Wake Forest Board of Commissioners Work Session
Meeting Agenda
December 05, 2023 at 6:00 PM

1. Presentations

1.1. Presentation on the Town of Wake Forest Affordable Housing Land Disposition Program Policy
2023-316 Agenda Item Summary.pdf
Exhibit A: Wake Forest Land Disposition Program Report
Attachment 1: Appendix 1 - Town of Apex Affordable Housing Incentive Zoning Policy
Attachment 2: Appendix 2 - Wake County Land Disposition Policy
Attachment 3: Appendix 3 - Town of Wake Forest Land Disposition Request for Proposal Template
2023-316 Resolution.docx

2. Discussion of Monthly Financial Report

2.1. Discussion of October Monthly Financial Summaries
Monthly Financial Report_summary.pdf
October 31,2023 Financial Summaries.pdf

3. Review of Draft Agenda for Upcoming Regular Meeting

3.1. Review of Draft Agenda for Upcoming Regular Meeting
DraftBOCAgenda_Dec202319.pdf

4. Other Business

4.1. Discussion of SSA with Kimley-Horn for Miller Park Phase I Construction Drawings and Permits
2023-327-Agenda Item Summary.pdf
Attachment_A_2023-xx_Resolution.docx
Attachment_B_H.L.MillerPark_Scope_Kimley_Horn_Survey.pdf
Attachment_C_H.L.MillerPark_Scope_Kimley_Horn_Survey.pdf
Attachment_D_Kimley-Horn_MSA_contract.pdf

5. Commissioner Reports

6. Adjournment

Board of Commissioners Work Session Agenda Item Report

Agenda Item No.: 2023-316-
Submitted by: Brad West
Submitting Department: Planning
Meeting Date: December 5, 2023

SUBJECT
Presentation on the Town of Wake Forest Affordable Housing Land Disposition Program Policy

Recommendation:
Approval

Item Summary:

ATTACHMENTS

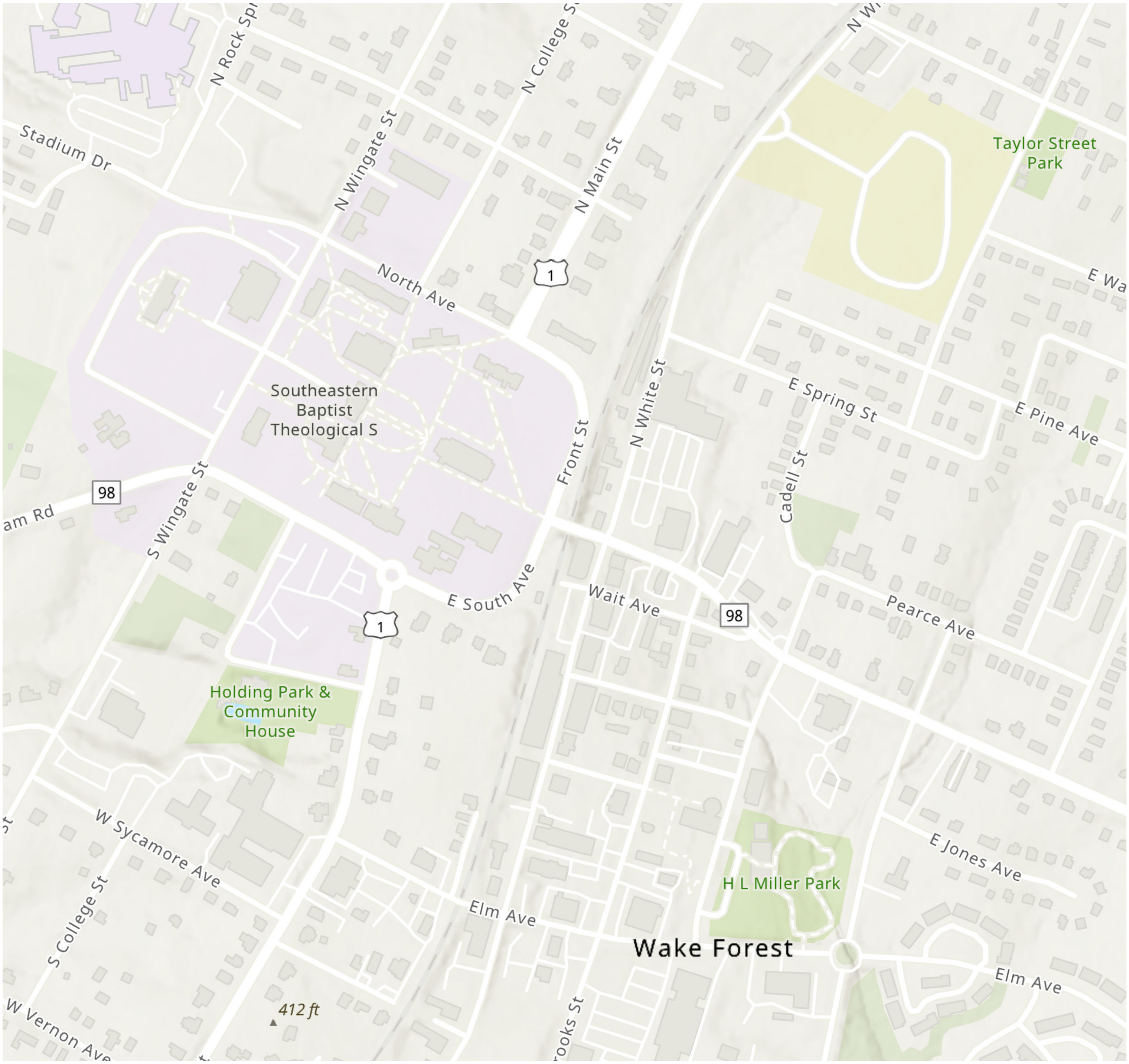
- 2023-316 Agenda Item Summary.pdf
- Exhibit A: Wake Forest Land Disposition Program Report
- Attachment 1: Appendix 1 - Town of Apex Affordable Housing Incentive Zoning Policy
- Attachment 2: Appendix 2 - Wake County Land Disposition Policy
- Attachment 3: Appendix 3 - Town of Wake Forest Land Disposition Request for Proposal Template
- 2023-316 Resolution.docx

Agenda Item: Presentation on the Town of Wake Forest Affordable Housing Land Disposition Program Policy

Summary: The adopted 2022 Housing Affordability Plan calls for the creation of a Land Disposition Program that would involve the acquisition or conveyance of land for the purpose of creating affordable housing. BAE Economics was hired to study the legal framework needed to create a program for Wake Forest for both acquisition and disposition of property, evaluate and determine appropriate Area Median Income (AMI) limits for the disposition program, review land disposition programs among other jurisdictions in the Triangle Area, including both approaches and lessons learned, and provide final recommendations for the Town's new program.

If approved, Staff will move forward with the creation of an Affordable Housing Land Disposition Program centered around the recommendations contained within the Report.

Attachments: Exhibit A: Wake Forest Land Disposition Program Report
Attachment 1: Appendix 1 - Town of Apex Affordable Housing Incentive Zoning Policy
Attachment 2: Appendix 2 - Wake County Land Disposition Policy
Attachment 3: Appendix 3 – Town of Wake Forest Land Disposition Request for Proposal Template



LAND DISPOSITION PROGRAM REPORT

Town of Wake Forest

DRAFT VERSION

Updated - November 27, 2023

Acknowledgment

The Town of Wake Forest's Land Disposition Program Report is informed, in large part, by various sources of research and expertise. This document would like to acknowledge the many peer community practitioners, service providers, development community members, elected leaders, and Town staff members involved in ensuring this document serves as an effective guide to creating a Land Disposition Program.

Peer Advisors

Alicia Arnold
Wake County Department of Housing Affordability and Community Revitalization

Dawn Fagan
Wake County Housing Authority

Dustin Engleken
Triangle Apartment Association

Jacquie Ayala
Habitat for Humanity

Joshua Johnson
St. Petersburg, FL Community Development Department

Rachel Eberhard
CASA

Rhett Fussell
Raleigh Area Land Trust

Shannon Cox
Town of Apex Planning Department

Tara Hall
North Carolina Housing Finance Agency

Yolanda Winstead
DHIC

Wayne Felton
Raleigh Housing Authority

Board of Commissioners

Vivian Jones
Mayor

Adam Wright
Commissioner

Chad Sary
Commissioner

Jim Dyer
Commissioner

Nick Sliwinski
Commissioner

R. Keith Shackleford
Commissioner

Project Consultants

BAE Urban Economics

Harry Johnson
Attorney

Legal Staff

Hassan Kingsberry
Town Attorney

Planning Staff

Courtney Tanner
Planning Director

Jennifer Currin
Assistant Planning Director

Brad West
Long Range Planning Manager

Michelle Michael
Senior Planner - Historic Preservation

Patrick Reidy
Senior Planner - Development Services

Kari Grace
Senior Planner - Development Services

Tim Richards
Senior Planner - Development Services

Emma Linn
Planner II - Long Range

Antione Jordan
Planner I - Long Range

Courtney Hotchkiss
Planner I - Historic Preservation

Nathan Smiley
Planner I - Development Services

Ben Coleman
Zoning Enforcement Officer

Kathryn Salisbury
Planning Technician

Table of Contents

SECTION I

Introduction

The Town of Wake Forest engaged BAE Urban Economics to prepare an affordable housing land disposition program. The resulting program outlined and described herein includes a review of the State of North Carolina statutes and Town of Wake Forest ordinances to understand the legal framework in creating a program for Wake Forest for both acquisition and disposition of property, an evaluation and determination of appropriate Area Median Income (AMI) limits for the disposition program, a review of land disposition programs among other jurisdictions in the Triangle Area, including both approaches and lessons learned, and a set of final recommendations for the new program.

Recommendations include identifying criteria for evaluating potential affordable housing development sites, approaches to program administration, and program costs, as well as creating developer solicitation templates for Town use.

Background

In September 2022, the Board of Commissioners of the Town of Wake Forest adopted the Wake Forest Housing Affordability Plan. This plan, which focused on expanding housing opportunities in Wake Forest, recommended establishing a public land disposition program. Public land disposition is one way to make it easier and more feasible for housing developers to include affordable housing units. Under such a program, the Town can sell its publicly owned land to developers at a reduced price in exchange for the development of affordable homes. By reducing land costs, the developer is able to lower the amount of rent that is required to achieve feasibility. This strategy can also reduce the sales price of owner-occupied units.

