleus of this RFP.

With a 37-member Board of Directors comprised of area business and property owners along with a 2-member full time staff, WDI is uniquely positioned to immediately and successfully implement the programs and activities identified in this RFP. Additionally, WDI staff also has a full grasp on North Carolina statutes regarding the creation and administration of an MSD program. This expertise would be crucial in working with the City of Wilmington to start up these enhanced services.

C. Project Understanding, Approach and Schedule

As previously noted, a task force led by WDI identified and recommended enhanced services that would further improve Downtown. These services originally proposed by WDI are the backbone of the services described in the City's RFP.

1. *Increased Safety and Security:* Working with a subcontractor, WDI will create a team of workers to serve as "Downtown Ambassadors" for the entire district. These members will be responsible for addressing public safety issues within the district and reporting any

unusual activities to the Wilmington Police Department. These ambassadors would be identifiable through uniforms and equipment and would be field monitored with electronic devices that require check-ins at periodic times of the day. They would not carry firearms, have arresting authority or be sworn law enforcement officers. Services provided by MSD Ambassadors would occur on a daily basis and include:

- Serve as a deterrent to unwanted activity; contact appropriate authorities when criminal activity and/or behavior is identified;
- Identify and interact with individuals within the district to discourage panhandling; assist people to find appropriate social services;
- Conduct public relations checks with businesses and downtown homeowners to provide information and services;
- Identify and report conditions and incidents to appropriate authority(ies) that may impact the safety of those who live, work, or visit downtown;
- Record time, location, and nature of all activities and report unusual activity or issues;
- Provide directions, information and assistance to residents, workers, clients and visitors.



Ambassadors are trained to interact with a variety of people in Downtown

2. *Cleaner Environment:* Ambassadors would be assigned to provide supplemental cleaning services such as pan and broom service, graffiti removal and pressure washing. These duties would also occur on a daily basis and include:

- Remove litter and debris from sidewalks, storefronts, curbs, and gutters;
- Damp wipe vertical surfaces to remove dust and grime (includes: street fixtures and furniture, newspaper boxes, trash cans, benches, utility and electrical boxes);
- Clean trash cans and areas around receptacles;
- Remove handbills, flyers, and stickers from vertical surfaces;
- Straighten street fixtures and furniture (includes: newspaper boxes, benches, trash cans, etc.);
- Remove rocks, debris, leaves and pebbles and other pedestrian impediments.

As part of their daily duties, crews will monitor for other conditions. Remedial action will occur on an “as needed” basis. Specific activities include:

- Report graffiti on private property to property owner and Wilmington Police Department and document all incidents;
- Remove graffiti from private property with written permission from the property owner
- Remove graffiti from public infrastructure using chemical applications, power washing, or painting;
- Pressure wash/deep clean sidewalks;
- Pressure wash or steam clean benches, trash cans, and other street furniture and fixtures;

- Remove isolated gum spots on sidewalks;
- Set up safety barriers and signs as needed in cooperation with the Wilmington Police Department, City Traffic Engineering, Streets Division or the Department of Community Services;
- Hand pulling isolated weeds or suckers and spraying and mechanical removal of larger concentrations of weeds.

3. *Economic Development:* Downtown Wilmington has seen tremendous growth over the last 4 years across all economic sections including retail, office, hospitality, parks and open space and housing. WDI serves as the primary recruiter for downtown on behalf of the City of Wilmington. In that capacity, WDI performs a number of activities that have brought new stores and investment to the area and positioned Downtown as a thriving business center. The MSD will allow WDI to expand efforts to diversify downtown's retail mix and define new opportunities for entrepreneurs and investors. Specific MSD initiatives to take place on an ongoing basis during the fiscal year include:



A. Developing, collecting and sharing data such as occupancy rates, development projects, pedestrian counts, census information and other data points so that prospects and staff can better understand the downtown market and think strategically to adjust to current trends;

B. Attend regional and national industry and/or trade shows to gain knowledge and insight about prospects and economic development trends;

C. Develop and administer potential matching grant programs that will spur investment, create or retain jobs or improve the urban environment.

Downtowns across the county have façade grant programs to spur investment and jobs.

4. *Physical Appearance:* Landscaping, banners, flowers, art installations and other similar items can generate positive perceptions for everyone in Downtown. Funds would be directed to expand and provide new amenities to enhance the physical environment of downtown. While limited funds are available for this category, each of these new initiatives will start now but require a timeline spanning years to reach maximum impact. New services would include:

- Install, expand and manage the street banner program with a goal of quarterly banners;
- Install and maintain new landscaping and beautification projects;
- Install and maintain additional holiday decorations.

5. *Marketing and Branding:* Engaging with the community to constantly communicate the great things happening is vital to any downtown organization. WDI consistently engages our stakeholders, influencers and the general public to recognize downtown as a vibrant and vital area. Our targeted marketing campaigns, strategic communications and media relations make a positive impact on the perception of Downtown Wilmington. Despite a current budget

without any money allocated for paid advertising, WDI is able to work with its partners to raise private funding for some ads and leverage its resources to generate earned media.


In partnership with the City's Parking Fund, WDI collaborates with the Downtown Business Alliance to direct the Bring it Downtown campaign. This advertising and branding campaign is designed to generate users at City parking decks and lots by highlighting amenities and events in Downtown. This collaboration has worked well since its inception and MSD funds could further grow this initiative.

WDI also has a long track record of producing important events in Downtown. This includes annual events such as the Downtown Sundown Concert Series and PARK(ing) Day, along with activities like the Jazz Jam at Bailey Park, Slide the City, the Holly Jolly Holiday Stroll and the upcoming events targeting the Wells Fargo Championship Golf Tournament.

WDI's website (www.wilmingtondowntown.com) was updated in 2014 and is an excellent on-line resource for people searching for downtown information. The website is mobile phone responsive and features the following data sets: (1) events calendar, (2) listings for individual businesses along with a locator map, (3) real estate listings, (4) information about WDI and Downtown, (5) an overview of current development projects, (6) direct ways to contact staff with questions, and much more.

All of these marketing, branding, communications and special events initiatives are designed to help commercial and residential properties in Downtown. While limited funds are available for this category, some of the new initiatives outlined below will require additional time to direct adequate funds to reach maximum impact. Therefore, MSD funds will be targeted to expand existing efforts so that we can communicate more robust information across multiple channels by performing more research and using professionally-designed graphics to leverage our strong partnerships with all media to further engage the community. MSD funds will be used on an ongoing basis to:

- Expand co-operative marketing campaigns to attract commercial and residential consumers;
- Increase marketing messages and gather more data to include quality of life amenities for residents and customers;
- Direct sustained advertising in print, electronic, social media, radio, and TV ads;
- Publish annual downtown guides or maps to identify shops, attractions, hotels and major residential areas;
- Promote donations to charitable agencies as an alternative to giving money directly to panhandlers.



The graphic features three small images at the top: a street scene with people, a horse-drawn carriage, and a historic building. Below these is the title "Bring It! DOWNTOWN" in a stylized font. Under the title are three columns of text: "SHOP AND EXPLORE" (over 150 unique shops, galleries, boutiques and salons promoting local and regional specialties), "DINE OR HAVE A DRINK" (at over 100 restaurants and pubs, many with outdoor terraces or sidewalk cafe seating), and "DOWNTOWN WILMINGTON" (showcases the history of the town and promotes the vibrancy of the Cape Fear River). Below this is a line of text: "PARK FREE FOR THE FIRST HOUR IN CITY DECKS AND CATCH A RIDE ON OUR FREE TROLLEY!". At the bottom is the website "WWW.BRINGITDOWNTOWN.COM".

Bring It! DOWNTOWN

SHOP AND EXPLORE
over 150 unique shops, galleries, boutiques and salons promoting local and regional specialties.

DINE OR HAVE A DRINK
at over 100 restaurants and pubs, many with outdoor terraces or sidewalk cafe seating.

DOWNTOWN WILMINGTON
showcases the history of the town and promotes the vibrancy of the Cape Fear River.

PARK FREE FOR THE FIRST HOUR IN CITY DECKS AND CATCH A RIDE ON OUR FREE TROLLEY!

WWW.BRINGITDOWNTOWN.COM

The Bring it Downtown campaign helps parking decks and areas businesses and attractions but is underfunded for year-round use.

D. Team Organization, Experience and Certifications/Qualifications

WDI staff has extensive downtown management experience with broad and deep understanding of the skills and abilities needed to successfully manage the Municipal Service District. With decades of wide-ranging experience, our team can deliver Economic Development, Physical Appearance and Marketing and Advertising services immediately beginning July 1, 2017. Enhanced Safety and Cleanliness services can be implemented within five weeks of final contract approval by the Mayor and City Council.

WDI has been providing economic and community development programs for Downtown since 1977. The organization is governed by a 37-member Board of Directors that includes professionals such as attorneys, marketing professionals, real estate brokers, investors, bankers, government officials, academic professionals, owners of large and small businesses and other community stakeholders. WDI's legal counsel is the local firm of Murchison, Taylor and Gibson. The organization is also annually audited by the independent firm of Earney and Company. First Bank is WDI's financial provider.



This 2015 photo shows civic leaders serving as members of the WDI Board of Directors

In terms of demonstrated capability, WDI has been an official economic development partner for the City of Wilmington for many, many years. With 5 operating committees and a cadre of almost 100 volunteers, WDI directs significant resources to spur both investment and activity in the center city. Operating as a true public-private partnership, WDI has spearheaded a number of economic development, marketing, special events and urban planning initiatives since its inception. WDI is currently nurturing a growth spurt of unparalleled proportions. In fact, Downtown has seen more than \$371 million worth of development projects completed since 2014. Another \$283 million worth of projects are currently underway or announced. WDI's holistic approach to revitalize Downtown and build collaborations is a key ingredient at the center of this economic boom. The MSD is a new tool that will further enhance our efforts.

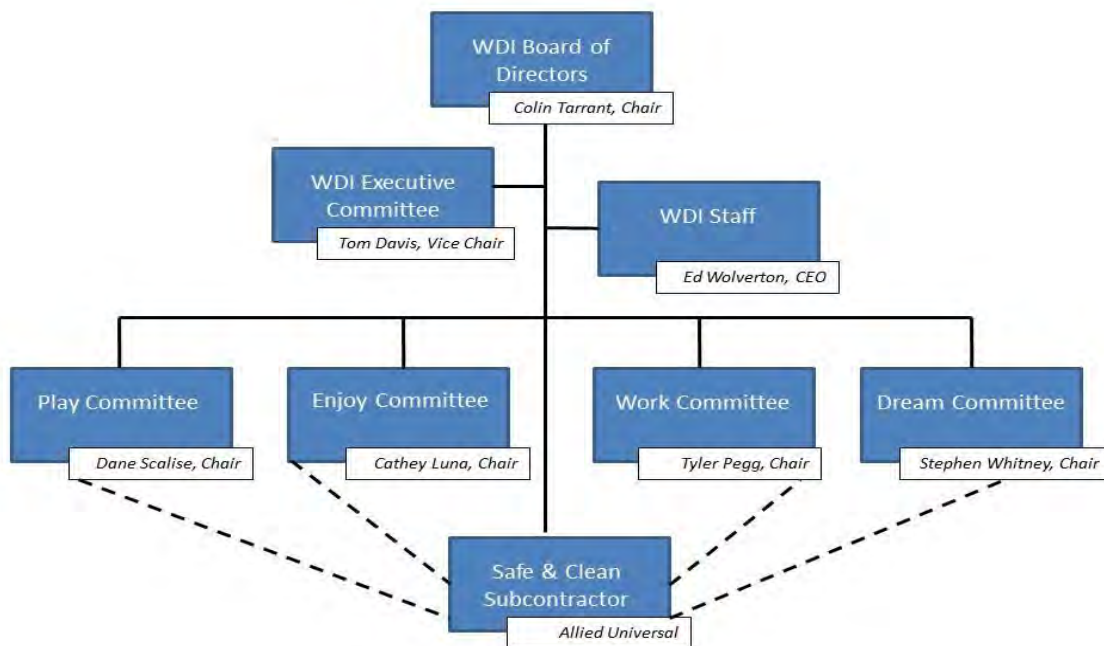
The lead staff member responsible for implementing services will be WDI President Ed Wolverton. Mr. Wolverton joined WDI in 2013 and has 32 years of Downtown and economic development experience and additional information is available in the attached resume. Please note that Mr. Wolverton previously served as the chief administrative officer directing MSD's in Greensboro, North Carolina and Wichita, Kansas. In addition, he was the staff member

responsible for operating 3 MSD's in Charlotte. All told, Mr. Wolverton brings 14 years of direct experience in MSD management to this submission. Mr. Wolverton has a Bachelor's degree in Business Management and a Master's degree in Public Policy and Administration from Mississippi State University. Mr. Wolverton has developed important relationships with the downtown Wilmington community and is a trusted professional that can work with all constituent groups.