The Town of Wake Forest retained BAE Urban Economics to help develop the Affordable Housing Land Disposition Program specifically seeking guidance on the following:

- Developing criteria and processes for acquiring and disposing of land for affordable housing development.
- Developing a Request for Proposals (RFP) template for potential public-private partnership deals involving public land disposition.
- Developing a proposal evaluation methodology for scoring potential deals involving public land disposition.
- Developing standard operating procedures outlining how Town staff should carry out and administer the proposed Land Disposition Program.
- Recommending an annual budget allocation for the effective execution of the Land Disposition Program, including funding for suitable parcels.

Methodology

In order to create a program that withstands legal scrutiny and supports affordable housing development, BAE began the analysis with a review of North Carolina statutory authority, followed by interviews with peer cities with existing programs and an analysis of best practices. The findings informed the creation of a developer solicitation (RFP) template, evaluation scoring criteria, a program approach, and annual budget.

SECTION SUMMARY

- Housing Affordability Plan calls for the creation of a land disposition program.
- BAE Urban Economics was asked to research the legal framework, targeted income levels, capacity, and standard operating procedures needed to implement this program.
- This Report summarizes these findings and recommends how the Town could move forward with a land disposition program.

SECTION II

Legislative Review

A review of the State of North Carolina statutes and local Town of Wake Forest ordinances provides the legal framework for creating a Town of Wake Forest Affordable Housing Land Disposition Program. Following are the legal requirements for disposition of property for housing and other uses, as well as for land acquisition.

Acquisition of Property

The State provides the power to local governments for the acquisition of property for housing and other development purposes. It prescribes the process and future uses for property obtained through eminent domain. The Town Charter itself also specifies methods for acquiring land through eminent domain. The following section describes relevant state and local law pertaining to the acquisition of land for future housing development.

Chapter 160A Cities and Towns (§160A-11: Corporate powers) enumerates the powers of any city to,

"*…acquire and hold any property, real and personal, devised, sold, or in any manner conveyed, dedicated to, or otherwise acquired by them…*"

as part of the corporate powers of a local jurisdiction**.**

Per **§160D-1303 Local governments authorized to acquire and reconvey real property**:

"Local governments (are) authorized to acquire and reconvey real property. Any local government may acquire by purchase, gift, grant, devise, lease, or otherwise, the fee or any lesser interest, development right, easement, covenant, or other contractual right of or to real property within its respective jurisdiction, when it finds that the acquisition is necessary to achieve the purposes of this Part. Any local government may also acquire the fee to any property for the purpose of conveying or leasing the property back to its original owner or other person under covenants or other contractual arrangements that will limit the future use of the property in accordance with the purposes of this Part, but when this is done, the property may be conveyed back to its original owner but to no other person by private sale."

§160D-1316 Low- and moderate-income housing programs further clarifies that any local government is authorized to,

"acquire real property by voluntary purchase from the owners to be developed by the local government or to be used by the local government to provide affordable housing to persons of low and moderate income."

Local governments also have acquisition authority under **§160D-1312 Acquisition and disposition of property for redevelopment**, which states that,

"independently thereof, and without the necessity of compliance with the Urban Redevelopment Law," local governments may "acquire by voluntary purchase from the owner(s), real property that is appropriate for housing construction or the economic development of the community"

Under **Chapter 157 Housing authorities law**, **§157-4.1 Alternative organization** – any city may exercise the powers enumerated to Housing Authorities within Chapter 157, even if another housing authority operates within the jurisdiction, as the Wake County Housing Authority does. The Board of Commissioners (BOC) acting as a housing authority can designate the responsibilities to any new or existing Town department. The statute does not specify whether responsibilities can be designated to an existing housing authority operating within a municipality's jurisdiction. Chapter 157 does give broad powers to a municipality to effectuate housing development and preservation; **§157-9 Powers of authority**, provides the Town with the ability to,

"purchase, lease, obtain options upon, acquire by gift, grant, devise, or otherwise any property real or personal or any interest therein from any person, firm, corporation, city, municipality, or government,"

and to acquire property for housing development use via eminent domain.

Outside of Chapter 157, §40A Eminent Domain in the North Carolina General Statutes oversees acquisitions and dispositions of properties obtained via eminent domain. While §40A -3 By whom right may be exercised expresses that a city or town can condemn property and acquire it through this process, upon paying the owner fair market value for the site, only Housing Agencies have the authority to condemn property for housing development. Cities and Towns are relegated to public uses that support infrastructure improvements (e.g., right of way acquisition, sewer and drainage improvements).

Locally, **Article XIII of the Town Charter** specifies the rules and procedures for acquisition of land through eminent domain and specifies that any land acquired through the eminent domain process must be used for a public purpose, which explicitly excludes,

"… the taking of private property solely to increase tax revenues to the town, or that such property or the benefit thereof may be transferred to private interests."

Disposition of Property

The State of North Carolina proscribes the methods for disposing of land in a fee simple transaction (sale of deed) or ground lease structure, where the Town maintains ownership of the land. These methods differ depending on which authority the Town uses to carry out the program. Following are the applicable legal statutes that dictate the process and use of such property transactions.

Most broadly, **Chapter 157 Housing authority law** exempts housing authorities, or local governments designated to act as housing authorities, from following disposition procedures required elsewhere in the General Statutes. Specifically, **§157-9 Powers of authority** states,

"In addition to all of the other powers herein conferred upon it, an authority may do all things necessary and convenient to carry out the powers expressly given in this Article. No provisions with respect to the acquisition, operation or disposition of property by other public bodies shall be applicable to an authority unless the legislature shall specifically so state."

Chapter 157 also allows for the development of mixed income housing, as long as 20 percent of units are set aside for low- and moderate-income households. **§157-3 Definitions** specifies that a housing project includes,

"...any project that provides housing for persons of other than low or moderate income, as long as at least twenty percent (20%) of the units in the project are set aside for the exclusive use of persons of low income."

Thus, projects under housing authorities law must contain at least 20 percent of units to be set aside for low- and moderate-income households. The duration of the restriction is 15 years by statute; however, if the developer does not pay market value for the land and the Town subsidizes the development, the units would need to be restricted in perpetuity as a community benefit in exchange for land value.

Housing authority law provides a wide berth for the acquisition, disposition, and development of affodable housing — including the use of eminent domain. However, it may also require the Town to perform responsibilities that it does not currently perform. The Town's Attorney should evaluate the Town's ability to designate itself as a housing authority and designate Wake County Housing Authority to continue in its current role providing housing services within Town limits.

If the Town opts not to designate itself as a housing authority, **§160A-265 Use and disposal of property**, states that at the discretion of the Board of Commissioners, the Town may,

"(i) hold, use, change the use thereof to other uses, or (ii) sell or dispose of real and personal property, without regard to the method or purpose of its acquisition or to its intended or actual governmental or other prior use,"

setting the stage for an affordable housing land disposition program.

The State of North Carolina does limit the means by which the Town can dispose of property, including land. Per **§160A-266 Methods of sale; limitation**, any real or personal Town-owned property can be disposed of through the following mechanisms:

- Private negotiation and sale (value under $30,000)
- Advertisement for sealed bids
- Negotiated office, advertisement, and upset bid
- Public auction
- Exchange

Under **§160A-266 Methods of sale; limitation**, properties with significant historical or cultural associations may only be sold to a nonprofit corporation or trust whose purposes include preservation or conservation of relevant properties.

These disposition mechanisms are required when municipalities dispose of their real personal property, including land for any use not otherwise specified within the State Code.

Under **§160A-272. Lease or rental of property**, the Town may lease any property to a developer for no longer than ten years. A ten-year lease would not be long enough to attract new development and would be hard for banks to finance. The state does allow for longer leases under **§160A-272 (b1),** which states that

"leases for terms of more than 10 years shall be treated as a sale of property and may be executed by following any of the procedures authorized for sale of real property"

under §160A-266 Methods of sale; limitation, with some exceptions for property leases for communications and other utility uses. Under these statutes, the process of disposition favors the highest bidder, which may not be appropriate for meeting the Town's affordable housing goals. **§160A-279 Sale of property to entities carrying out a public purpose; procedure**, does allow for disposition of land at a price below market value, but only to a non-profit developer.

The State of North Carolina does have another statute governing the sale or lease disposition of land for housing. **§160A-278: Lease of land for housing** states:

"A city may lease land upon such terms and conditions as it deems wise to any person, firm or corporation who will use the land to construct housing for the benefit of persons of low income, or moderate income, or low and moderate income. Such a housing project may also provide housing to persons of other than low or moderate income, as long as at least twenty percent (20%) of the units in the project are set aside for the exclusive use of persons of low income. Despite the provisions of G.S. 160A-272, a lease authorized pursuant to this section may be made by private negotiation and may extend for longer than 10 years. Property may be leased under this section only pursuant to a resolution of the council authorizing the execution of the lease adopted at a regular council meeting upon 10 days' public notice. Notice shall be given by publication describing the property to be leased, stating the value of the property, stating the proposed consideration for the lease, and stating the council's intention to authorize the lease."

This statute governs the leasing of Town-owned property for housing. It allows for leases of longer than ten years provided that at least 20 percent of units are set aside for low- and moderate-income households. Leases may be privately negotiated. Although, the Town must provide a public notice before The Board of Commissioners executes the lease, nothing in this statute precludes the Town from using a competitive developer solicitation process to select a preferred developer with whom the Town intends to negotiate the terms of the private negotiation.

§160D-1316: Low- and moderate-income housing programs is broader, allowing any local government to exercise the following powers:

"To convey property by private sale to any public or private entity that provides affordable housing to persons of low or moderate income under procedures and standards established by the local government. The local government shall include as part of any such conveyance covenants or conditions that assure the property will be developed by the entity for sale or lease to persons of low or moderate income".

To convey residential property by private sale to persons of low or moderate income, in accordance with procedures and standards established by the local government, with G.S. 160A-267, and with any terms and conditions that the governing board may determine."

This statute allows the Town to sell or lease the property for affordable housing development to low- or moderate-income households, or to sell homes directly to low- or moderate-income households — creating an exception to §160A-266 Methods of sale.

Properties acquired under **§160D-1312 Acquisition and disposition of property for redevelopment** may be disposed of per the provisions of Chapter 160A described above, or,

"to sell, exchange, or otherwise transfer real property or any interest therein in a community development project area to any redeveloper at private sale for residential, recreational, commercial, industrial, or other uses or for public use in accordance with the community development plan, after approval of the governing board and after a legislative hearing…"

This could be an approach for land located in the Northeast Community Plan Area.

Any properties condemned and acquired via eminent domain outside of housing authority law may be disposed of per **§40A-10 Sale or disposition of land condemned.** When any condemned property is no longer needed for its original purpose, it may be used for any other public purpose or may be sold or disposed of in the manner prescribed by law for the sale and disposition of surplus property. This may apply to formerly condemned Town-owned sites.

Locally, the Town Charter, Unified Development Ordinance (UDO), nor the Wake Forest Code of Ordinances comment on the Town's ability to or process for disposing of land.

Low and Moderate-Income Housing

As previously mentioned, Chapter 157 of the General Statutes relates to Housing Authorities and Projects. In this Chapter, the State defines "low- and moderate-income" as they relate to housing disposition requirements specified above. According to **§157-3: Definitions,**

"Persons of low income' means persons in households the annual income of which, adjusted for family size, is not more than sixty percent (60%) of the local area median family income as defined by the most recent figures published by the U.S. Department of Housing and Urban Development."

Further, §157-3: Definitions, defines,

"Persons of moderate-income [as] persons deemed by the authority to require the assistance made available pursuant to this Chapter on account of insufficient personal or family income taking into consideration, without limitation, (i) the amount of the total income of such persons and families available for housing needs, (ii) the size of the person's family, (iii) the cost and condition of housing facilities available, and (iv) the eligibility of such persons and families for federal housing assistance of any type predicated upon a moderate or low and moderate income basis."

In other words, moderate income household income limits are less defined under state statutes. However, some federal subsidies are available for households earning up to 80 percent of AMI.

The next chapter will provide more detailed income limits and fair market value rents for use in the program.

SECTION SUMMARY

- In North Carolina, a municipality can purchase and sell property without a specific purpose in mind.
- For property valued over $30,000, a municipality must solicit bids if they intend to sell said property.
- Normally, a municipality would need to award the sale of property to the highest bidder, but State statutes allow the Town to sell to the bidder most qualified in carrying out affordable housing development.
- A municipality can sell property for affordable housing at below market rate, but only if the purchaser is a non-profit.
- Procedurally, State law treats long-term leases (over ten years) the same as land sales.
- Land leased by a municipality to a developer for affordable housing must contain a minimum of 20 percent affordable units for low to-moderate income levels.
- Property sold or long-term leased to a developer for affordable housing must have covenants restricting its use.
- Municipalities can opt to designate themselves as a housing authority, which provides extra powers for the acquisition, disposition, and development of affordable housing, including the use of eminent domain.
- Becoming a housing authority could potentially involve a significant increase in roles and responsibilities for the Town.
- For affordable rental units, the State mandates they be affordable to incomes 60% or less of AMI.
- For ownership units, standard practice suggests they be affordable to incomes 80% or less of AMI.

SECTION III

Area Median Income (AMI) Limits

To establish an affordable housing land disposition program, it is necessary to evaluate and determine the appropriate Area Median Income (AMI) Income Limits schedule to use. Income limit schedules are produced by the U.S. Department of Housing and Urban Development (HUD). However, some cities and towns produce multiple schedules based on sources of funding. BAE reviewed the Raleigh, NC Metropolitan Statistical Area (Raleigh MSA) HUD Income Limits, discusses their use in a disposition program, the potential for affordable ownership housing as part of the program, and provides sources for updating relevant income data annually.

Income Limits

HUD releases several schedules of income limits for each county and metropolitan statistical area (MSA) annually. As the Town of Wake Forest falls within the Raleigh MSA, its income limits would be based on published income limits for that area. The income limit schedules calculate the family household area median income (AMI) for a family of four. From that, HUD calculates the maximum household incomes for families ranging between one and eight persons by income level.

HUD's income levels include extremely low-income (up to 30 percent AMI), very low-income (30.01 percent to 50 percent AMI), low-income (50.01 percent to 80 percent AMI), median income (80.01 percent to 100 percent AMI), and moderate income (100.01 percent to 150 percent AMI).

HUD sets the income limit schedule to determine which families qualify for Section 8 vouchers. However, income limits are also used to determine eligibility in other subsidized and unsubsidized affordable housing units, as well as for determining downpayment assistance eligibility, including as part of North Carolina's HOME downpayment assistance program. Table 1 shows the 2023 HUD income limits by household size and affordability for the Raleigh MSA.

Table 1: Raleigh MSA HUD Income Limit Schedule, FY 2023

	Persons per Household							
Income Limit Category	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
Extremely Low (30% AMI)	$23,800	$27,200	$30,600	$34,000	$36,750	$40,280	$45,420	$50,560
Very Low (50% AMI)	$39,700	$45,350	$51,000	$56,650	$61,200	$65,750	$70,250	$74,800
Very Low (60% AMI)(a)	$47,640	$54,420	$61,200	$67,980	$73,440	$78,900	$84,300	$89,760
Low (80% AMI)	$63,500	$72,550	$81,600	$90,650	$97,950	$105,200	$112,450	$119,700
Median (100% AMI)(b)	$96,200	$96,100	$102,000	$113,300	$122,400	$131,450	$140,500	$149,600
Moderate (150% AMI)(b)	$119,000	$136,000	$153,000	$169,950	$183,550	$197,150	$210,750	$224,350

Median Family Household Income, FY 2023: $117,000 (c)

Notes:
(a) Sixty percent AMI limits are calculated for Low Income Housing Tax Credit (LIHTC) funded projects.
(b) HUD's Section 8 schedule does not include median- and moderate-income limits. HUD reports those separately as they are too high to qualify for the Section 8 voucher program.
(c) HUD's overall family household area median income may not match the 100 percent AMI for a four-person household due to internal adjustments in HUD's income limit calculations.

Sources: HUD; Wake County Housing Authority; BAE, 2023.

Source website links:

HUD income limits for households at 30, 50, and 80 percent AMI (Section 8 vouchers):
https://www.huduser.gov/portal/datasets/il.html

HUD Income limits for households at 60 percent AMI (Low Income Housing Tax Credit projects):
https://www.huduser.gov/portal/datasets/mtsp.html#2023_data

HUD income limits for households earning 100 percent and 150 percent AMI (Homeowner Assistance Fund):
https://www.huduser.gov/portal/datasets/haf-il.html

Affordable Rents

Affordable rents are set based on HUD's requirement for affordable housing projects using federal subsidies that no household pays more than 30 percent of its household income on housing expenditures. Dividing the maximum household incomes per affordability category provided in the income limit schedule by 12 months to get a monthly income, and then multiplying by 30 percent gives the maximum affordable rent that a household can pay:

- (Annual household income)/12 = Monthly household income
- Monthly household income * 30% = Maximum monthly rental housing payment

However, rents are typically based on the number of bedrooms[1] rather than number of tenants. Industry practice estimates that the number of persons per household equals the number of bedrooms plus one. Under this scenario, a couple could share a studio unit, or a single parent and two children could share a two-bedroom apartment. Additional persons would lead to overcrowding, which HUD does not allow. Accordingly, when determining which income limit household sizes correspond to apartment sizes the following applies:

- Number of bedrooms + 1 = Persons per household, or
- Persons per household – 1 = Number of bedrooms

In addition to converting household sizes into bedroom counts, HUD requires the maximum monthly payment towards rental housing to include utility allowances. As Table 2 shows, the average Raleigh MSA estimated utility allowances by unit size in 2023 are as follows:

Table 2: Raleigh MSA Average Utility Allowances, FY 2023

	Bedrooms per Unit (a)				
Raleigh MSA	**0**	**1**	**2**	**3**	**4**
Estimated Utility Allowance	$159	$176	$227	$281	$334

Sources: Raleigh Housing Authority; BAE, 2023.

The utility allowances do not change by affordability level, but can change based on the types of utilities within the development (e.g., gas, electric) and anything otherwise included in the monthly rent. The Raleigh Housing Authority provides two allowance schedules appended to this memorandum. Subtracting the utility allowance from the maximum monthly payment provides the maximum affordable rent that an apartment can charge its tenants.

Maximum monthly payment – Utility allowance = maximum affordable rent

[1] Within a single hypothetical project at the same location and with the same amenities.

Table 3 shows the maximum affordable Raleigh MSA rents, net of utilities.

Table 3: Raleigh MSA Affordable Monthly Rents, FY 2023

	Bedrooms per Unit				
Income Limit Category	0	1	2	3	4
Extremely Low (30% AMI)	$436	$504	$538	$569	$585
Very Low (50% AMI)	$834	$958	$1,048	$1,135	$1,196
Very Low (60% AMI)(a)	$1,032	$1,185	$1,303	$1,419	$1,502
Low (80% AMI)	$1,429	$1,638	$1,813	$1,985	$2,115
Median (100% AMI)	$2,246	$2,229	$2,323	$2,552	$2,726
Moderate (150% AMI)	$2,816	$3,224	$3,598	$3,968	$4,255
Utility Allowance	*$159*	*$176*	*$227*	*$281*	*$334*
Median Wake Forest Market Rate Rents, May 2023	N/A	$1,342	$1,636	$1,846	$2,130

Notes:
(a) Schedule assumes household size = number of bedrooms plus one. Maximum housing payment is based on 30 percent of monthly household income less utility allowance. Utility allowance based on Raleigh Housing Authority estimates.
(b) There are no available studio units in Wake Forest to provide an average rent.

Sources: Raleigh Housing Authority; CoStar; BAE, 2023.

Source website links: Raleigh Housing Authority utility allowance forms and estimates:
https://www.rhaonline.com/section-8-landlords/

As Table 3 shows, affordable rents are lower to households earning 60 percent AMI or less, while market rents are lower than the maximum rents affordable to low-, median-, or moderate-income households. In those cases, households can rent units on the open market and do not need access to subsidized housing.[2] However, deed restrictions on these units can protect against future rent increases.

[2]An income group's ability to pay market rate rents and prices can vary by area and over time.

Affordable Sales Prices

Similar to rents, affordable home prices also require that households pay no more than 30 percent of their monthly incomes on housing, including mortgage principal and interest, insurance, taxes, and other expenses that are generally paid through mortgage escrow accounts.

While developers can build an affordable ownership unit, the homebuyer must be able to qualify for a mortgage. In fact, the primary source of affordable ownership unit subsidization comes from downpayment assistance programs, whether federal (FHA, VA) or state run. The State of North Carolina offers several low-cost loan and downpayment assistance programs. Its Community Home Buying Programs offer downpayment assistance for borrowers that have household incomes up to 80 percent AMI. Table 4 shows maximum sales price for units eligible under the State's Community Home Buying Programs.

Table 4: Maximum Sale Price for State Affordable Homeownership Programs, 2022

AMI Level	Existing Property	New Construction (a)
Franklin County	$280,000	$280,000
Wake County	$309,000	$309,000

Median Wake Forest Home Sale Price, All units, May 2023: $503,200

Notes:
(a) The State Community Home Buying Programs differentiates prices between existing properties and new construction in other locations.