The WDI team is also augmented by Haven Holsinger. Ms. Holsinger joined WDI in 2013 and currently serves as the Administrative Assistant. The position has a range of other responsibilities focusing on marketing and special events. Ms. Holsinger manages the WDI website (www.wilmingtondowntown.com), directs social media outreach, coordinates and runs special events including the Downtown Sundown Concert Series and provides crucial record keeping functions for the organization's five committees. Prior to joining WDI, Ms. Holsinger worked over a decade in the convention and hospitality field including industry leader Gaylord Properties. Ms. Holsinger has a Master's degree in journalism from the University of North Texas and a Bachelor's degree in theater arts.

In addition to the Board members, volunteers and staff, WDI contracts with an independent bookkeeper who maintains all accounting documents and processes payments and prepares financial reports. Tracy Meadows has worked with WDI for nine years and has over twenty years of accounting and bookkeeping experience. Ms. Meadows has a range of small business and non-profit clients and has a Bachelor's degree in Accounting from UNCW.

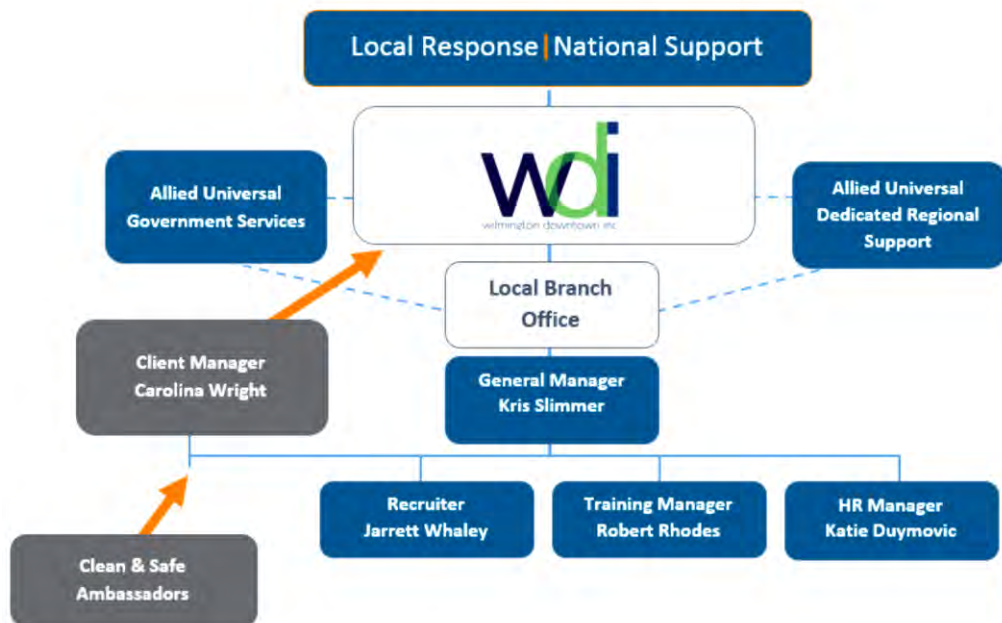
In terms of an organizational chart, WDI's structure is identified below. Also, please note that all staff for the MSD will be located at the WDI office in the heart of downtown Wilmington at 221 N. Front Street, Suite 102. This ground floor storefront location gives all constituents easy access and connectivity to programs and services offered by WDI through this contract.



E. Consultants and/or Subcontractors

As currently configured, WDI lacks the capacity to quickly hire, train and equip a team of Downtown Ambassadors focused on safety and security. As a key goal articulated by City Council is to start services quickly, WDI is prepared to hire Allied Universal Security Services as a subcontractor for these enhanced safety and security elements.

While the company has been providing security services since 1957, the firm's current incarnation was created in 2016 with the merger of Allied Barton Security Services and Universal Protection Services. The privately-owned firm is now the largest provider of security services in North America with headquarters in Santa Ana, California. Allied Universal is owned by two leading private investment firms, Warburg Pincus and The Wendel Group. The company has a regional office located in Raleigh and the firm does not have MBE status. The key contact for Allied Universal and its relationship with WDI is as follows:



Mr. Kris Slimmer
General Manager
Allied Universal
4600 Marriott Drive
Raleigh, NC 27612
C: 804.349.3114
Kris.Slimmer@aus.com

Ms. Carolina Wright
Client Manager
Allied Universal
4600 Marriott Drive
Raleigh, NC 27612
C: 919.6458354
carolina.wright@aus.com

Allied Universal will be responsible for hiring, training, equipping and directing a team of 5 full time equivalent positions to serve as Downtown Ambassadors. The Ambassadors will carry out enhanced security and cleaning duties listed in Section C above and members will be deployed at various times of the day and early evening. All Ambassadors will be employees of

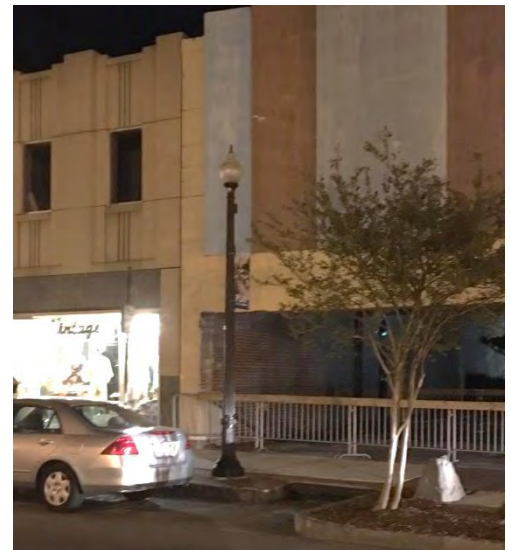
Allied Universal and the firm will also designate a local operations supervisor to serve as WDI's primary and daily contact. Allied Universal and WDI will have a contract specifying roles and responsibilities for each party and WDI will have the ability to terminate the contract for any performance related issues. Allied Universal has specific requirements for all personnel and a formal training program.

The Downtown Ambassadors will work every day and some holidays to provide both safety and cleaning services. From the safety perspective, the Ambassadors are available to offer assistance in case of an emergency and will be equipped with a communication device so that they may contact the Police Department or emergency services. This additional set of "eyes on the street" is very helpful to other community policing efforts in downtown. They will also assist local residents and people unfamiliar with Downtown.

The cleanliness of a downtown is fundamentally important to its revitalization. By showcasing clean public facilities and sidewalks, downtowns present themselves as well-managed destinations. Over the past few decades, hundreds of Ambassador programs were created across the country in order to supplement existing municipal safety and sanitation services.

Specific Services to be provided by the Downtown Ambassadors:

- Provide information and respond to inquiries regarding Downtown facilities and services;
- Visit local business owners to share information and report incidents upon WDI approval;
- Effectively deter panhandling and homeless situations;
- Serve as an extra set of eyes and ears for the police and fire department;
- Report code enforcement and "quality of life" concerns to appropriate local agencies;
- Respond to calls concerning incidents such as suspicious persons or injuries and alert other responders (police, fire rescue) as appropriate;
- Monitor and patrol the Downtown area with the aim of deterring criminal activity and disruptive street behavior;
- Maintain open communication with Police;
- Conduct routine patrol of all WDI designated spaces;
- Remove litter & gum from sidewalks;
- Pressure wash and spot clean sidewalks;
- Clean and straighten public fixtures, including trash cans, newspaper racks, utility poles, traffic control boxes, and benches;
- Remove graffiti (with property owner consent);
- Monitor and report streetlight outages.



Ambassadors will identify, report and follow-up on streetlight outages, like this one on N. Front Street (April 2, 2017)

Recommended Subcontractor Service Levels and Frequency:

- **Personnel:** 216 hours of Ambassador coverage per week.

- **Frequency of Service:** Ambassadors working on a daily basis will range from 2 to 5 members depending on the day of the week and time of day. The guidelines are flexible and Ambassadors will respond to calls for service as soon as possible throughout the MSD area.
- **Hours of Operation:** Monday – Sunday (seven days a week) 7:00 AM to 10:00 PM on weekdays, with coverage until 11:00 PM on weekends.
- **Schedule:** Ambassador Service would begin on or around July 15, 2017. Note that the schedule is based on the timeline defined by the City of Wilmington’s RFP with City Council approval expected on June 6, 2017. WDI and the subcontractor could start Ambassador services at the beginning of the fiscal year should the City Council select our proposal and authorize a contract earlier.
- **Equipment:** Sidewalk sweeping machine, pressure washer, hand tools and other necessary equipment.

References for Allied Universal:

Downtown Raleigh Alliance
 Orage Quarles III, Interim President & CEO
 120 S. Wilmington St., Suite 103
 Raleigh, NC 27601
 Phone: 919-832-1231
OrageQuarles@downtownRaleigh.org

University City District (PA)
 Matt Bergheiser
 3940-42 Chestnut Street
 Philadelphia PA 19104
 215.243.0555
matt@universitycity.org

LA Fashion District
 Randall Tampa
 Operations Director
 424 E. 15th Street #11
 Los Angeles, CA 90015
 213.741.2661
rtampa@fashiondistrict.org

F. References

The City’s RFP directs responders to provide references for municipalities with whom WDI has partnered for these types of services. As WDI is a unique entity focused exclusively on Downtown Wilmington, North Carolina, the only municipal client that WDI has worked with is the City of Wilmington. Therefore, the contact information is as follows:

City of Wilmington
 Sterling Cheatham, City Manager
 P.O. Box 1810
 Wilmington, NC 28402
 910.341.7810
sterling.cheatham@wilmingtonnc.gov

As WDI staff has direct experience in operating MSD's in other communities, this experience is relevant and will be useful as references. Contact information includes:

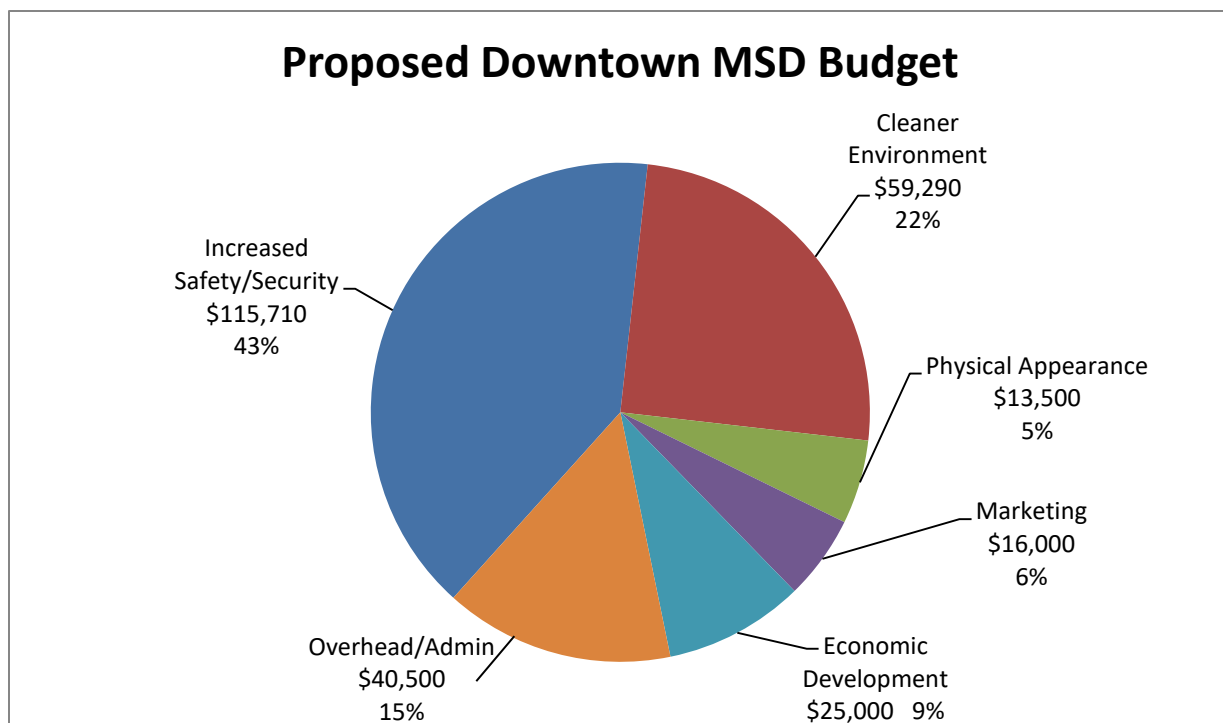
Downtown Greensboro, Incorporated
Tom Taylor, Board Chair (2011)
Taylor & Associates Appraisers, Inc.
305 Blandwood Ave.
Greensboro, NC 27401
336.282.8088 ext. 102
tom@taylorappraisersnc.com

Wichita Downtown Development Corporation
Jeff Fluhr, President
507 E. Douglas
Wichita, KS 67202
Phone: 316.264.6005
Fax: 316.264.0869
jeff@downtownwichita.org

G. Cost Proposal

This proposal has a Year 1 operating budget of \$270,000. The budget is derived based on the value of taxable property within Downtown and a proposed assessment rate of 7 cents per hundred dollars of valuation. WDI understands that the final MSD budget is still subject to approval by the City Council.

Amounts allocated to specific activities for the first year are identified in the chart below. The budget allocates approximately 15% of the revenue to cover overhead/administrative expenses associated with directing the MSD. This includes management of the Ambassadors, everyday inspection of physical conditions and safety trends, managing contracts, supporting the Downtown MSD Advisory Committee, accounting and bookkeeping and working with various stakeholders and prospects for marketing and economic development initiatives. Funds will also be allocated for office supplies, telecommunications, specialized equipment and office and storage space.



In terms of the subcontractor, the budget directs \$175,000 to Allied Universal. The funds will be used for the Downtown Ambassador team who will provide enhanced security and cleaning services.

As the contractor, WDI would create a separate account to segregate MSD revenues and expenses from our regular operating account. WDI recommends that the City make bi-annual disbursements at the beginning of each term for the described MSD services. Note that the City is required by State law to account for all MSD funds. Any unspent funds or excess revenues collected through the Municipal Service District must be directed to programs that will benefit ratepayers within the MSD. Should this occur, WDI will work with the City's Municipal Service District Advisory Committee to recommend the use of these funds.

Note that this proposal is only for the first year of MSD operations. The budget total and amounts allocated to each category could change every year of the contract term based upon a review by the MSD Advisory and City Council.

As part of the annual budgeting process, WDI will develop and submit a draft budget that will be based on service priorities established by stakeholders and the MSD Advisory Committee. The draft budget will incorporate the most current property tax values as set by New Hanover County along with a proposed rate. This proposal will first be reviewed by the MSD Advisory Committee. After formal action by this group, City staff will provide a final budget recommendation each year to the Mayor and City Council for consideration.

H. Financial Statement

WDI undergoes an independent audit each year. The local CPA firm of Earney and Company completed the most recent audit for FY 15-16 and the firm presented an unmodified (or clean) opinion. The audit was issued in September 2016 and is provided as a separate attachment.

As an official economic development partner with the City of Wilmington, WDI provides a completed annual audit each year to City staff. A pdf version of the audit is provided as an attachment to this proposal.

I. Additional Proposal Requirements

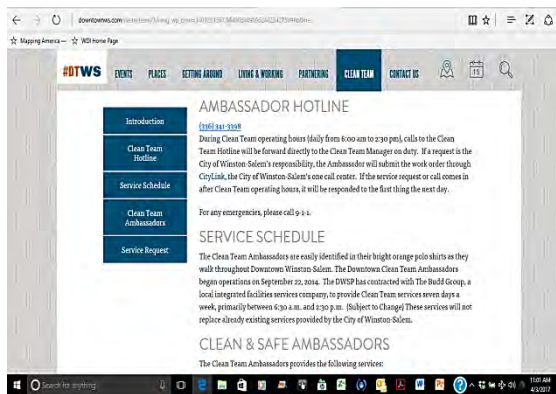
To further assist in the review of WDI's submission, please use the following information:

- *Describe the service levels provided to deliver defined services, such as frequency and methods used.* WDI will provide all the enhanced services on a daily basis. Specific services are described in Section C.
- *Provide measurable and quantifiable metrics that support outlined services and will measure success.* Each service will have a different set of metrics and are recommended as follows. Note that WDI is willing to collaborate with the City to define additional metrics:

- *Metrics for Security:*
 - Number of citizen interactions for general information, directions, etc.;
 - Number of contacts and referrals offered to people needing social services;
 - Number of street light outages reported and remediated;
 - Number of hours performing directed patrols.
- *Metrics for Cleaning Services:*
 - Weight of litter removed;
 - Number of graffiti incidents identified and/or reported;
 - Number of graffiti items removed;
 - Number of hours performing routine tasks;
 - Number of hours using key equipment (green machine, pressure washer, etc.).
- *Metrics for Economic Development:*
 - Number of economic reports and data collection conducted;
 - Number of inquiries for data and/or studies;
 - Number of trade shows attended for recruiting or industry knowledge;
 - Number of prospects assisted with permitting, zoning, etc.;
 - Creation of new economic incentive programs (matching façade grant);
 - Number of applicants and approved plans;
 - Number and value of approved projects;
 - Number of reports to real estate brokers and groups.
- *Metrics for Physical Appearance*
 - Number of seasonal banner installations;
 - Number of new landscaping or beautification installations;
 - Number of new holiday decorations installed.
- *Metrics for Marketing and Branding*
 - Publication of annual map or guide;
 - Development and implementation of an educational campaign to direct donations to nonprofit agencies rather than individuals;
 - Number of paid advertising placed in various outlets (in excess of Bring It Downtown);
 - Number of social media subscribers/followers (Facebook, Constant Contact, Twitter, etc.).
- *Discuss the mechanism(s) the organization will use for ongoing feedback on services.*
The most visible aspect of the MSD program will be Downtown Ambassadors. WDI will obtain feedback in at least three different ways for these services. First, we will create an Ambassador Hotline to allow residents and visitors easy access to report any issues. Secondly, we will create a web page with contact information for Ambassador services



Removing graffiti makes Downtown more inviting



WDI will dedicate a web page like this one to the Ambassador program

on our website at www.wilmingtondowntown.com. Lastly, the WDI office at 910.763.7349 can also receive calls and emails from residents and visitors requesting ambassador assistance. In addition, Ambassadors can be outfitted with special tracking gear that will monitor and map their movements during a shift. This will provide instant feedback to management about areas the crew covered.

Beyond the Safe and Clean Services, WDI will continue to obtain feedback from a variety of users. Residents in the area with an interest in Downtown can join a WDI committee not only to provide feedback, but also prioritize and implement ongoing projects and initiatives. Written reports outlining economic development services are already provided on a

quarterly basis to the City of Wilmington and these reports are available for public review. MSD activities can be included in these reports. WDI provides reports at monthly meetings of the Downtown Business Alliance. This provides another mechanism for constituent feedback.

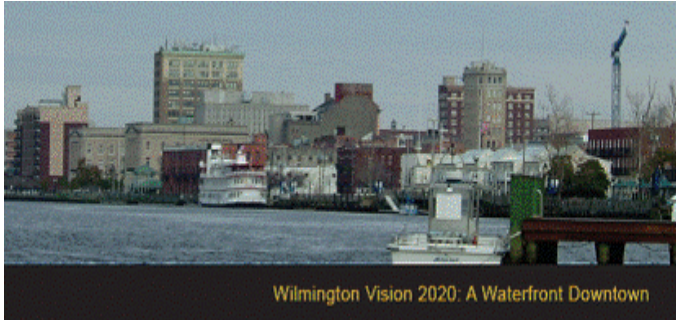
If selected as the vendor, WDI will also make regular written and verbal reports to the MSD Advisory Committee. In addition, the MSD State Statute requires various public meetings and notices, including an annual presentation to City Council. Prior to presenting an annual report, WDI is also required to seek input from property owners and residents from the district. All of these will provide significant opportunity for feedback.

- *Discuss how the organization will leverage funding from other sources.* As an existing public private partnership, WDI is a nonprofit that raises funds through a variety of sources. This includes formal partners who donate money to help the organization carry out its mission, raising money through special events like the Downtown Economic Series, contracting for services by City and County government and receiving grants for special projects. WDI will continue to raise funds by leveraging all of these sources.

WDI will also seek to expand funding through new avenues. For instance, the General Services Administration (GSA) is an agency of the federal government that owns and manages various buildings and assets. The GSA has a formal policy, termed the "Good Neighbor Policy," whereby they will make voluntary contributions to established MSD's. As this source requires an application process along with significant documentation, staff will pursue this vehicle as a new funding option. WDI will also ask owners of other tax exempt properties that will benefit from MSD services to make a Payment in Lieu of Taxes (PILOT) contribution to support our efforts.

A promotional graphic for the WDI Downtown Economic Series. At the top is the logo 'wdi downtown economic series' with 'Thursday, March 16, 2017 • Wilmington Convention Center' below it. The graphic is divided into sections for 'PLATINUM SPONSORS' (including Third & Grace, LLC, UNCW, and Block, Crouch, Keeter, Behm & Sayed, LLP), 'PATRON SPONSORS' (including RSM US LLP, GE Hitachi Nuclear, and others), and a list of other supporters. At the bottom, a text box states: 'WDI leveraged funding from 25+ different supporters for its most recent economic series luncheon'.

- *Discuss how the organization will assist and support the City in the implementation of the Downtown Plan.* The City's most recent Downtown Plan was completed in 2004. Called the Vision 2020 Plan, the document focused mostly on the waterfront area although it included some projects and strategies in other areas of Downtown. WDI



The Vision 2020 Plan was finished in 2004. WDI and other stakeholders believe the plan is essentially done.

has worked in tandem with the City and other stakeholders over the past decade to implement the plan and will continue to do so. In fact, establishing an MSD is one of the few remaining incomplete strategies from the plan and WDI was instrumental in bringing this forward.

The task force charged with making recommendations to City Council about the Vision 2020 Plan recently concluded that the plan is substantially complete. Therefore, civic leaders are now considering next Community

Plan to focus on all neighborhoods within the City's 1945 corporate limits. Downtown would be included in this effort; however, it would not be the sole focal point. WDI will be involved in this new planning effort when it receives final approval and begins.

- *Provide information on the amount of funding spent on management and overhead costs.* As previously noted in Section G, WDI is allocating \$40,500 (or 15%) of the MSD to fund this component.
- *Propose a contract term (NC State Statute legislation allows for a term from 1-5 years).* WDI proposes a five year budget term. The reason for the maximum term is that WDI and its subcontractor will be committing equipment and staff resources to carry out the programs for the MSD. The longer period gives greater confidence for us to make the necessary investments in equipment and personnel that will be needed to deliver quality services.
- *Examine board composition and membership to identify actual or perceived conflicts of interest. If needed, include proposed changes to board membership to avoid conflicts of interest.* The WDI Board of Directors has 37 positions, with one allotted to a City Council representative and another position for City administration. As WDI has a formal, written conflict of interest policy, this existing policy could be invoked to prohibit these individuals from participating in discussions or voting on MSD matters. WDI is also prepared to create a new, Internal Revenue Service compliant 501c4 to create further separation between MSD funds and our general operating funds.
- *Address the implementation of the annual work plan for the MSD.*
 - *Outline the desired mix of goods and services offered in the MSD.* Downtown's mix of goods and services has drastically improved over the past four years. WDI expects that the MSD will help accelerate this trend. The variety and

quality of retail has improved. More office space has been added retaining jobs and bringing even more workers to the area. More people are now living Downtown, providing an expanded customer base for shops, restaurants and other attractions. The hospitality industry is also booming with over 600 new rooms underway or announced. This all points to a well-balanced mix that will appeal to local residents, out-of-town visitors and workers.



Stickers on signs and furniture create negative safety perceptions

The MSD work plan directs the majority of its resources to improve safety and cleanliness levels. These issues are consistently cited by Downtown business and property owners as their most important concerns. The general public also has strong perceptions about urban safety and cleanliness. In short, Downtown is competing with lifestyle centers and business parks. Consumers coming to the center city need to see a tidy and maintained pedestrian setting that is also comfortable and secure. Putting a majority of MSD funds into safe and clean activities is smart allocation of resources designed to make Downtown more competitive.

The MSD work program also takes into account the need to market the area, improve the public realm and retain and recruit new commercial and residential investors. While budget constraints limit WDI from directing more funds to address these areas, the holistic approach defined by the recommended mix of resources will upgrade key areas of concern while enhancing other services being performed by WDI.

- *Include a retail economic strategy that considers diversity of retail choices.* Under WDI's guidance, Downtown is trending exceptionally well in terms of its retail mix. In the last 3 years, Downtown has attracted apparel retailers like Outdoor Equipped and Redix, keepsake gift shops like NC Artisan Gifts and Coastal Vibe, and even a long-desired grocery store in Farmin' on Front. In most cases, these retailers went into storefronts that were empty for some time or occupied by less desirable tenants. While some prime storefronts are occupied by offices or nightclub users, the quality and diversity of retail offerings has dramatically improved and the MSD will help nurture more.

Currently, ground floor spaces on Front Street, Downtown's most important retail corridor, are essentially full except for a couple of large, long-term problematic buildings. This dynamic has resulted in new retail activity springing up on both Princess Street and Grace Street.



Downtown's retail mix is strong but a few long-term vacant buildings remain

That said, the retail mix still has gaps. Furniture, electronics, pharmacy, shoes, variety goods and discount clothing are all underrepresented in the current mix of shops. We must recognize, however, that Downtown has lacked the population density needed to support several types of retail businesses. As the residential base expands in the next 3 years, the Downtown market is likely to become more appealing to retail entrepreneurs and developers.