Sources: State of North Carolina Housing Finance Department; BAE, 2023.

While the State has a maximum sales price independent of home size, it is possible to calculate maximum sales prices for households earning between 80 and 120 percent AMI, per bedroom count. As Table 5 shows, the maximum sales price for the State programs in Wake County ($309,000) exceeds the maximum sales price a low-income household could afford to pay, with housing costs not exceeding 30 percent of household income. The maximum sales price for state programs in Franklin County ($280,000) is attainable to Low-Income households of three or more persons, as well as households earning 100 percent or more of AMI.

Table 5: Raleigh MSA Affordable Sales Prices, FY 2023

	Bedrooms per Unit				
Income Limit Category	**0**	**1**	**2**	**3**	**4**
Low (80% AMI)	N/A	$224,163	$252,126	$280,088	$302,643
Median (100% AMI)	N/A	$297,136	$315,157	$350,071	$378,188
Moderate (120% AMI)	N/A	$420,209	$472,735	$525,107	$567,128

Median Wake Forest Home Sale Price, All Units, May 2023: $503,200

Sources: Zillow; BAE, 2023.

Source website links: Wake and Franklin Counties Maximum State Affordable Home Price (source page; click on household income limits or sales price limits): https://www.nchfa.com/home-buyers

SECTION SUMMARY

- The US Department of Housing and Urban Development (HUD) publishes local Area Median Income (AMI) limits annually.
- As indicated in the previous section, a 60 percent AMI income limit should be used for rental units and an 80 percent income limit should be used for homeownership.
- Per HUD guidelines, for a home to be affordable, a household should not spend more than 30 percent of their income on housing costs.
- While Wake Forest rents exceed what lower income households (60 percent AMI and below) can afford, the affordability gap for homeownership is even more pronounced, even at 80 percent AMI.

SECTION IV

Peer Cities Review

The project scope includes a review of efforts similar to the land disposition program the Town of Wake Forest seeks to create. BAE conducted interviews with staff from cities, towns, and Wake County, as well as affiliate housing agencies and nonprofits to gain a better understanding of how land disposition programs can work. The peer cities and other affiliate organizations, all located in the Triangle Region, were able to provide information on approaches and lessons learned operating similar programs within the same regulatory environment.

Town of Apex

As with Wake Forest, a land disposition program was recommended as part of Apex's Affordable Housing Plan that was adopted in 2021. The Town recently developed an Affordable Housing Incentive Zoning Policy that could be instructive to the Town of Wake Forest. Key points around that effort are described below.

With input from the private sector development community, the Town of Apex staff developed an Affordable Housing Incentive Zoning Policy. (See Appendix A.). Since including affordable housing in development plans is voluntary, incentives for developers to include it in their plans are necessary.

The zoning incentive policy includes "zoning-based, non-financial and financial incentives" that can be provided by the Town in exchange for providing residential affordable housing units or lots on-site within a development through the rezoning or Planned Unit Development (PUD) process. Apex's Town Council voted to adopt the Policy on June 27, 2023.

Town staff indicate that while they had been using the draft policy as a guide in negotiations with Rezoning and Planned Unit Development applicants, the plan is to officially "road-test" the Policy for one year from adoption date, and revisit any of the applicability standards or available incentives as needed.

Zoning-based incentives that a developer may request include the ability to apply for a zoning district that allows more housing types and density, a density bonus, an adjustment to development standards, increased building maximum (i.e., increased maximum building height, reduced building setbacks, and reduced minimum lot widths), reduced Resource Conservation Area requirements, parking reductions, and sidewalk reductions.

A non-financial incentive that could be provided is expedited processing of site plan and master subdivisions plan applications when at least 10 percent of the residential units or lots are set aside for affordable housing.

The Town may provide a financial incentive in the form of a grant for reimbursement of certain development fees to help offset some of the development costs for providing affordable housing units or lots within a development. The Policy requires that funds must be structured to reduce the housing cost for the end user in the form of a lower purchase price or monthly rental cost.

Finally, the Town may choose to provide financial assistance in the form of a loan or grant within a development to assist with the creation of affordable housing units or lots.

Interview contact: Michael Linsenmeyer, Senior Housing Specialist, Town of Apex, NC.

City of Raleigh

Raleigh's current efforts with land disposition for affordable housing are a shared responsibility between the Housing and Neighborhoods Department and a part of the Raleigh Planning Department called Urban Projects. Housing and Neighborhoods identifies the focus sites where they believe new affordable housing development is needed and appropriate and Urban Projects does the site analysis.

When contacted, City staff discussed two land disposition projects: Lane-Idlewild and Duplex Village. Lane-Idlewild, is a 1.17 acre City-owned site located at the intersection of Lane Street and Idlewild Avenue in the West Idlewild neighborhood on the eastern edge of downtown Raleigh. In 2021, after a two-step solicitation process including a Request for Interest (RFI) and a Request for Proposal (RFP), the Raleigh Area Land Trust (RALT) was selected by the City to develop the Lane-Idlewild site into affordable housing. RALT is working on the proposed 18-unit affordable low-income cottage court development utilizing a Community Land Trust (CLT) model with the goal of establishing permanent affordability (i.e., 99 years). Of the 18 affordable units, 14 units will be for-sale (50 to 60 percent AMI) and four units will be rentals (30 to 80 percent AMI).

RALT recently received approval of their Administrative Site Review (ASR) application and is moving forward with the next stage of the development process and will submit for Site Permit Review (SPR). As of this writing, RALT is working on completing due diligence items including securing financial commitments. RALT's goal is to receive site control of the development site from the City and start construction in 2024.

The layout of the units will be in two U shapes, with a common area in the middle to "build community." It is important to note that the City recently approved zoning text changes which make the Cottages at Idlewild project possible. According to City staff, without those changes to the zoning code, the project could not have as many units.

Another significant project for Raleigh began with the City's purchase of a portion of Duplex Village, an older (1949) rental community located along the future bus-rapid transit route planned for new Bern Avenue in Raleigh. In 2021, the City purchased about four acres of the 9.46-acre low density rental development for $3.7 million, using funds from City's $80 million affordable housing bond that voters approved in 2020. Buying land along transit corridors to expand affordable housing opportunities is one of the goals of the bond initiative.

The portion of Duplex Village that was purchased included 24 rental units, about half of which were vacant at that time. In the past two years, the City worked with the remaining tenants to transition them into other housing options and began demolition of the units. City staff indicate an RFP will be issued to for-profit and nonprofit developers in August 2023 for a mixed-use development, to include housing for low to moderate income households and retail.

The City of Raleigh also began a pilot Small-Scale Rental Development program that combines funds from the 2020 Affordable Housing Bond and City-owned lots in downtown Raleigh. According to the City's website, the Small-Scale Rental pilot was created to "build on the text changes to the Unified Development Ordinance (UDO) that allow 'missing middle' housing to be built on lots zoned for single-family residential in order to create rental options that are affordable to low-income households." The Small-Scale Rental Development program is open to nonprofit affordable housing developers and for-profit developers working in partnership with a mission-driven nonprofit. The City has had two funding rounds for this pilot program since it was initiated in 2021.

Interview Contacts: Erika Brandt, Housing Programs Administrator, Housing and Neighborhoods Department, City of Raleigh, NC; and Lamont Taylor, Assistant Director, Housing and Neighborhoods Department.

Wake County

In 2019, Wake County implemented a policy that establishes procedures and standards for the evaluation and disposition of available County-owned properties and other publicly owned properties for the development of affordable housing. This policy, which was enacted to comply with N.C.G.S. 160D-1316, was most recently updated in 2021.

The policy, included in Appendix B, entitled "Evaluation and Disposition of County-owned Land for Affordable Housing," includes a policy statement which indicates that before "disposing of County-owned properties, Wake County shall evaluate County-owned properties for affordable housing use, including physical feasibility, suitability, necessity, and alignment with County policy priorities regarding affordable housing development." Perhaps most important for Wake Forest and other municipalities in Wake County, the County's land disposition policy sets criteria for the evaluation and disposition of County-owned land and other publicly owned property for affordable housing.

This last point is key since Wake County does not have much excess land nor has it been acquiring land, but County leaders recognize that some municipalities in the County do own a lot of land. And in fact, most of the property evaluated for future affordable housing under the criteria included in this policy since it was established in 2019, has been municipal-owned.

The criteria for multifamily land disposition site conditions for determining physical feasibility include ownership status (i.e., County, County Board of Education or Municipal), lot size, built area, floodplain status, topography, utility connections, and access. Site suitability criteria include status of encumbrances, proximity to existing residential and commercial, connectivity (i.e., transit access, sidewalks), zoning, proximity to basic services (i.e., grocery store, pharmacy, etc.), Low Income Housing Tax Credit (LIHTC) eligibility, and market strength.

Properties that are both physically feasible and suitable for multifamily affordable housing may be recommended by the Housing Affordability & Community Revitalization Department for disposition through private sale. If recommended for disposition, a competitive RFP process is used to dispose of the properties under this policy. The County requires detailed financial projections of the proposed development. The County then reviews each project's financial projections to evaluate the level of discount to land price necessary and will consider which proposal maximizes public benefit.

If the publicly owned property is less than one-acre in size, it will be assessed for single family, affordable housing development or preservation. Should development or acquisition be feasible for affordable housing, the property is recommended for private sale.

The Wake County Housing Department maintains a list-serve of single-family affordable housing developers, investors, partners, and other interested parties. If a property is deemed eligible for single family disposition, a notification will be sent to the list-serve and published on the website. The Housing Department will receive offers to purchase by a date designated in the list-serve email. Staff will review the offers to purchase by analyzing/reviewing property features (i.e., fair market value, assessed tax value, etc.), applicant information including financial projections or income information, and legal sufficiency. As with the multifamily proposals, County staff will evaluate the level of discount necessary to maintain affordability and consider which offer maximizes public benefits according to the requirements of the policy.

Additionally, it is important to note that under Wake County's land disposition policy, the County's priority is realizing the deepest level of affordability possible, including:

- Rental units affordable at or below 30-40 percent AMI;
- If rental units can not be provided at the 30-40 percent AMI level, the County will accept rental units at the 40-50 percent AMI range;
- For sale units affordable to populations at or below 80 percent AMI.

When contacted for more information about the County's land disposition policy, staff discussed several land disposition opportunities that went as far as an RFP process. One example of such a project is the disposition of County-owned land at 1317 N. Main Street Holly Springs, NC. Wake County issued an RFP in January 2020 for a development team to purchase and develop a vacant property at 1317 N. Main Street in Holly Springs.