With this positive environment, more ground floor commercial space is on the horizon. RiverPlace is pre-leasing about 30,000 square feet of ground floor retail space at the former Water Street Parking Deck. Pier 33 Apartments has plans for another 30,000 square feet of ground floor commercial space next to the Convention Center. Recent site plans filed for two other infill projects are calling for another 30,000+ square feet of ground floor space.

For over a decade, WDI's long term economic development strategy for growing and improving the retail mix has focused on adding more housing. With this visionary goal being realized, along with the expansion of area hotels and other attractions, Downtown's retail mix is poised to improve even more.

- *Structure annual work plan and metrics to align with the MSD strategic plan goals and objectives and align with the City's annual budget process.* The work plan was laid out in Section C and metrics were defined earlier in this section (I).

The City's budget process and timeline represents another skill, knowledge and ability that WDI brings to its submission. The MSD will follow the same fiscal



Sawmill Point is adding 280 new residential units and potentially the need for more MSD services

year and budget process used by the City of Wilmington. WDI has successfully met deadlines and provided documentation to be included in City staff's review of all budget items and initial formulation of budget priorities. This typically starts in January and culminates with the City Manager releasing a proposed budget in May for City Council and public review. After adjustments, City Council must approve the budget before July 1.

The MSD budget must follow this same timeline; however, the MSD Advisory Committee must first approve the budget recommendation. WDI will work this Council-appointed oversight group to set priorities and design programs needed to accomplish these goals. Additionally, WDI must obtain input from property owners and residents about service needs for each upcoming fiscal year. The budget request will also rely on data that WDI will obtain from the New Hanover County Tax Assessors office to determine values for the MSD. All of this input will be filtered into the overall discussion of MSD services and rates.

- *Any additional services that you feel you can provide from past experiences.* WDI has a proven track record of partnering with the City of Wilmington and other stakeholders to spur economic development success. As State law specifically requires the MSD to provide enhanced services to the district, this RFP builds on WDI's current activities and contract with the City of Wilmington to do even more. We bring an experienced team to this process and are prepared to move forward accordingly.

Board of Directors

Nick Balding
 Blair Brown
 Sharon Boyd
 Nancy Bullock
 H. Thomas Davis
 Erris Dunston
 Hank Estep
 Donna Gurganus
 Tom Harris
 Margaret Haynes
 Deb Hays
 Clark Henry
 Jeff Hovis
 Billy King
 Lee Knight
 Sylvia Kochler
 Lara Landgraf
 Eric Laut
 Mike Lardieri
 Connie Lincoln
 Cathey Luna
 Elizabeth Marion
 Alan Murphy
 Rachel Nadeau
 Tim Neathery
 Daniel Pena
 Tyler Pegg
 Jennifer Rigby
 Randy Reeves
 Gabriel Rich
 Dane Scalise
 John Sneed
 Spruill Thompson
 John Walker
 Stephen Whitney
 Rob Zapple

Staff

Ed Wolverton
 Haven Holsinger

**RESOLUTION SUPPORTING A SUBMISSION TO MANAGE
 AND PROVIDE ENHANCED SERVICES IN THE
 DOWNTOWN MUNICIPAL SERVICE DISTRICT**

WHEREAS, the City of Wilmington has created a Municipal Service District (MSD) to provide enhanced safety, cleanliness, economic development, marketing and physical improvement services to the Downtown Central Business District; and,

WHEREAS, the City of Wilmington is seeking a third party firm to manage the MSD district with expertise in identifying and implementing various programs that will improve the quality of life of people within the district and those visiting Downtown to work, shop, dine, attend events or other activities; and,

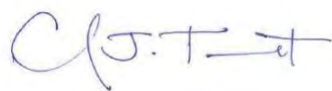
WHEREAS, Wilmington Downtown Incorporated (WDI) has been providing services to improve the center city since 1977 and has the skills and ability needed to direct new programs and resources funded by the MSD that will further improve Downtown; and,

WHEREAS, WDI is prepared to partner with the City of Wilmington and is seeking to contract with the City to provide the requested services.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Committee of the Board of Directors of Wilmington Downtown Incorporated supports the organization's submission to Manage and Provide Enhanced Services in the Downtown MSD.

BE IT FURTHER RESOLVED that the Executive Committee of the Board of Directors of Wilmington Downtown Incorporated authorizes Secretary Hank Estep and President and CEO Edwin J. Wolverton to execute any contracts for the MSD on behalf of the organization.

THIS RESOLUTION WAS HEREBY ADOPTED by the Wilmington Downtown Incorporated Executive Committee, during a special called meeting on this 3rd day of April, 2017.



Colin Tarrant
 Chair



Edwin J. Wolverton
 President

Edwin J. Wolverton

804 Dock Street
Wilmington, NC 28401
336.554.5087(m)
Ed.Wolverton@icloud.com

CAREER SUMMARY

Downtown revitalization expert with proven ability to nurture and attract economic growth, entrepreneurial activity and consumer engagement. Applied skills in urban planning, real estate, local government, historic preservation, public space utilization, non-profit management and investor relations to transform small towns and metropolitan communities.

PROFESSIONAL EXPERIENCE

President and CEO

Downtown Wilmington Incorporated, Wilmington, NC (115,000 population) 2013 - present
Serving as the leader of this established non-profit, responsible for directing an organization with 2.5 staff members, 37 board members and a \$416,000 annual budget. Specific achievements:

- Directing and implementing programs and activities that has resulted in over \$371 million in new investment in Downtown and \$283 million underway or announced. Downtown is adding 725 housing units (+42%) and 655 hotel rooms (+160%).
- Successfully led a 13 member task force to evaluate and recommend enhanced services to improve Downtown security, cleanliness, marketing and economic development. Despite two failed attempts that occurred prior to joining the agency, developed recommendation to create a Municipal Service District (or BID) that City Council approved in December 2016.
- Conceptualized and implemented placemaking activities to animate Downtown in imaginative and novel ways including PARK(ing) Day, Slide the City and construction mitigation.
- Bolstered social media connectivity by moving from bi-monthly to include weekly communications with subscribers and interested stakeholders. The combined social media channels have grown by 84.3%.
- Strengthened fundraising efforts to double private support for the Downtown Sundown Concert Series, a signature summertime event that attracted over 25,000 people in 2016.
- Fortified relationships with City and County government leaders to improve the organization's standing and profile with these important civic partners.

President and CEO

Downtown Greensboro Incorporated, Greensboro, NC (275,000 population) 2007 - 2013
Led an award winning Downtown revitalization program and two subsidiary organizations. Agency had 4.5 staff members, 33 board members and \$1.1 million budget. Activities:

- Directed programs to spur over \$290 million in new investment including 625 new residential units, a new grocery store and sustained a Class A occupancy rate of 90% or better.
- Recruited and assisted large and small investors with business planning, site evaluation, property acquisition and financial analysis.
- Developed and provided public presentations to a variety of groups in formal and informal settings. Researched and documented Downtown's dominance as an economic center.
- Attracted dining and entertainment entrepreneurs to grow the nighttime economy. Monitored and improved public safety services through sidewalk management measures.

Greensboro, NC continued

- Provided Clean and Green services through a third party vendor. Team had 10 members who remove trash and litter, install and maintain seasonal flower baskets, abate graffiti and other duties. The crew removed 152 tons of litter in FY 11-12. Rebid the contract in 2010 and secured a new vendor resulting in a 12.5% cost savings and new services.
- Crafted new branding campaign and marketing materials. Updated website to improve appearance, functionality and use.
- Operated a 2-acre, privately-owned, public park that includes on-site staff, landscaping, fountain maintenance, public restrooms, and security.

President

Wichita Downtown Development Corporation, Wichita KS (345,000 population) 2002 - 2007
Served as Downtown revitalization program's first leader. Agency had 3 staff members, 35 board members and \$700,000 budget. Accomplishments:

- Envisioned, developed and implemented a \$201 million, 15,000 seat Downtown arena project. Co-directed campaign to obtain voter approval for project. Assisted in hiring architects and engineers, site selection, addressing mobility concerns and other development issues.
- Founding partner of *Visioneering Wichita*, a 4-county, regional planning effort to identify and prioritize economic development and quality of life improvements.
- Advocated and successfully obtained State Legislative approval to expand use of the Sales Tax Revenue (STAR) bond program.
- Created and managed three economic development incentive programs (Tenant Improvement Grant, Landscaping Grant and Housing Grant).
- Conceptualized and implemented seasonal public trolley system. Leveraged the service to help secure \$300,000, 3-year federal grant.
- Advocated and assisted in developing three Tax Increment Finance Districts.

Vice President of Operations

Charlotte Center City Partners, Charlotte NC (540,000 population) 1999 - 2000
Large organization with 10 staff members and a \$3.2 million budget. Specific accomplishments:

- Revised boundaries of Downtown's 3 Business Improvement Districts with no public dissent.
- Envisioned, implemented and managed a new farmers market with 29 vendors. Raised \$71,000 in sponsorships and coordinated a multi-media advertising campaign.
- Managed a Downtown shuttle bus system with four routes, ten buses and a \$1 million budget. The service transported 650,000 riders in 2000.
- Assisted investors to plan and implement development projects. The area had 31 commercial and residential projects underway representing \$1.3 billion in new investment.
- Assisted in creating Center City 2010 Plan to guide development and urban design projects for the next decade. Project won a top award from the International Downtown Association.
- Developed performance measures for annual BID contracts with City government. Monitored and reported progress in meeting each performance measure.

EDUCATION

<i>Master's of Public Policy and Administration</i> , Mississippi State University	1984
<i>Bachelor's of Business Administration</i> , Mississippi State University	1982

PROFESSIONAL AWARDS

<i>International Downtown Association Merit Award, Leadership and Mgt.</i> , Profit Center	2011
<i>International Downtown Association Merit Award, Economic Development</i> , Park Project	2010
<i>Wichita Arts Council Arts Advocate Award</i> , Final Friday Gallery Crawl	2006
<i>International Downtown Association Merit Award</i> , Visioneering Wichita	2005
<i>Kansas Downtown Development Association Award of Excellence</i> , Vote Yea Campaign	2005
<i>International Downtown Association Merit Award</i> , Center City 2010 Plan, Charlotte NC	2000
<i>Governor's Community Award Winner</i> , Public-Private Partnership, Savannah, GA	1991

PROFESSIONAL ACTIVITIES

<i>Chair</i> , City of Wilmington Parking Advisory Committee	2016-present
<i>Member</i> , City of Wilmington Convention Center Authority	2016-present
<i>Chair</i> , North Carolina Downtown Development Association	2011-2015
<i>Awards Committee Chair</i> , International Downtown Association	2012-2016
<i>Awards Committee</i> , International Downtown Association	2010-2012
<i>Board of Directors</i> , International Downtown Association	2006-2012
<i>Board of Directors</i> , Wichita Area Convention and Visitors Bureau	2006-2007
<i>Board of Directors</i> , Greater Wichita Area Sports Commission	2004-2007
<i>Board of Directors and Vice President</i> , NCDDA	1999-2001
<i>Board of Directors</i> , Homeless Services Network, Charlotte, NC	1999-2000

COMMUNITY ACTIVITIES

<i>Member</i> , Residents of Old Wilmington	2014-present
<i>Board of Directors</i> , Greensboro Downtown Residents Association	2012-2013
<i>Member</i> , Greensboro Rotary Club	2007-2013
<i>Member</i> , Piedmont Blues Preservation Society	2007-2013
<i>Member</i> , Southside Neighborhood Association	2007-2013
<i>Member</i> , Downtown Rotary Club of Wichita	2002-2007
<i>Member</i> , Wichita Blues Society	2004-2007
<i>Member</i> , Wichita Wagonmasters	2004-2007
<i>President</i> , Oak Park at Third Ward Homeowners Association, Charlotte, NC	2000-2001



General Manager – Raleigh, NC

Kris Slimmer

Years with AlliedBarton Security Services: 7

Years in Industry: 7

Past Positions

- Director, Value Management Mid-Atlantic Region 2013-2016
- District Manager, AlliedBarton, Alexandria, VA, 2009-2013
- Territory Sales Manager, Aramark Refreshment Services, Richmond, VA, 2004-2009
- Business Development Manager, Staples Corporation, Richmond, VA, 2004
- Sales Development, Sysco Food Services, Richmond, VA, 2001-2004
- Corporate Trainer, Applebee's International, Liverpool, NY, 1995-2001
- Elementary/Middle School Teacher, New York State, 1996-1999

Experience

- Responsible for the application of physical security infrastructure, life safety and emergency preparedness programs, and security officer performance within the Mid-Atlantic Region, in vertical markets including commercial real estate, finance, government, higher education, healthcare, retail and industrial
- Direct all operational, financial and administrative functions within the Mid-Atlantic Region, overseeing a team of 11 client value managers and 18 field operations managers
- Responsible for quality assurance, contract compliance and client experience within the Mid-Atlantic Region
- Experience in management and sales with focus on strategic partnerships, profitability and overall growth
- Served as sales development and negotiations trainer
- Served as technology chairperson for the Mid-Atlantic Region
- Served as DCJS compliance agent for AlliedBarton in the Virginia region

Certifications & Awards

- District of the Year, AlliedBarton, 2013
- Sales Rookie of the Year, AlliedBarton, 2010
- President's Club, Aramark, 2004-2009

Industry Associations

- Member, ASIS International, 2010-present
- President, ASIS International, Richmond Chapter, 2011
- Building Owners and Managers Association (BOMA), 2012-present
- Apartment and Office Building Association (AOBA), 2012-present
- Association of Continuity Planners (ACP), 2013-present

Education

- B.S., Education, The State University of New York, Oswego, NY, 2006



Client Manager – Raleigh, NC
Carolina Wright

Years with AlliedBarton Security Services: 1

Years in Industry: 1

Past Positions

- Vice President of Sales, Ovation Finance, Austin, TX, 2015-2016
- Vice President of Sales, Rocket Capital, Golden, CO, 2014-2015
- Program Coordinator, Rocky Mountain MicroFinance Institute, Denver, CO 2013-2014
- Business & Accountability Coach, Rocky Mountain MicroFinance Institute, Denver, CO 2013-2014
- Regional Territory Manager, EF Education First, Denver, CO 2012-2013
- Leasing Consultant, The Habitat Company, Chicago, IL 2011-2012

Experience

- Maintains and nurtures existing business relationships with industry vendors, finance brokers, other financial lenders, and existing customers.
- Continually gathers information on competition and prevalent industry and business climate and communicates information to management and others as needed.
- Researched new acquisitions to revamp contracts with vendors and property services to significantly cut costs at the property level.
- Modeled and launched 29 businesses to date.
- Assist in developing small businesses by means of: Market and Customer Analysis, Competitive Analysis, Value Propositions, Business Model Differentiation, R&D Scheduling, Operations Plan, Management Strategies and Tools, Marketing and Sales Strategies, CRM processes, Financial Modeling highlights to include Start-Up costs and 1-Year Growth plans.
- Connect and build a solid, trust-based relationship with RMMFI target clients in a one-on-one.
- Training and building relationships with volunteer local business owners to work with clients in an executive team setting and continuing to manage them throughout program life cycle.
- Loan program management consisting of business feasibility analysis, loan evaluation, approval, preparation, delivery and collection. Personally managed and executed \$32,957 in loan funds to 8 businesses.
- Identify gaps in current program processes, analyze internal controls for weaknesses, develop specific recommendations, and implement improvements using Agile methodologies and Six Sigma principals in business case format.
- Revamped volunteer program to better engage local business owners and build dedication.
- Developed training processes for future employees.

Industry Associations

- Member, ASIS International
- Building Owners and Managers Association (BOMA)

Education

- B.S., Criminal Justice and Corrections, Loyola University of Chicago, 2006
- B.B.A., Entrepreneurship, Loyola University of Chicago, 2006

Wilmington Downtown, Inc.

Financial Statements

*For the Year Ended June 30, 2016
(With Comparative Totals for 2015)*



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Wilmington Downtown, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Wilmington Downtown, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wilmington Downtown, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Wilmington Downtown, Inc.'s 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 4, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Ernst & Young, L.L.P.

Wilmington, North Carolina
August 29, 2016

Wilmington Downtown, Inc.
Statement of Financial Position
As of June 30, 2016

	2016				2015
	Unrestricted	Temporarily Restricted	Permanently Restricted Loan Program	Total	Comparative Total
ASSETS					
Current Assets					
Cash	\$ 30,275	\$ 5,446	\$ 3,567	\$ 39,288	\$ 363,922
Receivables, net (Note 3)	1,875	-	-	1,875	16,350
Prepays	6,954	-	-	6,954	2,000
Total Current Assets	<u>39,104</u>	<u>5,446</u>	<u>3,567</u>	<u>48,117</u>	<u>382,272</u>
Loan program investments (Note 4)	<u>2,709</u>	<u>-</u>	<u>559,976</u>	<u>562,685</u>	<u>241,476</u>
Property & equipment, net (Note 2)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148</u>
Total Assets	<u>\$ 41,813</u>	<u>\$ 5,446</u>	<u>\$ 563,543</u>	<u>\$ 610,802</u>	<u>\$ 623,896</u>
LIABILITIES & NET ASSETS					
Liabilities					
Payroll & other payables	\$ 9,858	\$ -	\$ -	\$ 9,858	\$ 11,769
Total Liabilities	<u>9,858</u>	<u>-</u>	<u>-</u>	<u>9,858</u>	<u>11,769</u>
Net Assets					
Permanently restricted	-	-	563,543	563,543	563,543
Temporarily restricted	-	5,446	-	5,446	17,869
Unrestricted	31,955	-	-	31,955	30,715
Total Net Assets	<u>31,955</u>	<u>5,446</u>	<u>563,543</u>	<u>600,944</u>	<u>612,127</u>
Total Liabilities & Net Assets	<u>\$ 41,813</u>	<u>\$ 5,446</u>	<u>\$ 563,543</u>	<u>\$ 610,802</u>	<u>\$ 623,896</u>

The Accompanying Notes are an Integral Part of these Financial Statements

Wilmington Downtown, Inc.
Statement of Activities
For the Year Ended June 30, 2016

	2016				2015
	Unrestricted	Temporarily Restricted	Permanently Restricted Loan Program	Total	Comparative Total
SUPPORT & REVENUE					
Fundraising events income	\$ 233,322	\$ -	\$ -	\$ 233,322	\$ 257,533
Fundraising events expense	(178,103)	-	-	(178,103)	(187,037)
Fundraising Events, Net (Note 5)	55,219	-	-	55,219	70,496
In-kind contributions	-	-	-	-	-
Miscellaneous	1,750	454	-	2,204	9,967
	56,969	454	-	57,423	80,463
Grants from Governmental Units:					
City of Wilmington:					
Operations	-	66,325	-	66,325	65,216
Supplemental	-	30,000	-	30,000	30,000
Bring It Downtown	-	30,000	-	30,000	30,000
Arts Council of Wilmington	-	2,250	-	2,250	-
New Hanover County	-	37,500	-	37,500	37,500
	-	166,075	-	166,075	162,716
Assets released from restriction	178,952	(178,952)	-	-	-
Interest income	2,713	-	-	2,713	1,260
Total Support & Revenue	238,634	(12,423)	-	226,211	244,439
EXPENSES					
Program	167,128	-	-	167,128	165,083
Administrative & general	50,269	-	-	50,269	52,933
Fundraising	19,997	-	-	19,997	23,402
Total Expenses	237,394	-	-	237,394	241,418
Change in Net Assets	1,240	(12,423)	-	(11,183)	3,021
Net Assets, Beginning	30,715	17,869	563,543	612,127	609,106
Net Assets, Ending	\$ 31,955	\$ 5,446	\$ 563,543	\$ 600,944	\$ 612,127

The Accompanying Notes are an Integral Part of these Financial Statements

Wilmington Downtown, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2016

	2016			2015
	Program	Administrative & General	Fundraising	Comparative Total
Salaries	\$ 76,337	\$ 23,489	\$ 17,616	\$ 116,251
Payroll taxes	5,783	1,779	1,335	13,250
Employee insurance & benefits	4,532	1,394	1,046	445
Total Compensation	<u>86,652</u>	<u>26,662</u>	<u>19,997</u>	<u>129,946</u>
Development & promotion	5,500	-	-	15,189
Bring It Downtown expense	35,271	-	-	35,639
Dues & subscriptions	-	1,425	-	1,463
Audit, legal, & accounting	15,245	-	-	16,280
Office supplies & postage	1,682	1,682	-	5,066
Rent & parking	10,966	10,967	-	21,554
Other office	4,641	4,641	-	11,035
Telephone	4,818	4,818	-	2,658
Miscellaneous	2,279	-	-	2,290
In-kind	-	-	-	75
Loan losses from loan fund	-	-	-	-
	<u>80,402</u>	<u>23,533</u>	<u>-</u>	<u>111,249</u>
Total Operating Expenses	<u>167,054</u>	<u>50,195</u>	<u>19,997</u>	<u>241,195</u>
Depreciation	<u>74</u>	<u>74</u>	<u>-</u>	<u>223</u>
Total Expenses	<u>\$ 167,128</u>	<u>\$ 50,269</u>	<u>\$ 19,997</u>	<u>\$ 241,418</u>

The Accompanying Notes are an Integral Part of these Financial Statements

Wilmington Downtown, Inc.
Statement Cash Flows
For the Year Ended June 30, 2016

	2016				2015 Comparative Total
	Unrestricted	Temporarily Restricted	Permanently Restricted Loan Program	Total	
Cash Flows From Operating Activities					
Cash Collections for:					
Contributions & other fees	\$ 418,399	\$ 166,529	\$ 10,100	\$ 595,028	\$ 578,443
Interest income	2,713	-	-	2,713	1,260
Less: Cash Payments for:					
Total expenses	(422,214)	(178,952)	-	(601,166)	(569,945)
Net Cash Provided (Used) By Operating Activities	(1,102)	(12,423)	10,100	(3,425)	9,758
Cash Flows From Investing Activities					
Certificates of deposit	(2,709)	-	(318,500)	(321,209)	39,672
Cash Flows From Financing Activities					
	-	-	-	-	-
Net Increase (Decrease) in Cash	(3,811)	(12,423)	(308,400)	(324,634)	49,430
Cash & Cash Equivalents, Beginning	34,086	17,869	311,967	363,922	314,492
Cash & Cash Equivalents, Ending	<u>\$ 30,275</u>	<u>\$ 5,446</u>	<u>\$ 3,567</u>	<u>\$ 39,288</u>	<u>\$ 363,922</u>
Reconciliation of Net Income to Cash Provided (Used) By Operating Activities:					
Change in net assets	\$ 1,240	\$ (12,423)	\$ -	\$ (11,183)	\$ 3,021
Depreciation	148	-	-	148	223
Loss on disposal of asset	-	-	-	-	1,894
(Increase) decrease in receivables	4,375	-	10,100	14,475	5,275
(Increase) decrease in prepaids	(4,954)	-	-	(4,954)	-
Increase (decrease) in accounts payable & other accruals	(1,911)	-	-	(1,911)	(655)
Net Cash Provided (Used) By Operating Activities	<u>\$ (1,102)</u>	<u>\$ (12,423)</u>	<u>\$ 10,100</u>	<u>\$ (3,425)</u>	<u>\$ 9,758</u>
Supplemental Disclosure					
Interest paid				<u>\$ -</u>	<u>\$ -</u>
Income taxes paid				<u>\$ -</u>	<u>\$ -</u>

The Accompanying Notes are an Integral Part of these Financial Statements

1. ORGANIZATION

Wilmington Downtown, Inc. (the "Organization") was established in 1977 as a nonprofit corporation. The Organization's mission is to promote the economic growth and development of downtown Wilmington. Its vision: downtown Wilmington is the culturally vibrant and economically prosperous center of the southeast region, and is recognized nationally for its outstanding quality of life. Its program activities relate to accomplishing its mission and vision.

Administrative and general activities include the functions necessary to provide support to the Organization's program activities. These include those that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Fundraising activities include publicizing and conducting fundraising campaigns; maintaining donor lists; conducting special fundraising events; and other activities involved with soliciting contributions from corporations, foundations, individuals, and others.

The Organization receives a substantial amount of its support from the City of Wilmington and New Hanover County. A significant reduction in the level of this support, if this were to occur, would have a significant effect on the Organization's programs and activities. Current agreements expired in June 2016 and were renewed in 2016.

The Organization qualifies under Internal Revenue Code Section 501(c)(3) as an organization exempt from income taxation. Accordingly, income related to its exempt purpose is not subject to income tax and contributions may be deductible by donors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit organizations. Accordingly, the financial statements have been prepared on the accrual basis. Income is recognized when earned and expenses are recognized when incurred. Revenue from fundraising events is recognized when the event is held.

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Wilmington Downtown, Inc.
Notes to Financial Statements
June 30, 2016

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the periods and assets and liabilities at the date of the financial statements. On an ongoing basis, the Organization's management evaluates the estimates and assumptions based upon historical experience and circumstances. The Organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Classes of Net Assets

The financial statements report net assets and changes in net assets in classes that are based upon the existence or absence of restrictions on use that are placed by its donors as follows:

- a) **Unrestricted net assets** are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.
- b) **Temporarily restricted net assets** are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The Organization's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted funds.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as temporarily restricted until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

- c) **Permanently restricted net assets** (loan program) are resources whose use by the Organization is limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time. The portion of the Organization's donor-restricted loan funds that must be maintained in perpetuity are classified in this net asset class. See Note 4.