The County specifically asked for proposals from for-profit and nonprofit developers to construct a mixed-income, mixed use project that is walkable and environmentally sustainable.

DHIC, a nonprofit affordable housing developer, and MyComputerCareer Inc., an adult technical school came together to submit a proposal for the site that included 125 affordable housing units and an 80,000 square foot, a four-story office building to be occupied by MyComputerCareer, 10,000 square feet of retail space, and a "state-of-the-art performing arts theatre." Though the DHIC team was awarded the development, the commercial component has changed. Instead of MyComputerCareer Inc., which is no longer in the deal, Capital Associates, a full-service commercial real estate company involved in the project, has reoriented the commercial component of the Holly Springs site. It will include office, hotel, and retail.

Another RFP for affordable housing development was also issued by Wake County for land located on Chapanoke Road in Raleigh adjacent to the Wake Technical Community College. That RFP, issued in 2022, was sent to for-profit and nonprofit developers for proposals "to construct a walkable, environmentally sustainable, affordable, mixed-income multi-family project that fits within the context to the Southern Wake Bus Rapid Transit (BRT) Corridor." Wake Tech transferred the property, which was originally intended for campus facilities, to Wake County to provide affordable housing options for the community and Wake Tech students. Per Wake County staff, 30 percent of the affordable units are to be set aside for Wake Tech students.

Interview Contacts: Alicia Arnold, Deputy Housing Director, Department of Housing Affordability & Community Revitalization Wake County, NC; and Mark Perlman, Division Director-Equitable Housing and Community Development, Department of Housing Affordability & Community Revitalization Wake County, NC

Raleigh Area Land Trust

The mission of the Raleigh Area Land Trust (RALT) is to create permanent affordable homeownership opportunities for first-time homebuyers using the Community Land Trust model. According to RALT's website, the Community Land Trust model is built to serve as a "long-term steward of land to protect long-term affordability and access to housing." Working under this model RALT acquires land to build homes or rehabilitates existing homes and makes the new or rehabilitated homes available for sale to limited-income homebuyers at 60-80 percent of AMI, with subsidies lowering the price.

As described above in the City of Raleigh section of this memorandum, RALT was selected to be the developer of affordable housing on the City-owned Lane-Idlewild site in Raleigh. After RALT was selected by the City through a competitive RFI/RFP process, the City agreed to sell the 1.17 acre site to RALT for $1.00. RALT will develop 18 affordable homes on the site, which will be called the Cottages at Idlewild. Of the 18 affordable units, 14 units will be for-sale (50 to 60 percent AMI) and four units will be rentals (30 to 80 percent AMI). RALT recently received approval of their ASR application and is moving forward with the next stage of the development process and will submit for SPR. As of this writing, RALT is working on completing due diligence items including securing financial commitments. RALT's goal is to receive site control of the development site from the City and start construction in 2024.

RALT also purchases and rehabilitates individual affordable homes for income-eligible first time buyers. In June 2023 RALT sold its first affordable home to a first-time homebuyer. The home, located in southeast Raleigh, is a remodeled three-bedroom, one bathroom single-family house. The homebuyer was able to purchase the home at an affordable price, thanks to funding support and subsidies from the City of Raleigh and individual donors. Indeed, the City of Raleigh provided a 0% interest, deferred payment loan to RALT for $130,000. That loan provided seed funding for the purchase and rehabilitation of two homes, which were updated to be sold to eligible low-income homebuyers.

Rhett Fussell, who is serving as the Interim Director of the Land Trust expressed a strong interest in working with Wake Forest once it creates a land disposition program. They have discussed doing projects similar to the two types of affordable housing projects described above with both the Town of Apex and the Town of Cary. When asked what would be helpful to RALT for Wake Forest to consider as it develops its land disposition program, he offers a few recommendations. These are provided below:

- For the land disposition, make it flexible but focused on nonprofits.
- Not requiring all of the units' buyers to be less than 80 percent of AMI would help RALT get financing. RALT can sell up to 25 percent at market rate and keep nonprofit status and the market rate units will subsidize the 80 percent units.
- If possible, the municipality should award the land/property to the nonprofit immediately with a stipulation that "construction or financing must be in place by 6 months." Without this site control, the financing becomes "chicken and egg."
- Recognizing that the community land trust model is a good way for families to build wealth, the Town could leverage their assets and provide for their employees by building in stipulations that, for example, "25 percent of the homes are allocated for town staff/fire/police that meet the AMI categories.
- RALT needs other partners in Wake County to help show "proof of concept." Wake Forest could help with this, even if it is a single family lot on which they could build a duplex.
- Suggestion that instead of issuing RFPs each time an affordable housing opportunity arises, municipalities should create a bench of pre-qualified developers who could submit proposals to lead the development of a given property. RALT thinks that municipalities do not appreciate how difficult it is to respond to an RFP, particularly for nonprofit developers.

Interview Contact: Rhett Fussell, Interim Director, Raleigh, NC Raleigh Area Land Trust.

DHIC

DHIC is a nonprofit founded nearly 50 years ago that owns, manages, and develops affordable housing in the Triangle Area of North Carolina. According to their website DHIC also helps first-time buyers develop and implement a homeownership plan tailored to their individual needs and circumstances. DHIC is a HUD-certified counseling agency.

Yolanda Winstead, DHIC's President and CEO expresses strong interest in working with the Town of Wake Forest to help create and preserve affordable housing. She also notes that DHIC has owned and operated an affordable housing development in Wake Forest, Turnberry Apartments, for the past 20 plus years.

DHIC has been involved in several affordable housing developments with the various municipalities in the Triangle Area that are located on publicly owned land including:

- Willard Street Apartments – DHIC was the lead developer of this recent infill apartment building located on a 1.25-acre piece of land owned by the City of Durham, adjacent to the Durham Station Transportation Center. The 82 affordable apartment homes for households with 30 percent and 60 percent of AMI, are located on four floors above two floors of structured parking. There is also 5,000 square feet of ground floor retail space, and a plaza overlooking the city skyline. The City of Durham donated the land for the development and provided a low-interest loan to assist with financing. Duke University and the A.J. Fletcher Foundation also provided another $5.5 million in grants for the development.
- Greenfield Community – DHIC developed and manages Greenfield Place and Greenfield Commons which together make up the Greenfield Community in Chapel Hill. The Greenfield Community includes 149 apartment homes for seniors and working families. This development serves households with incomes at or below 60 percent of AMI. The Town of Chapel Hill donated the land for the Greenfield Community.
- Jeffrey's Ridge – A 32-unit apartment community in southeast Raleigh. The City of Raleigh owns the land. DHIC owns and manages the apartments.
- Holly Springs Development – The aforementioned planned development in Holly Springs, in conjunction with Wake County. The development will include 124 units of affordable housing on County-owned land as well as a commercial use to be determined.

Ms. Winstead noted that municipal contributions toward the development of affordable housing in the Triangle area have been extremely helpful in getting these projects built. Given current economic conditions and the increasing cost of construction, county, city and town involvement in the financing of these projects has become more important than ever. She applauds the City of Raleigh and City of Durham bond referendums of $80 and $95 million respectively for affordable housing. The contribution of land by towns and cities has been critical as well. She also believes the Triangle municipalities need to work together to get the State of North Carolina to provide more assistance on financing affordable housing development, in-line with what other state housing finance agencies do to preserve and create more affordable housing.

Interview Contact: Yolanda Winstead, President and CEO, DHIC Raleigh, NC

Wake County Housing Authority

Wake County Housing Authority (WCHA) owns and manages 345 public housing units, 10 affordable housing units, and 585 Housing Choice vouchers throughout Wake County. Of the 345 public housing units, 144 are located in the Town of Wake Forest on three different properties.

Dawn Fagan, WCHA's Executive Director expressed strong interest in a partnership with the Town of Wake Forest to improve or redevelop the three properties and create new affordable units wherever possible. She believes there is potential to do this because there is a significant amount of unused land surrounding the three properties. She stresses, however, that identifying resources for this type of effort is always challenging.

HUD is encouraging public housing authorities to use the Rental Assistance Demonstration program, commonly referred to as RAD, which allows housing authorities to leverage public and private debt and equity in order to reinvest in the public housing stock. Ms. Fagan also spoke to the Town about applying for a Choice Neighborhoods grant for redeveloping and potentially adding affordable units on their properties. Her hesitation on seeking Choice Neighborhoods grants, which leverage significant public and private dollars to support locally driven strategies that address struggling neighborhoods through a comprehensive approach to neighborhood transformation, is that the Town must be fully on board with the broader neighborhood transformation goal to have a competitive application to HUD.

Ms. Fagan indicates that the Town has expressed interest in WCHA's White Street property for adding affordable units, along with redevelopment but she sees the North Allen Street property (Massey Apartments) as the one that most acutely needs redevelopment. She reports that WCHA has struggled the most with the North Allen Street property including issues with plumbing and sewer lines that forced six families to temporarily relocate. She would like to see a major redevelopment of the property, using tax credits and mixed financing. Since the property is 7.63 acres there is room to add affordable units there.

When asked if WCHA would be willing to accept a transfer, for a nominal amount, of publicly owned property for that property to be developed into affordable housing, Ms. Fagan indicated she would as long as the plans for the property are agreed to by all interested parties. She did not realize that under North Carolina law housing authorities could exercise eminent domain for the purpose of creating affordable housing, a public benefit. She says the WCHA recognizes there is a shortage of affordable housing in Wake County, including in Wake Forest, and would be willing to work in partnership with the Town to help to resolve that deficiency.

Interview Contact: Dawn Fagan, Executive Director, Wake County Housing Authority, Zebulon, NC

Housing Market Contacts

BAE contacted two other individuals on the Town's list of suggested stakeholder interviewees: Dustin Engelken, Government Affairs Director for the Triangle Apartment Association, and Jacob Anderson, owner of Alliance Group NC LLC, a real estate brokerage and consulting firm specializing in land acquisition for both residential and commercial opportunities. These two individuals are knowledgeable about demand for affordable housing and market demand for housing in general.

Triangle Apartment Association

Interviewee Dustin Engelken describes the Triangle Apartment Association as a membership organization for owners, operators, developers and other businesses associated with multifamily properties in the Triangle area. The Triangle Association's members manage 165,000 apartment units in the broader Triangle area with 100,000 of those in Wake County.

Mr. Engelken served on the Wake County Affordable Housing Working Group and is knowledgeable about the current housing market in the region, both market rate and affordable.

Mr. Engelken reports that the current apartment demand is strong in the Triangle area. Because the region continues to grow economically—new businesses have located in the area and existing businesses are expanding—demand for apartments, whether affordable, workforce, or market rate is high. He reports that rent growth and occupancy are strong on the market rate side. Rents are also up somewhat on the affordable and workforce side at least in part because of increased operating and maintenance expenses.

Developers in the multifamily space are reporting that it has become increasingly difficult to finance multifamily housing. The interest rates and construction costs are making it difficult for apartment developers to make an acceptable rate of return. Mr. Engelken anticipates that unless the interest rates and costs ease, there will be a shortage of apartments in the next few years.

Mr. Engelken also stressed that affordable rentals are especially hard to finance now. Everyone involved in affordable housing finance is being cautious. Also, unlike other states, North Carolina's Housing Finance Agency offers little in the way of tools and resources for affordable housing. Mr. Engelken asserts that North Carolina's housing finance agency's focus is primarily on housing tax credits, not financing.

On the local front, Mr. Engelken believes RFPs for affordable development have become too prescriptive. In an effort to please everyone, the RFPs have become so onerous and overzealous that they will attract few bids from developers. He believes the RFPs need to be more accessible for local groups and nonprofits.

Alliance Group NC LLC

Jacob Anderson, owner of Alliance Group NC LLC provided input of the overall housing market. His company acquires land and buildings for housing and is also a real estate brokerage. Accordingly, Mr. Anderson has strong opinions on aspects of the housing market, both market rate and affordable. Some of his feedback is outlined below:

- If Wake Forest decides to put forward zoning incentives for affordable housing, those should focus on expedited review to save time and density. These are the two incentives that will make the biggest difference.
- Has a general concern about concentrating affordable housing in the same specific areas in towns and cities. This concentrates poverty which is not good for anyone.
- Along those lines, Habitat for Humanity houses seem to be clustered in the same areas.
- Admires the approach of the Town of Davidson NC toward affordable housing. The town requires housing proposals to include 10 percent affordable housing and this policy has broad resident support.
- Every town and city should have a trusted group of advisors who understand finance and review development proposals before they go to the Planning Board. The Town of Apex does this with their Environmental Advisory Board. They conduct rezoning preapplication reviews. This board offers a general list of suggested rezoning conditions for rezoning applicants to consider before filling a rezoning petition.

SECTION SUMMARY

- The Town of Apex adopted a zoning incentive policy for affordable housing in June 2023.
- The Town of Wake Forest could monitor how the zoning incentive policy works for the Town Of Apex as staff "road-tests" the new policy over the next year.
- The City of Raleigh approved zoning text changes to accommodate more "missing middle" housing, allowing more density on what had been single family lots. This makes it possible for the planned Cottages at Idlewild to have as many as 18 units on a 1.17-acre site.
- The City of Raleigh's $80 million affordable housing bond approved by the voters in 2020 has provided financial assistance for several affordable housing developments. One example is the purchase of a portion of Duplex Village, an older rental community, for a mixed-use development that will include housing for low-moderate income households and retail.
- Wake County has developed a land disposition policy for affordable housing that applies to County-owned land as well as other publicly owned land in the County.
- The City of Raleigh selected the Raleigh Area Land Trust (RALT) to develop a 1.17-acre site at Lane and Idlewild streets in Raleigh for 18 affordable homes in development called the Cottages at Idlewild. Most of the homes (14) will be for-sale units, the remainder will be rentals.
- In the last month (June 2023) RALT sold its first home, located in Raleigh, to a first time homebuyer. The City of Raleigh provided RALT with a $130,000, 0% deferred payment loan to rehabilitate two homes to be sold to low-income buyers. This home is the first of the two.
- RALT is eager to build for-sale housing in Wake Forest. Such a project could jumpstart the land disposition program in Wake Forest and show more proof of concept for the community land trust model.
- DHIC, a non-profit affordable housing developer, has been involved in several affordable rental housing developments that are located on publicly owned land including:
    1. Willard Street Apartments – 82 affordable apartments on an infill site located on a city-owned site in Durham NC, adjacent to the Durham Station Transportation Center.
    2. Greenfield Place and Greenfield Commons - 149 total family and senior affordable apartments on city donated land in Chapel Hill NC.
    3. Jeffrey's Ridge – 32-unit apartment community in southeast Raleigh located on city-owned land.
    4. Holly Springs – 124 units of affordable housing with commercial use on Wake County-owned land.
- Raleigh's $80 million affordable housing bond and the City of Durham's $95 million housing bond have been extremely helpful for financing new affordable housing.
- There may be opportunities to add new affordable housing units in Wake Forest on land owned by the Wake County Housing Authority.

SECTION V

Best Practices and Recommendations

The recommendations included in this report take into consideration the unique characteristics of the Town of Wake Forest and local and North Carolina laws. They also reflect documented best practices in other local jurisdictions (i.e., cities and counties) across the United States as well as in other North Carolina municipalities subject to the same regulations as Wake Forest. Other land disposition programs researched for this effort include those in place in the following cities and counties:

- Charlotte, NC
- Montgomery County, MD
- Philadelphia, PA
- Saint Paul, MN
- Seattle, WA
- Tacoma, WA
- Washington, DC

BAE also reviewed topical reports on land disposition for affordable housing that were produced by the National Housing Conference, the Urban Land Institute, the Northern Virginia Affordable Housing Alliance, and other organizations. Finally, BAE considered the information gathered from Triangle peer towns and cities and Wake County collected during interviews.

Accordingly, below are recommendations reflective of the needs and requirements of the Town of Wake Forest, local and North Carolina law and regulations, and policies and practices used in other places with active land disposition programs. With each recommendation, as appropriate, we briefly discuss strategies to accomplish the action, the reasoning behind the action, and provide an estimate of appropriate timing for the activity. The timing is either **immediate**, within nine months; **short-term**, nine to eighteen months; or **medium-term**, eighteen months to three years.

Acquisition and Disposition Criteria

Acquisition recommendations reflect best practices for acquiring future affordable housing sites, focusing on selecting sites based on proximity to schools, transit, and fresh food sources, as well as putting processes in place to allow Town staff flexibility to acquire sites in a timely manner. Disposition recommendations focus on processes and partnerships for maximizing successful outcomes (i.e., affordable housing development).

1. Establish criteria for potential affordable housing sites. The Town and BAE created the following scorecard for site evaluation:

WAKE FOREST SITE SUITABILITY SCORE CARD

Instructions: Property will be scored using the scoring criteria outlined below, with 1 being low and 5 being high (see scale for details). Fill in the colored cell that corresponds to the scoring criteria below. Return this form to bwest@wakeforestnc.gov, no later than EOB on Monday, January 1, 2024.

Site Location: 101 & 102 Affordability Way

CATEGORY	WEIGHT	RAW	FINAL
Environmental Considerations	**40%**	**5**	**2**
Extent to which the site contains few, if any streams and wetlands	25%	5	
Extent to which the site contains few, if any steep slopes *(> than 20% slope)*	25%	5	
Extent to which the site is outside of a floodplain area	25%	5	
Extent to which the site is uncontaminated with hazardous chemicals or material *(may require Phase I Assessment)*	25%	5	
	100%		
Site Features	**40%**	**5**	**2**
Site access to major roads or highways *(straight line distance)*	15%	5	
Site proximity to transit *(straight line distance)*	15%	5	
Site proximity to a grocery store *(straight line distance)*	15%	5	
Site proximity to a school *(straight line distance)*	15%	5	
Extent of existing water and sewer infrastructure in place at site	20%	5	
Extent to which there is a need for demolition of existing structures and improvements *(1 = significant need)*	5%	5	
Extent to which historic resources may be disturbed (1 = significant disturbance)	15%	5	
	100%		
Process Considerations	**20%**	**5**	**1**
Current zoning allows for a variety of housing types/products	20%	5	
Site has clear ownership title with no encumbrances *(includes liens and covenants)*	30%	5	
Site price in relative alignment with market rate or appraised value	50%	5	
	100%		
TOTAL			**5**
	Comments:	Detailed aerial imagery with acreage and PINs found in Attachment A	

Scale
5: Property meets all desired criteria
4: Property meets most desired criteria
3: Property meets some desired criteria
2: Property meets only a few desired criteria
1: Property does not meet any desired criteria

These criteria should apply to publicly owned sites to create a site ranking for disposition, and to privately-owned sites that could reasonably be acquired.

Timing: Immediate

2. Maintain a database of suitable sites.

Having an internal inventory of parcels suitable for affordable housing projects will help prioritize future land disposition and acquisition opportunities.

Timing: Short-term

Site Acquisition

Because the Town is not a Housing Authority itself, site acquisition strategies and best practices should focus on creating funding sources for acquisition, identifying potential sites, and partnering with a local Housing Authority.

1. Establish partnerships with other entities that have legal authority to develop affordable housing on public land.

To maximize the opportunity to create more affordable housing, the Town should partner with an entity that has the authority to plan for and lead the development of affordable housing. Under North Carolina law housing authorities, such as the Wake County Housing Authority (WCHA) can exercise eminent domain for the purpose of creating affordable housing, as a public benefit. This would require the entity to accept a transfer, for a nominal amount, of the publicly owned property to be developed into affordable housing.

Timing: Short-medium-term, project by project

2. Expand affordable housing fund to help purchase housing sites.

Even sites acquired through eminent domain must pay property owners the fair market value for their sites. The Town can assist with the purchase of affordable housing property by developing an affordable housing fund. Within this fund, the Town can approve an annual budget for property acquisition in order to minimize delays when a site becomes available.

Several jurisdictions in the Triangle Region have affordable housing bond funds that have provided critical financial assistance for affordable housing developments including the City of Raleigh ($80 million) and the City of Durham ($95 million). These funds can be used in the purchase of land and/or the construction of housing units.

Timing: medium-term, to the extent possible as a bond fund would require voter approval

3. Identify underutilized sites. Conduct an analysis of underutilized sites in key locations to determine whether any owners might be willing to sell unlisted sites.

This may be a preferred manner for acquiring sites in order to avoid competing with private buyers. However, it will require additional strategies to keep sellers from inflating prices above market rates.

Timing: Short-term

4. Expand relationships with brokers to assist with identifying listed sites.

Continue and/or form relationships with local real estate brokers to assist in acquiring sites listed for sale. This could include the following:

- Securing a bench of brokers to represent the Town in a transaction.
- Asking brokers to proactively find sites.
- Allowing the broker to contact property owners.
- Allowing brokers to negotiate on the Town's behalf.