Wilmington Downtown, Inc.
Notes to Financial Statements
June 30, 2016

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts and certificates of deposits with original maturities of less than 90 days.

	2016	2015
Petty Cash	\$ 2,420	\$ 2,508
Operations Checking	15,672	27,550
Loan Program Money Market	3,567	311,967
Operations Reserve	8,260	8,256
FCB Online Checking	1,687	1,687
PayPal Account	2,236	1,691
Bring It Downtown Checking	5,446	10,263
Total Cash & Cash Equivalents	<u>\$ 39,288</u>	<u>\$ 363,922</u>

Property

Expenditures for the acquisition of equipment are capitalized at cost. The fair value of donated furniture and equipment is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets using accelerated methods. Fixed assets consisted of the following at June 30:

	Cost	Accumulated Depreciation	Net Property 2016
Equipment	\$ 13,610	\$ (13,610)	\$ -
Furniture & fixtures	3,847	(3,847)	-
Total Property	<u>\$ 17,457</u>	<u>\$ (17,457)</u>	<u>\$ -</u>

Revenues and Expenses

All contributions are recognized when cash or ownership of donated assets is unconditionally promised to the Organization. Temporarily restricted contributions are released to the unrestricted fund when expenses have been incurred in satisfaction of those restrictions.

The Organization reports gifts of land, buildings, and equipment as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are recorded as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Wilmington Downtown, Inc.
Notes to Financial Statements
June 30, 2016

Expense Recognition and Allocation

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited.

Administrative and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and administrative and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred. Total expenses for the year were \$415,497, which includes special events expenses of \$178,103 netted against revenues.

Gifts-In-Kind Contributions

The Organization periodically receives contributions in a form other than cash or investments. If the Organization receives a contribution of property, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the Organization's capitalization policy. Donated use of facilities would be reported as contributions and as expenses at the estimated fair value. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

The Organization benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the Organization's program operations and in its fundraising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. GAAP allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills. There were no in-kind contributions in 2016 or 2015.

Wilmington Downtown, Inc.
Notes to Financial Statements
June 30, 2016

Prior Year Information

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year then ended, from which the summarized information was derived. Certain reclassifications of prior year comparative amounts have been made in order to conform to the current year presentation.

Subsequent Events

Subsequent events have been evaluated through August 29, 2016, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

Open Tax Years

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2013, 2014, and 2015 are subject to examination by the IRS, generally for three years after filed.

3. RECEIVABLES

The Organization records receivables for fundraising activities when confirmations are received and invoiced for each event. Management reviews accounts receivable and, as appropriate, provides an allowance for doubtful accounts over 120 days past due.

The balance of accounts receivable and the allowance for doubtful accounts were as follows at June 30:

	2016	2015
Accounts Receivable - Contributions	\$ 3,625	\$ 8,000
Accounts Receivable - Loan Program	-	10,100
Allowance for doubtful accounts	<u>(1,750)</u>	<u>(1,750)</u>
Total	<u>\$ 1,875</u>	<u>\$ 16,350</u>

Wilmington Downtown, Inc.
Notes to Financial Statements
June 30, 2016

4. LOAN PROGRAM

The Organization has received \$604,290 from the City of Wilmington for a continuing loan program to provide renovation loans to property owners in the central business district of Wilmington. Of that amount, \$240,000 was received in fiscal 2003 and the balance in fiscal 2007. The remaining net balance is shown in the permanently restricted loan program fund in the accompanying financial statements.

Under the program, the funds received from the City of Wilmington are invested in a certificate of deposit held at a local bank, which serves as collateral for qualified loans serviced by the bank. Interest earned on the certificate of deposit can be used for operating purposes by the Organization, as they are expected to offset partially the cost of administration of loan activities. The bank earns all interest on the qualified loan. The Organization is in the process of transitioning this banking relationship from First Citizens Bank to First Bank.

The Organization is responsible for monitoring criteria and for underwriting the loans, and is ultimately responsible for collection of any outstanding loan balance. As of June 30, 2016, three "Mixed Use Rehabilitation Loans" totaling \$117,376 were collateralized by the certificates of deposit.

In accordance with established practices for loan funds, losses on investments in loan assets, provisions for losses on loans (estimated or actual), and related expenses and losses are recorded as a reduction of the loan net asset balance after a thorough analysis of the collectability of individual loans. Such accumulated reductions have totaled \$40,747 over the life of the loan program. A summary of loan fund assets is as follows at June 30:

	2016	2015
Loan Program Money Market	\$ 3,567	\$ 311,967
First Citizens CD	40,033	120,156
First Citizens CD	120,397	121,320
First Bank CD	402,255	-
Accounts Receivable	-	10,100
Total Loan Program Assets	566,252	563,543
Less: Unrestricted interest	(2,709)	-
Total Restricted Loan Program Assets	<u>\$ 563,543</u>	<u>\$ 563,543</u>

Cash balances during the year may exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000.

Wilmington Downtown, Inc.
Notes to Financial Statements
June 30, 2016

5. FUNDRAISING EVENTS

A summary of activities in fundraising is as follows:

	2016					
	Downtown Economic Series	Partnership Campaign	Lifestyle Tour	Fall Fundraiser	Summer Concert Series & Other	Total
Revenue	\$ 19,995	\$ 14,099	\$ 2,760	\$ 12,520	\$ 183,948	\$ 233,322
Less: Direct expenses	<u>(9,786)</u>	<u>(1,113)</u>	<u>(692)</u>	<u>(2,346)</u>	<u>(164,166)</u>	<u>(178,103)</u>
Total	<u>\$ 10,209</u>	<u>\$ 12,986</u>	<u>\$ 2,068</u>	<u>\$ 10,174</u>	<u>\$ 19,782</u>	<u>\$ 55,219</u>

	2015					
	Downtown Economic Series	Partnership Campaign	Lifestyle Tour	Fall Fundraiser	Summer Concert Series & Other	Total
Revenue	\$ 21,679	\$ 17,300	\$ 2,775	\$ 5,370	\$ 210,409	\$ 257,533
Less: Direct expenses	<u>(12,115)</u>	<u>(1,009)</u>	<u>(176)</u>	<u>(1,850)</u>	<u>(171,887)</u>	<u>(187,037)</u>
Total	<u>\$ 9,564</u>	<u>\$ 16,291</u>	<u>\$ 2,599</u>	<u>\$ 3,520</u>	<u>\$ 38,522</u>	<u>\$ 70,496</u>

6. LEASE AGREEMENT

The Organization leases its offices at 221 North Front Street, Suite 102. The monthly rent during fiscal year 2016 was \$1,754, which included all utilities except telephone. The lease term is 60 months, which is scheduled to renew on December 31, 2016.



INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Board of Directors of
Wilmington Downtown, Inc.

We have audited the financial statements of Wilmington Downtown, Inc. as of and for the year ended June 30, 2016, and have issued our report thereon dated August 29, 2016, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

Schedule 1, Actual Versus Budget – Operating on page 15 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Earney & Company, L.L.P.

Wilmington, North Carolina
August 29, 2016

Wilmington Downtown, Inc.
Actual Versus Budget – Operating
For the Year Ended June 30, 2016

	Actual	Budget	Favorable (Unfavorable) Variance
SUPPORT & REVENUE			
City of Wilmington:			
Operations	\$ 66,325	\$ 65,215	\$ 1,110
Supplemental	30,000	30,000	-
New Hanover County	37,500	37,500	-
Fundraising revenue	233,322	281,934	(48,612)
Fundraising expenses	(178,103)	(213,050)	34,947
Other	4,917	2,200	2,717
Total Support & Revenue	<u>193,961</u>	<u>203,799</u>	<u>(9,838)</u>
OPERATING EXPENSES			
Salaries	117,442	115,692	(1,750)
Payroll taxes	8,897	9,345	448
Employee benefits	6,972	5,850	(1,122)
Development & promotion	5,500	6,500	1,000
Dues & subscriptions	1,425	1,700	275
Audit, legal, & accounting	15,245	16,000	755
Office supplies & postage	3,364	5,100	1,736
Rent & parking	21,933	22,653	720
Other office	4,497	8,000	3,503
Website costs	4,785	5,650	865
Telephone	9,636	2,500	(7,136)
Miscellaneous	2,279	4,809	2,530
Total Operating Expenses	<u>201,975</u>	<u>203,799</u>	<u>1,824</u>
Operating Profit (Loss) Before Depreciation & In-Kind	<u>\$ (8,014)</u>	<u>\$ -</u>	<u>\$ (8,014)</u>

Reconciliation to Financial Statements:

	Support & Revenue	Expense
Total per financial statements	\$ 226,211	\$ 237,394
Arts Council of Wilmington	(2,250)	-
Bring It Downtown (Restricted)	(30,000)	(35,271)
Depreciation	-	(148)
Net per Budget, Actual	<u>\$ 193,961</u>	<u>\$ 201,975</u>

Manage and Provide Enhanced Services in the Downtown MSD

PROPOSAL CERTIFICATION

Proposers Signature: Edwin J. Wolverton Date: 4/4/17

By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization. **It is the offeror's responsibility to assure that all addenda have been reviewed prior to proposal submission.**

BY (Printed): Edwin J. Wolverton

TITLE: President & CEO

COMPANY: Wilmington Downtown Incorporated

ADDRESS: 221 N. Front St., Suite 102

TELEPHONE: 910.763.7349

EMAIL: ed@wilmingtondowntown.com

The proposer supplies the information recorded below for use in the preparation of the contract documents, in event of contract award:

1. Please indicate type of business organization:

- (a) Proprietorship _____
(b) Partnership _____
(c) Corporation xxx _____
(d) Limited Liability Co. _____

2. If business is a Corporation, please answer the following questions:

Name and title of officers, authorized by Corporate Resolution, who will execute the contract on behalf of corporation (generally President and Secretary).

Edwin J. Wolverton (President) ; Hank Estep (Secretary)

Firm is incorporated in what state?

Nc

If firm is a foreign corporation, does firm have a certificate of authority from the North Carolina Secretary of State? _____

3. If business is a Partnership, please answer the following:

Name in full or all general partners and addresses:

Is this a limited or general partnership? _____

If a limited partnership, what is state of registration? _____

If business is a foreign limited partnership, does business have a certificate of authority from the North Carolina Secretary of State? _____

4. If business is a Proprietorship, please answer the following:

Name of owner: _____

5. If business is a limited liability company, please answer the following:

List the names and title of managers or member-managers who will execute the contract on behalf of the company? _____

What is state of organization? _____

If business is a foreign limited liability company, does business have a certificate of authority from the North Carolina Secretary of State? _____

6. For all bidders:

If the business operates under an assumed name, what is the assumed name?

None

Has a certificate of assumed name been filed in the New Hanover County Registry?

If so, please provide the recording information:

Deed Book n/a at Page _____

STATE OF NORTH CAROLINA

PROFESSIONAL SERVICES AGREEMENT

COUNTY OF NEW HANOVER

THIS AGREEMENT (hereinafter the "Agreement") is made and entered into this ____ day of _____, 20____, by and between the City of Wilmington, a North Carolina municipal corporation, hereinafter referred to as the "CITY", and Wilmington Downtown, Inc., a non-profit corporation organized and existing under the laws of the State of North Carolina, having its principal place of business in New Hanover County, North Carolina hereinafter referred to as the "CONTRACTOR".

W I T N E S S E T H

WHEREAS, the CITY desires to retain and engage the CONTRACTOR to perform certain professional services hereinafter described, and further that the parties hereto desire to reduce the terms of this Agreement to writing:

NOW THEREFORE, for and in consideration of the mutual promises to each other, as hereinafter set forth, the parties hereto do mutually agree as follows:

1. Term of Agreement. The term of this Agreement shall commence July 1, 2017 and continue through June 30, 2019 unless sooner terminated as provided herein. This contract may be extended for three (3) additional years in one year increments with the mutual consent of both parties in writing.
2. Contractor's Services. The CONTRACTOR hereby agrees to perform, in a manner satisfactory to the CITY, professional and timely services as set forth in Exhibit "A" attached hereto and incorporated herein by this reference. The parties hereto acknowledge that the terms outlined in Exhibit "A" shall be valid and enforceable to the extent they are not inconsistent with the provisions as set forth herein, and to the extent that they are inconsistent, the provisions as set forth in this Agreement shall control. The parties hereto further agree that the terms, conditions and requirements as set forth in any Request for Proposal ("RFP") put forth by CITY and responded to by CONTRACTOR shall be binding upon the parties to the extent that they do not conflict with the provisions as set forth herein, said RFP, if applicable, being attached hereto as Exhibit "B" and incorporated herein by this reference.
3. Compensation to Contractor. The CITY hereby agrees to pay to CONTRACTOR the amount not to exceed three hundred and seventy seven thousand and 00/100 dollars (\$377,000.00) for services as provided herein. In the event that CONTRACTOR should fail to provide the services as set forth above, CITY shall be entitled to a refund of its payment(s) to CONTRACTOR. Payment will be made within 30 days after receipt of an approved invoice.
4. Termination. CITY shall have the right to terminate this Agreement at any time and

without cause upon thirty (30) days written notice to the other party.

5. Records. The CITY has the right to audit all records pertaining to this Agreement both during its performance and after its completion. Further, upon termination of this Agreement, the CONTRACTOR shall deliver to the CITY all records, notes, memorandum, data, documents or any other materials produced by CONTRACTOR in connection with services rendered pursuant to this Agreement. If compensation for expenses shall be provided to CONTRACTOR, the CONTRACTOR shall maintain all expense charge documents for a period of three (3) years following the completion of this agreement and said documents shall only be forwarded to the CITY upon request.

6. Ownership of Documents. The CONTRACTOR agrees that all materials and documents developed pursuant to this Agreement shall be the exclusive property of the CITY, and the CONTRACTOR shall retain no property or copyright interest therein. Further, upon termination of this Agreement, the CONTRACTOR shall deliver to the CITY all records, notes, memorandum, data, documents or any other materials received or obtained from the CITY in connection with services rendered pursuant to this Agreement.

7. Independent Contractor. This Agreement does not create an employee/employer relationship between the parties. It is the intention of the parties that the CONTRACTOR will be an independent contractor and not the CITY's employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the federal Internal Revenue Code, the provisions of the North Carolina revenue and taxation laws, the North Carolina Wage and Hour Act, the North Carolina Workers' Compensation Act, and the provisions of the North Carolina Employment Security Law. The CONTRACTOR will retain sole and absolute discretion in the judgment of the manner and means of carrying out the CONTRACTOR's activities and responsibilities hereunder. The CONTRACTOR agrees that he/she/it is a separate and independent enterprise from the CITY; and that it has a full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the services described herein. This Agreement shall not be construed as creating any joint employment relationship between the CONTRACTOR and the CITY, and the CITY will not be liable for any obligation incurred by the CONTRACTOR, including but not limited to unpaid minimum wages and/or overtime premiums.

8. Release and Indemnity. To the fullest extent permitted by law, CONTRACTOR shall release, indemnify, keep and save harmless the CITY, its agents, officials and employees, from any and all responsibility or liability for any and all damage or injury of any kind or nature whatever (including death resulting therefrom) to all persons, whether agents, officials or employees of the CITY or third persons, and to all property proximately caused by, directly or indirectly, the performance or nonperformance by CONTRACTOR (or by any person acting for CONTRACTOR or for whom CONTRACTOR is or is alleged to be in any way responsible), whether such claim may be based in whole or in part upon contract, tort (including alleged active or passive negligence or participation in the wrong), or upon any alleged breach of any duty or obligation on the part of CONTRACTOR, its agents, officials and employees or otherwise. The provisions of this Section shall include any claims for

equitable relief or for damages (compensatory or punitive) against the CITY, its agents, officials, and employees including alleged injury to the business of any claimant and shall include any and all losses, damages, injuries, settlements, judgments, decrees, awards, fines, penalties, claims, costs and expenses. Expenses as used herein shall include without limitation the costs incurred by the CITY, its agents, officials and employees, in connection with investigating any claim or defending any action, and shall also include reasonable attorneys' fees by reason of the assertion of any such claim against the CITY, its agents, officials or employees. CONTRACTOR expressly understands and agrees that any performance bond or insurance protection required by this agreement, or otherwise provided by the CONTRACTOR, shall in no way limit CONTRACTOR's responsibility to release, indemnify, keep and save harmless and defend the CITY as herein provided. The intention of the parties is to apply and construe broadly in favor of the CITY the foregoing provisions subject to the limitations, if any, set forth in N.C.G.S. 22B-1.

9. Representatives of the Parties. Sterling B. Cheatham, City Manager, is designated as the CITY's contract administrator for this Agreement. The contract administrator shall be responsible for monitoring the CONTRACTOR's performance, coordinating the CONTRACTOR's activities, approving all administrative requests by the CONTRACTOR and approving all payments to the CONTRACTOR pursuant to this Agreement. Further, any notice required to the CITY under this Agreement shall be sufficient if mailed to the CITY by certified mail as indicated below:

Sterling B. Cheatham, City Manager
City of Wilmington
P.O. Box 1810
Wilmington, NC 28402

Edwin J. Wolverton shall be the CONTRACTOR's representative for this Agreement. Any notice required to the CONTRACTOR under this Agreement shall be sufficient if mailed to the CONTRACTOR by certified mail as indicated below:

Edwin J. Wolverton
Wilmington Downtown, Inc.
221 N. Front St. Ste. 102
Wilmington, NC 28401

10. Other Laws and Regulations. CONTRACTOR will comply with any and all applicable federal, state and local standards, regulations, laws, statutes and ordinances including those regarding toxic, hazardous and solid wastes and any pollutants; public and private nuisances; health or safety; and zoning, subdivision or other land use controls. CONTRACTOR will take all reasonably necessary, proper or required safety, preventative and remedial measures in accordance with any and all relations and directives from the North Carolina Department of Human Resources, the United States Environmental Protection Agency, the North Carolina Department of Environmental Management, Health Departments, and any other federal, state or local agency having jurisdiction, to insure the prompt prevention or cessation (now or in the future) of violations of either the applicable provisions of such standards, regulations, laws, statutes, and ordinances or any permits or conditions issued thereunder. CONTRACTOR specifically acknowledges and agrees that CONTRACTOR, and any subcontractors it

uses, has complied with and shall continue to comply with the provisions of the federal E-Verify program in compliance with Article 2 of Chapter 64 of the North Carolina General Statutes. CONTRACTOR shall maintain adequate safeguards with respect to sensitive customer information in conformance with and pursuant to 16 C.F.R. §681.1 and in accordance with N.C. Gen. Stat. §132-1.10 and §75-65.

11. Insurance Requirements.

A. Commercial General Liability

1. CONTRACTOR shall maintain Commercial General Liability (CGL) and if necessary, Commercial Umbrella Liability insurance with a total limit of not less than \$1,000,000 each occurrence for bodily injury and property damage. If such CGL insurance contains a general aggregate limit, it shall apply separately to this project/location or the general aggregate shall be twice the required limit.
2. CGL insurance shall be written on Insurance Services Office (ISO) "occurrence" form CG 00 01 covering Commercial General Liability or its equivalent and shall cover the liability arising from premises, operations, independent CONTRACTORS, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).
3. The City of Wilmington, its officers, officials, agents, and employees are to be covered as additional insureds under the CGL by endorsement CG 20 10 or CG 20 33 **AND** CG 20 37 or an endorsement providing equivalent coverage as respects to liability arising out of activities performed by or on behalf of the CONTRACTOR; products and completed operations of the CONTRACTOR; premises owned, leased or used by the CONTRACTOR; and under the commercial umbrella, if any. The coverage shall contain no special limitations on the scope of protection afforded to the City of Wilmington, its officers, officials, agents, and employees.
4. There shall be no endorsement or modification of the CGL or Umbrella Liability limiting the scope of coverage for liability arising from explosion, collapse, underground property damage, or damage to the named insured's work, when those exposures exist.
5. The CONTRACTOR's Commercial General Liability insurance shall be primary as respects the City of Wilmington, its officers, officials, agents, and employees. Any other insurance or self-insurance maintained by the City of Wilmington, its officers, officials, and employees shall be excess of and not contribute with the CONTRACTOR's insurance.
6. The insurer shall agree to waive all rights of subrogation against the City of Wilmington, its officers, officials, agents and employees for losses arising from work performed by the CONTRACTOR for the City of Wilmington.

B. Workers' Compensation and Employer's Liability

1. CONTRACTOR shall maintain Workers' Compensation as required by the general statutes of the State of North Carolina and Employer's Liability Insurance.
2. The Employer's Liability, and if necessary, Commercial Umbrella Liability insurance shall not be less than \$500,000 each accident for bodily injury by accident, \$500,000 each employee for bodily injury by disease, and \$500,000 policy limit.

3. The insurer shall agree to waive all rights of subrogation against the City of Wilmington, its officers, officials, agents and employees for losses arising from work performed by the CONTRACTOR for the City of Wilmington.
4. The U.S. Longshore and Harborworkers Compensation Act endorsement shall be attached to the policy when the services will be on or in close proximity to navigable waterways.
5. The Maritime Coverage endorsement (WC 00 02 01) shall be attached to the policy when the contracted services involve the use of watercraft.

NOTE: Additional requirements needed if you have a borrowed servant, offshore platforms or federal act situations. (Federal Acts such as the Defense Base Act, Migrant and Seasonal Agricultural Worker Protection Act, and the Federal Coal Mine Health and Safety Act, etc.)

C. Business Auto Liability

1. CONTRACTOR shall maintain Business Auto Liability and, if necessary, Commercial Umbrella Liability insurance with a limit of not less than \$1,000,000 each accident.
2. Such insurance shall cover liability arising out of any auto, including owned, hired, and non-owned autos.
3. Business Auto coverage shall be written on ISO form CA 00 01, or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in ISO form CA 00 01.
4. Pollution liability coverage equivalent to that provided under the ISO pollution liability-broadened coverage for covered autos endorsement (CA 99 48) shall be provided, and the Motor Carrier Act endorsement (MCS 90) shall be attached when those exposures exist.
5. CONTRACTOR waives all rights against the City of Wilmington, its officers, officials, agents and employees for recovery of damages to the extent these damage are covered by the business auto liability or commercial umbrella liability insurance obtained by CONTRACTOR pursuant to Section 11.C.1 of this agreement.
6. The CONTRACTOR's Business Auto Liability insurance shall be primary as respects the City of Wilmington, its officers, officials, agents, and employees. Any other insurance or self-insurance maintained by the City of Wilmington, its officers, officials, and employees shall be excess of and not contribute with the CONTRACTOR's insurance.

D. Professional Liability Insurance

1. CONTRACTOR shall maintain in force for the duration of this contract professional liability or errors and omissions liability insurance appropriate to the CONTRACTOR's profession. Coverage as required in this paragraph shall apply to liability for a professional error, act, or omission arising out of the scope of the CONTRACTOR's services as defined in this contract. Coverage shall be written subject to limits of not less than \$1,000,000 per claim.
2. If coverage required in paragraph 1 above is written on a claims-made basis, the CONTRACTOR warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this contract; and that continuous coverage will be

maintained or an extended discovery period will be exercised for a period of 2 (two) years beginning from the time that work under the contract is complete.

E. Deductibles and Self-Insured Retentions

1. The CONTRACTOR shall be solely responsible for the payment of all deductibles to which such policies are subject, whether or not the City of Wilmington is an insured under the policy.

F. Miscellaneous Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Each insurance policy required by this contract shall be endorsed to state that coverage shall not canceled by either party except after 30 days prior written notice has been given to the City of Wilmington, PO Box 1810, Wilmington, NC 28402-1810.
2. If CONTRACTOR's liability policies do not contain the standard ISO separation of insureds provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage.

G. Acceptability of Insurers

Insurance is to be placed with insurers licensed to do business in the State of North Carolina with an A.M. Best's rating of no less than A VII unless specific approval has been granted by the City of Wilmington.

H. Evidence of Insurance

1. The CONTRACTOR shall furnish the City of Wilmington with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements prior to commencing the work, and thereafter upon renewal or replacement of each certified coverage until all operations under this contract are deemed complete.
2. Evidence of additional insured status shall be noted on the certificate of insurance as per requirements in Section 11.
3. With respect to insurance maintained after final payment in compliance with requirements, an additional certificate(s) evidencing such coverage shall be provided to the City of Wilmington with final application for payment and thereafter upon renewal or replacement of such insurance until the expiration of the period for which such insurance must be maintained.

I. Subcontractors

CONTRACTOR shall include all subcontractors as insureds under its policies or shall furnish separate certificates for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein. Commercial General Liability coverage shall include independent CONTRACTOR's coverage, and the CONTRACTOR shall be responsible for assuring that all subcontractors are properly insured.

J. Conditions

1. The insurance required for this contract must be on forms acceptable to the City of Wilmington.
2. The CONTRACTOR shall provide that the insurance contributing to satisfaction of insurance requirements in Section 11. Minimum Scope and Insurance Requirements shall not be canceled, terminated or modified by the CONTRACTOR without prior written approval of the City of Wilmington.
3. The CONTRACTOR shall promptly notify the Safety & Risk Manager at (910) 341-5864 of any accidents arising in the course of operations under the contract causing bodily injury or property damage.
4. The City of Wilmington reserves the right to obtain complete, certified copies of all required insurance policies, at any time.
5. Failure of the City of Wilmington to demand a certificate of insurance or other evidence of full compliance with these insurance requirements or failure of the City of Wilmington to identify a deficiency from evidence that is provided shall not be construed as a waiver of CONTRACTOR's obligation to maintain such insurance.
6. By requiring insurance herein, the City of Wilmington does not represent that coverage and limits will necessarily be adequate to protect the CONTRACTOR and such coverage and limits shall not be deemed as a limitation of CONTRACTOR's liability under the indemnities granted to the City of Wilmington in this contract.
7. The City of Wilmington shall have the right, but not the obligation of prohibiting CONTRACTOR or any subcontractor from entering the project site or withhold payment until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by the City of Wilmington.