Timing: Short-term

5. Continue and expand subscriptions to listing services.

CoStar, MLS, and other online tools provide alerts when sites that meet criteria become available for sale. Town staff can actively watch for sites that become available.

Timing: Short-term

Site Disposition

Site disposition strategies focus on prioritization of potential disposition sites and approach to the disposition process.

1. Identify Town-owned properties that have potential to be developed with affordable housing.

To the extent possible these sites should be in accessible, high-value areas to avoid concentration of affordable housing in any one neighborhood. This process should proceed as follows:

Step 1: Determine that site is surplus to the needs of the Town and its departments.

Step 2: Analyze whether the site fits with established criteria.

Step 3: If the site fits with criteria established, the potential opportunity should then be put in the development queue.

Step 4: If the site does not meet the criteria above, determine if it has potential value to trade in return for other properties that could be used for affordable housing.

Timing: Immediate, after criteria are established

2. Prioritize the disposition sites that meet established criteria

In addition to the criteria listed for site acquisition, the criteria for disposition should also favor sites that are:

- Owned by the Town (as opposed to other public entities).
- Sufficiently large to support multifamily or townhouse development (or adjacent to other land assemblage opportunities).
- Accessible to public transportation with frequent, regular service.
- In a location with that allows housing by right (in regard to zoning regulations).

Other site characteristics such as existing land use on surrounding sites and tree coverage on the site could be considered.

Timing: Short-term

3. Empower an entity to lead a regular, cross-agency assessment of opportunities for developing affordable housing on public land

This entity could be an interdepartmental staff team with expertise in planning, urban design, affordable housing, the Town's real estate holdings, and park- and facilities-planning efforts to review opportunities. It is possible that, in addition to Town staff, this entity could have representatives from other agencies involved in creating and managing affordable housing that are potential partners with the Town in this effort. That could include the Wake County Department of Housing Affordability & Community Revitalization, the Wake County Housing Authority, and others.

Authorizing a single entity/agency to consolidate public holdings sets a process for inventorying and disposing of public land. If there is no mandate to do so, municipal agencies not focused on housing are unlikely to review property holdings that could be used to expand affordable housing development.

Timing: Short-term

4. Establish a housing fund to help finance new affordable housing in the Town of Wake Forest.

As mentioned in the site acquisition section, an affordable housing funding source can be very effective in assisting with affordable housing development. Even with free or reduced cost land, it can be difficult to structure financing for affordable housing. Several jurisdictions in the Triangle Region have affordable housing bond funds that have provided critical financial assistance for affordable housing developments including the City of Raleigh ($80 million) and the City of Durham ($95 million). While the Town of Wake Forest is currently setting aside a half cent of every dollar of property taxes collected to fund affordable housing initiatives, this may not be sufficient to fully cover a land disposition program.

Timing: Medium-term, to the extent possible as a bond fund would require voter approval

5. Use public resources to help prepare sites for development.

Any activities that reduce hard and soft development costs including clearance and decontamination of a site, infrastructure provision, or advancement of area land use planning, can help enable free or discounted public land to support affordable housing. This type of investment in the sites can reduce the hard costs of development and the risk and time involved to get the sites ready for development, which reduces the need for additional public subsidy and helps attract better development proposals.

Timing: Medium-term, as the Town goes through the priority list of sites as indicated in #2 above

6. Identify sites where there is existing affordable housing that is managed by Wake County Housing Authority (WCHA), that could be expanded, and redeveloped if needed, and support the WCHA's efforts in this area.

WCHA, which was contacted for this study, has expressed a strong interest in a partnership with the Town on their properties located in Wake Forest. This could include improving or redeveloping the three primary WCHA properties and creating new affordable units where possible.

Such an effort will require additional resources. WCHA could use HUD's Rental Assistance Demonstration program, known as RAD, that allows housing authorities to leverage public and private debt equity in order to reinvest in the public housing stock, but it would like the Town's support on this endeavor. WCHA is also considering applying for a Choice Neighborhoods grant for redeveloping and potentially adding more affordable units on their properties. Choice Neighborhood grants, which leverage public and private dollars to support locally driven strategies that address struggling neighborhoods through a comprehensive approach to neighborhood transformation, requires the Town to strongly support the neighborhood transformation goal, to have a competitive application to HUD.

Timing: Short-term, working in tandem with WCHA

7. As the Town prepares for the solicitation process, build in a requirement that developers will ground lease sites.

Sites with multifamily development potential are best disposed of through a long-term developer ground lease. This will allow the Town to write down some or all of the land value in exchange for affordable housing and potentially other community benefits.

Timing: Medium-term

8. Issue a Request for Proposals (RFPs) to developers, on a site-by-site basis, who are interested in redeveloping sites into residential or mixed-use developments that include affordable housing

After sites are identified for development of affordable housing the Town should issue RFPs, site by site as the properties are identified and readied for development/redevelopment. The RFP will list the Town's goals for the particular site which would include income-targeting and income mix, long-term affordability, density and land use, and neighborhood character. Each RFP will also include:

- A precise description of the project site,
- The terms under which site is being offered on a long-term ground lease, and
- Specific directions on the required submittal including corporate documentation, qualifications and experience, project concept, financial capacity.

Prior to issuing the RFP, the Town may wish to issue a Request for Interest (RFI). The response to the RFI will help guide the requirements set forth in the RFP. There can be a substantial difference in approach to an RFP depending on whether the respondents are nonprofits, for-profits, or from outside the immediate area. The City of Raleigh issued an RFI before the RFP they prepared for the Lane-Idlewild site.

If the given project has the potential to be larger (e.g., 100 or more units), the Town may consider also issuing a Request for Qualifications (RFQ). Larger projects have the potential to attract more proposals from larger developers. Because RFPs can be expensive to produce, an RFQ process would allow the Town to select a shortlist of qualified developers and give those developers some certainty that they have a good chance of being selected.

At the end of the selection process, whether it includes an RFI and an RFP, or for larger sites, an RFQ and an RFP, the Town must be prudent in selecting a developer/lessee that has the financial capacity and experience to construct and operate any development.

Timing: Medium-term, site by site

9. Following the competitive selection, the Town and the developer enter into ground lease negotiations.

A typical ground lease is structured as an absolute net lease in which the lessor has no responsibilities for the construction, maintenance, and operation of the improvements. The lessee pays all property taxes, possessory use taxes, and other property-based taxes or impositions. Ground leases typically have terms over 50 years to give the tenant time to amortize their investment in their improvements.

There are several benefits for the Town to ground lease sites. One benefit is that a ground lease can generate a stream of rental payments with periodic adjustments. Another is that the Town has the ability to control the uses developed on a ground-lease property through deal terms and criteria established in the developer solicitation, including the length of affordability covenants.

There are also benefits of a ground lease to the developer lessee. By leasing, rather than buying the land, the developer does not need to raise or invest as much capital and higher investment yields therefore can be achieved. Furthermore, ground leases are universally recognized as an interest in real property and leasehold estates are insurable by title companies.

Timing: Medium-term, site by site

Program Management

1. The Town of Wake Forest should designate one staff person who serves as the coordinator for the land disposition for affordable housing program, regardless of the form the program takes.

Each of the cities and counties with land disposition programs that BAE researched has a staff person who has the land disposition program as a primary job function. This person would serve as the liaison between the Town and Housing Authority or other partner(s), oversee consultants, and act as Town Project Manager on developer solicitations and negotiations.

We envision the staff member or consultant to coordinate the Town's role in the land disposition program. This could include helping to identify public land suitable for affordable housing, arranging for any Town-led improvements to properties that would make the properties more development ready and attractive to developers, helping craft developer solicitation documents for development sites, working with partner Housing Authorities, and working with legal counsel to put together ground leases and development agreements as needed and appropriate.

This staff person should be a mid-level professional, with five or more years of experience in affordable housing planning and development in North Carolina, with strong working knowledge of state and federal housing programs that could be leveraged to structure financing for the projects that will be part of the land disposition for affordable housing program. Whether internal staff or an outside consultant, this coordinator would likely be initially housed in the Planning Department, as the Town does not intend to become its own Housing Authority. We would anticipate the salary for this position would currently be in the range of $65,000 and $80,000, not including benefits.

Timing: Short-term

2. The Town of Wake Forest should create a bench of consultants to provide assistance in disposition activities.

The Town should utilize outside consultants to support the program, particularly in the beginning as the program ramps up and the Town disposes of its available properties. The Town can issue a Request for Qualifications (RFQ) from urban design and architecture firms, financial real estate advisory firms, and land use attorneys with ground lease experience to create three benches of experts who can be available to assist with developer solicitation documents, proposal evaluations, and provide negotiation support.

Financial Review. Based on our experience providing these services, BAE estimates that assisting in the tailoring the developer solicitation (RFI and RFP) beyond the attached template, evaluating up to three developer proposals, and assisting with negotiation support through a signed Term Sheet would cost the Town approximately $20,000. More than three submittals would require additional funding.

This work would include a review of developer's financial capacity and experience, as well as reference checks, and a review of proposed project financial models and key assumptions to determine the financial viability of the proposed project.

BAE interviewed active planning firms and land use attorneys to estimate the cost to provide these services.

Design Review - Consulting fees for a design firm to review three developer submittals during proposal evaluation and then review schematic design documents at 25, 50, 75, and 100 percent thorough the negotiation process could cost $15,000 to $20,000, with $7,500 for developer concept review and the remainder for schematic design review.

Legal - If needed, legal fees for outside counsel to draft deal documents could cost $25,000. This would include the drafting of an Exclusive Negotiating Agreement (ENA), Term Sheet, Ground Lease, and Development Agreement (DA). The Town would want a draft ENA to attach to the RFP. After the first ENA is drafted, the Town could wait until developer selection to engage its legal consultants. Outside counsel with direct ground lease and development agreement experience can lead developer negotiations and draft the Term Sheet that will include all pertinent deal points for the project, the official ground lease document, and the subsequent development agreement. The Town Attorney should create, manage, and oversee all outside counsel activities.

The total annual budget, including setting aside funding to purchase an acre of land would total $594,000 in 2023 dollars. Table 6 shows the proposed annual budget to support an affordable housing program.

Table 6: Land Disposition Program Annual Budget

Use	Amount
Personnel (Liason, 1 Full Time)*(a)*	$85,000
Consulting Fees	
Financial (b)	$20,000
Design Review (c)	$20,000
Legal (d)	$25,000
Land Purchase (One Acre)	$431,000
Brokerage Fee (3% of purchase)	$13,000
Total Annual Budget	**$594,000**

Notes:
(a) Base Salary, which does not include benefits.
(b) Includes evaluation of three developer proposals and negotiation support to get to a signed Term Sheet.
(c) Review up to three developer concepts and schematic design documents.
(d) Outside counsel with ground lease experience to draft the Exclusive Negotiating Agreement, Term Sheet, and Development Agreement. This service may not be required if covered by Town Attorney.