12. No Presumption. None of the Parties shall be considered the drafter of this Agreement or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof. This Agreement was drafted with substantial input by all Parties and their counsel, and no reliance was placed on any representations other than those contained herein.

13. Entire Agreement and Amendment. This Agreement, including any Exhibits attached, which are incorporated herein and made a part hereof, constitutes the entire contract between the parties, and no warranties, inducements, considerations, promises or other inferences shall be implied or impressed upon this Agreement that are not set forth herein. This Agreement shall not be altered or amended except in writing signed by all Parties.

14. No Assignment. No party shall sell or assign any interest in or obligation under this Agreement without the prior express written consent of all the parties.

15. Conflict of Interest. No paid employee of the CITY shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this Agreement.

16. Non-Waiver of Rights. It is agreed that the CITY's failure to insist upon the strict performance of any provision of this Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such breach, shall not constitute a waiver of any rights under this Agreement.

17. Binding Effect. Subject to the specific provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

18. Reference. Use of the masculine includes feminine and neuter, singular includes plural; and captions and headings are inserted for convenience of reference and do not define, describe, extend or limit the scope of intent of this Agreement.

19. Interpretation/Governing Law. All of the terms and conditions contained herein shall be interpreted in accordance with the laws of the State of North Carolina without regard to any conflicts of law principles and subject to the exclusive jurisdiction of federal or state courts within the State of North Carolina. In the event of a conflict between the various terms and conditions contained herein or between these terms and other applicable provisions, then the more particular shall prevail over the general and the more stringent or higher standard shall prevail over the less stringent or lower standard. The place of this Agreement, its situs and forum, shall be Wilmington, New Hanover County, North Carolina, and in said County and State shall all matters, whether sounding in contract or tort relating to the validity, construction, interpretation or enforcement of this Agreement be determined.

20. Saving Clause. If any section, subsection, paragraph, sentence, clause, phrase or portion of this Agreement is for any reason held invalid, unlawful, or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

21. Time. Time is of the essence in this Agreement and each and all of its provisions.

22. Immunity Not Waived. This Agreement is governmental in nature, for the benefit of the public. CONTRACTOR acknowledges that City reserves all immunities, defenses, rights or actions arising out of City's sovereign status under applicable law. No waiver of any such immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of City's entry into this Agreement.

23. Non-Appropriation. In the event no City funds or insufficient City funds are appropriated or otherwise available by any means whatsoever in any fiscal year for any payment due under this Agreement, then the City will immediately notify CONTRACTOR of such occurrence and this Agreement shall create no further obligation of the City as to such fiscal year and shall be null and void, except as to the portions of payments for which funds shall have been appropriated and budgeted. In such event, this Agreement shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to the City of any kind whatsoever.

24. Authority to Act/IDA Certification. Each of the persons executing this Agreement on behalf of CONTRACTOR does hereby covenant, warrant and represent that the CONTRACTOR is a duly organized and validly existing legal entity authorized to transact business within the State of North Carolina, that the CONTRACTOR has full right and authority to enter into this Agreement, and that each and all persons signing on behalf of the CONTRACTOR were authorized to do so. The undersigned certifies that CONTRACTOR is not listed on the Final Divestment List created by the N.C. State Treasurer pursuant to Chapter 147 (the Iran Divestment Act) of the North Carolina General Statutes. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 147, CONTRACTOR shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.

25. Non-Discrimination. CONTRACTOR will take affirmative action not to discriminate against any employee or applicant for employment or otherwise illegally deny any person participation in or the benefits of the program which is the subject of this agreement because of race, creed, color, sex, age, disability or national origin. To the extent applicable, CONTRACTOR will comply with all provisions of Executive Order No. 11246 the Civil Rights Act of 1964, (P.L. 88-352) and 1968 (P.L. 90-284), and all applicable federal, state and local laws, ordinances, rules, regulations, orders, instructions, designations and other directives promulgated to prohibit discrimination. Violation of this provision, after notice, shall be a material breach of this agreement and may result, at CITY's option, in a termination or suspension of this agreement in whole or in part.

26. Counterparts. This Agreement may be executed in several counterparts, including separate counterparts. Each shall be an original, but all of them together constitute the same instrument.

27. Minority Business Enterprise (MBE)

The CITY desires that minority business enterprises have the maximum opportunity to participate in the performance of this contract and will:

1. Promote affirmatively (where feasible) in accordance with North Carolina General Statute 143-129, together with all other applicable laws, statutes and constitutional provisions the procurement of goods, services in connection with construction projects for minority owned business enterprises.
2. Insure that competitive and equitable bidding opportunities are followed to afford minority business enterprises participation. Strive to obtain contract and subcontract awards to minority business enterprises.
3. Identify and communicate to the minority business enterprises community procedures and contract requirements necessary for procurement of goods and services for construction projects and subcontracts.
4. Provide technical assistance as needed.

5. Promulgate and enforce contractual requirements that the general CONTRACTOR or all construction projects shall exercise all necessary and reasonable steps to insure that minority business enterprises participate in the work required in such construction contracts.

The CONTRACTOR shall insure that minority business enterprises have the maximum opportunity to compete for and perform portions of the work included in this contract and shall not discriminate on the basis of race, color, national origin or sex. The CONTRACTOR shall include this special provision, Minority Business Enterprise (MBE), in all subcontracts for this contract. Failure on the part of the CONTRACTOR to carry out the requirements set forth in this special provision may constitute a breach of contract and after proper notification may result in termination of the contract or other appropriate remedy.

A minority business enterprise is defined as a business, with at least fifty (51%) percent owned and controlled by minority group members. The minority ownership must exercise actual day-to-day management. Minority group members may consist of Black Americans (an individual of the Black race of African origin), Hispanic Americans (an individual of a Spanish speaking culture and origin at parentage), Asian Americans (an individual of a culture, origin or parentage traceable to the areas of the Far East, Southeast Asia, the Indian subcontinent and the Pacific Islands), Indian Americans (an individual who is an enrolled member of a Federally recognized Indian tribe, or recognized by the tribe as being an Indian, as evidenced by a certification of a tribal leader), American Aleuts or any recognized minority group approved by the CITY.

A Woman Business Enterprise is a business with at least fifty (51%) percent owned and controlled by women who exercise actual day-to-day management.

The CONTRACTOR shall exercise all necessary and reasonable steps to insure that Minority Business Enterprises and Woman Business Enterprises participate in the work required in this contract. The CONTRACTOR agrees by executing this contract that he will exercise all necessary and reasonable steps to insure that this special provision contained herein on Minority Business Enterprise is complied with.

IN WITNESS WHEREOF, the CITY and the CONTRACTOR have each executed this Agreement in duplicate originals, one of which shall be retained by each of the parties.

CITY OF WILMINGTON

By: _____
Sterling B. Cheatham, City Manager

Witness:

Daryle L. Parker, Purchasing Manager

Approved as to Form:

Amy C. Schaefer, Interim City Attorney

FINANCE OFFICER'S CERTIFICATION STATEMENT

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act.

This ____ day of _____, 20____.

Jennifer R. Maready, Finance Director

Project Number: _____ (if applicable)

Account Number: _____

Amount of Contract: \$377,000

Requisition/PO Number: _____

Federal ID Number: 56-6000239

Wilmington Downtown, Inc.

By: _____

WITNESS:

Secretary, Assist. Secretary, Trust Officer

(CORPORATE SEAL)

STATE OF _____

COUNTY OF _____

I, _____, a Notary Public, certify that the corporation's Secretary, Assist. Secretary or Trust Officer, Mr./Mrs./Ms. _____ personally came before me this day and acknowledged that he (she) is the _____ of _____, a Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, Vice President, or Assist. Vice President, Mr./Mrs./Ms. _____, sealed with its Corporate Seal, and attested by himself (herself) as its Secretary, Assist. Secretary or Trust Officer.

WITNESS my hand and official seal this the _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

(NOTARY SEAL)

EXHIBIT A

SCOPE OF SERVICES

Wilmington Downtown Incorporated (WDI) will direct the management and operations of the Downtown Wilmington Municipal Improvement District (MSD) to provide enhanced services to benefit property owners within the district. These enhanced services will promote the economic growth and development of Downtown. WDI shall perform the following services to and for the City of Wilmington:

- A. *Increased Safety and Security:* Working with a subcontractor, create a team of workers to serve as “Downtown Ambassadors” for the entire district. These members will be responsible for addressing public safety issues within the district and reporting any unusual activities to the Wilmington Police Department.
- B. *Cleaner Environment:* Ambassadors with a subcontractor will also provide supplemental cleaning services throughout the district to perform additional duties such as pan and broom service, graffiti removal and pressure washing.
- C. *Economic Development:* To further grow the tax base, expand efforts to diversify downtown’s retail mix and define new opportunities for entrepreneurs and investors. This will include obtaining market research and creating incentives to spur investment.
- D. *Physical Appearance:* Install and maintain new amenities to enhance the physical environment of downtown. This will include items such as landscaping, banners, art installations and holiday decorations.
- E. *Marketing and Branding:* Expand existing communication efforts to provide more robust information across multiple channels using professionally-designed graphics to leverage partnerships with stakeholders and media to further engage the community.

All of the above referenced services shall be performed in a non-partisan manner, with the general health, safety and welfare of the citizens of Wilmington at its core. The specific allocation of resources for each service shall be determined by the Wilmington City Council.

REPORTING

WDI shall provide the City of Wilmington with a Quarterly Financial Statement of its activities. WDI shall submit an audited financial report at the end of the fiscal year, along with a report that describes how WDI has performed within the “Scope of Services” for this contract. WDI will provide a written report and presentation to the Mayor and City Council. In addition, WDI shall provide a mid-year “update” on progress of this contract to the City of Wilmington on or before January 15, 2018.

Further, WDI will obtain input and provide reports and other information to the Downtown Municipal Service District Advisory Committee. This body is appointed by the Mayor and City Council and will meet periodically throughout the year.

FEE

Proposed Fee for services not to exceed \$377,000.00.

FOR WILMINGTON DOWNTOWN INCORPORATED

By: Edwin J. Wolverton, President

Municipal Services District

Performance Standards

Safety/ Security

Daytime and early evening patrols (until 11PM) by a team of at least 5 “Ambassadors”

Daytime improvement security presence of at least 50%

Evening improvement of security presence of at least 33% to 50%

The Ambassadors will serve as a deterrent to the unwanted activities and contact appropriate authorities when criminal and/ or potentially criminal behavior is identified

Social outreach to direct people in need to shelters or other services providers

Conduct public relations check with businesses and homeowners

When time allows engage the general public to deliver hospitality, directions or recommendations

Cleanliness

7 days/week service

Hand broom and pan sweep sidewalks

Routinely clean gutters

Identify graffiti and remove with property owner’s permission

Deep clean/power wash sidewalks, trash cans

Remove illegal, flyers and stickers

Install and maintain additional cigarette waste disposal

Damp wipe benches, newspaper boxes, trash cans, utility boxes and electrical boxes

Monitor pet waste stations

Appearance / Beautification

Install and maintain new landscaping such as flowers in tree wells, container, etc.

Weed removal

Install, maintain and expand the street banner program

Identify and report street light outages in accordance with appropriate authority and policy

Ensure an orderly environment by maintaining newspaper boxes, mail boxes, trash cans and any other movable fixtures

Touch up paint bike racks, poles and street fixtures

Remove rocks, debris, leaves, pebbles and other pedestrian impediments

Marketing

Publish an annual shopping, dining and entertainment guide

Direct a sustained advertising campaign in print electronic, social media, radio and television

Increase marketing messages to include quality of life amenities for residents and consumers

Create and direct co-operative marketing campaign to attract commercial and residential consumers

Promote donations to charitable agencies as an alternative to giving money directly to panhandlers

Economic Development

Publish business recruitment packets

Conduct market studies and analyses to provide timely demographic information to prospects

Compile and annually publish real estate data for Downtown to include occupancy rates, lease rates, sales information and other investor oriented data

Attend and display at national and/or regional trade shows to attract new businesses and investors (International Council of Shopping Centers, Urban Land Institute, South by Southwest, etc.)

Establish and administer matching grant programs to spur private investment, such as renovating building, facades or installing landscaping

Report on Downtown's residential amenities, growth, and promote living options to real estate brokers and the community