Sources: CoStar; BAE, 2023.

This budget represents a year in which the Town undertakes a project of averaged-complexity affordable housing program without partnering with another public housing agency. If the Town partners with the Wake County Housing Authority, it may be able to save on some consulting fees. However, the Town may need to contribute some amount of the funding for consultants while the Housing Authority builds internal experience and capacity to successfully complete these projects.

Timing: Short-term, next budget cycle

Strategic Partnerships

1. The Town of Wake Forest should negotiate Memoranda of Understanding with potential housing authority and other strategic partners.

The Town should negotiate with strategic partners who can use Town funds to assist in the development of affordable housing projects. Any time the Town contributes funding to another entity that will execute Town policies, the Town should have each entity's roles and responsibilities fully enumerated before entering into the transaction.

In this case, when the Town provides funding for site acquisition, it will want to have some say in which consultants are used, project goals and developer evaluation criteria, and/or have one or more members on the developer proposal evaluation panels. Identifying the strategic partners and pre-negotiating each entity's rights and obligations will reduce the potential for future issues.

Timing: Short-term

2. The Town of Wake Forest should continue to communicate with potential development partners and make program adjustments based on their feedback, if necessary.

Affordable housing developers have a deep understanding of the local housing market and financial structures needed to bring projects to life. Therefore, it is important to occasionally check-in with these potential partners for feedback and make program adjustments if necessary.

Timing: Short-term

Affordable Housing Incentive Zoning Policy Procedures Manual

Town Council Adopted
June 27, 2023

Town of Apex
Community Development & Neighborhood Connections Department
Planning Department
73 Hunter Street
Apex, NC 27502
919.249.3426 (Phone)

Contents

List of Tables

List of Appendices

Section 1. Overview

1.1 *Introduction*

Incentive zoning policies are intended to encourage applicants to provide a public service, such as affordable housing units or lots, in exchange for zoning-based, non-financial, and financial incentives. By adopting the Affordable Housing Plan (Plan), Town Council provided direction to establish an Affordable Housing Incentive Zoning Policy (Policy) that sets forth clear minimum recommendation criteria, applicability standards, and a menu of incentive options in exchange for developing residential affordable housing units or lots. The potential incentives outlined in this policy are intended to encourage the development and support of workforce housing in Apex. These incentives may be used alone, or in conjunction with other local, state and federal programs that assist in the creation of affordable housing.

The Affordable Housing Incentive Zoning Policy Procedures Manual (Procedures Manual) details the Town's minimum recommendations and applicability standards for the affordable housing units or lots generated through this Policy. The criteria in this Procedures Manual must be interpreted in conjunction with the Town's Unified Development Ordinance (UDO). The Affordable Housing Incentive Zoning Policy Administration Manual (Administration Manual) details specific procedures for the on-going administration of housing units or lots generated as a result of this Policy.

1.2 *Goals*

The goals of this Policy include:

(a) Providing a clear process and understanding of the Town's minimum recommendations and applicability standards for Town staff and prospective applicants;
(b) Adding affordable housing units or lots to the Town's affordable housing portfolio;
(c) Developing affordable housing units that address the Town's highest priority needs;
(d) Creating mixed-income communities, with affordable housing units integrated within residential and mixed-use market-rate developments; and
(e) Offsetting potential market-rate development revenue loss for developing affordable housing units or lots using the various available incentives.

1.3 *Applicability*

This Policy is applicable within zoning districts that allow residential and mixed-use development per Sec. 4.2.2 of the UDO. Applicants whose development meets the minimum Policy recommendations or submits an alternative proposal may apply for incentives through the Conditional Zoning and Planned Unit Development-Conditional Zoning (PUD-CZ) approval process in exchange for providing affordable housing within a development. All incentives are subject to Town Council approval through the Conditional Zoning process.

Table 1 – Minimum Policy Recommendation Applicability Standards

Minimum Development Unit Size Threshold	Minimum Affordable Housing Rental/Ownership On-Site Unit/Lot Percentage (%)	Maximum Affordable AMI Percentage (%)	Minimum Affordability Term
20+ Units/Lots	5%	Ownership - up to 135% AMI	Ownership – 20 Years
		Rental – up to 100% AMI	Rental – Negotiable based on income targeting

1.4 ***Alternatives***

Proposals that differ from the minimum Policy recommendations will be considered alternative proposals. The applicant should specify if the alternatives are less than, equivalent to, or greater than the minimum Policy recommendations in the Affordable Housing Proposal (AHP). An applicant is not precluded from requesting one or more zoning-based, non-financial, or financial incentives if proposing an alternative proposal (i.e. different on-site residential affordable housing unit or lot percentage, different Area Median Income (AMI) percentage, different affordability term, etc.), that differs from the Town's minimum Policy recommendation. The Town Council may approve, conditionally approve, or deny any proposal including an alternative proposal. The Town may retain the services of a consultant or outside legal counsel to review the reasonableness of the submitted proposal.

1.5 ***Organization***

Section 2 describes the application process to work with Town staff to prepare an affordable housing zoning condition as part of a Conditional Zoning application. Section 3 includes the minimum Policy recommendations associated with the affordable housing proposals. Section 4 describes the menu of zoning-based, non-financial, and financial incentives available to applicants in exchange for providing affordable housing units or lots as a public service. Detailed definitions and procedures for calculating affordable housing ownership costs, initial sales prices and AHP rental and ownership templates are provided in Appendix A, B, C, D, and E respectively.

1.6 ***Authority***

The Town Manager or designee is authorized to sign all documents on behalf of the Town that implement this Policy.

Section 2. Process

This Policy provides a menu of zoning-based, non-financial, and financial incentive options available for applicants to request in exchange for providing affordable housing units or lots on-site within a development through the Conditional Zoning and PUD-CZ approval process. A summary of the review process and schedules for Conditional Zoning and PUD-CZ applications can be found at http://www.apexnc.org/215/Applications-Schedules.

2.1 *Step 1: Pre-application Meeting*

This is the first step of the Conditional Zoning and PUD-CZ process. The applicant will have an opportunity to meet with the Town's Technical Review Committee (TRC) and Housing staff to discuss and receive feedback regarding all aspects of the proposed development and the affordable housing incentive options. The intent of the meeting is for the applicant to inquire about the various incentives potentially available in exchange for voluntarily providing affordable housing units or developable lots.

2.2 *Step 2: Town Staff Meetings*

The applicant will meet with Town staff to go over the Policy incentives and applicability standards in more detail. Staff assigned to each project will assist the applicant on how the incentives and applicability standards might be applied to the proposed development. This step will provide the applicant with the information needed for drafting and submitting the AHP concurrently with the Conditional Zoning application for Town staff to review and comment.

2.3 *Step 3: Affordable Housing Proposal Submittal*

The applicant will submit an AHP concurrently with the Conditional Zoning application. Appendix E and Appendix E provide a template of the AHP. The AHP will detail the incentives requested, number of affordable units, AMI percentage(s), tenure, affordability period, and describe how the applicant proposes to address the affordable housing component of the proposed development.

In addition, the AHP shall address the following affordable housing unit design and location recommendations:

1. Affordable housing units should be comparable to market-rate units in terms of unit type, consistency in building materials, overall quality of construction, and consistent with current building code standards for new housing construction.
2. Affordable housing lot sizes, number of bedrooms and number of garages may be less than the market-rate housing units, but in general, should have similar floorplans.
3. Affordable housing units should be dispersed through the development as evenly as possible based on project location, project size, proximity to transit, number of buildings and number of phases.

Town staff will review the AHP and work with the applicant until the AHP is finalized.

2.4 *Step 4: Affordable Housing Zoning Condition*

Once the AHP is finalized, the applicant and staff will draft the recommended affordable housing zoning conditions for consideration by the Planning Board and Town Council.

2.5 *Step 5: Affordable Housing Restrictive Covenants or Similar Instruments*

Once the Conditional Zoning application and zoning conditions are approved by Town Council, the applicant and staff will work with the Town's Legal Department to execute and record a restrictive covenant (i.e., affordable housing agreement) or similar instrument to memorialize the affordable housing terms and conditions of the approved zoning condition against the property and/or individual lots designated for the affordable housing units. A restrictive covenant or similar instrument will be drafted in partnership with the applicant recognizing the development may have other restrictions from first position lenders or other priority liens which could impact the type of instrument used to ensure the affordability period.

For rental developments, the restrictive covenant shall be recorded against the property prior to issuing the first Certificate of Occupancy. For ownership developments, the restrictive covenant shall be recorded against the individual affordable housing lots prior to issuing a building permit for such lots. The individual lots designated as affordable housing ownership units shall also be identified on the Master Subdivision Final Plat. The Town may retain the services of a consultant or outside legal counsel to review the restrictive covenant or instrument prior to recordation.

Section 3. Income Categories, Housing Tenure, AMI Percentages and Calculations

3.1 *Affordable Housing On-Site Percentage, Income Category and AMI Percentage*

The minimum recommended affordability term is twenty (20) years for affordable ownership units or lots. Rental housing terms and conditions will be negotiated on a project-by-project basis. Rental developments that target lower AMI percentages may have shorter terms that recognize the revenue loss due to the lower rents.

When an applicant proposes affordable housing units or lots within a development, the minimum recommended on-site percentage, income category, and maximum AMI percentages are shown in Table 2 for rental and ownership tenure types. The same standards are applicable for developments with mixed rental and ownership units.

Table 2 – Minimum Policy Recommendation Applicability Standards

<table>
<tr><th>Housing Tenure Type</th><th>Minimum Development Unit/Lot Size Threshold</th><th>Minimum Affordable On-Site Unit/Lot Percentage (%)[1]</th><th>Maximum Affordable AMI Percentage (%)[2,3]</th><th>Minimum Affordability Term</th></tr>
<tr><td>Ownership</td><td rowspan="2">20</td><td rowspan="2">5</td><td>135</td><td rowspan="2">Ownership –
20 Years

Rental –
negotiable based on income targeting</td></tr>
<tr><td>Rental</td><td>100</td></tr>
</table>

[1] An affordable housing on-site unit percentage analysis was performed utilizing the following data: (1) Town rezoning applications from 2018 to 2021, (2) regional jurisdictions Affordable Housing, Density Bonus and Inclusionary Housing Ordinances within and outside of Wake County. As a result, the empirical data showed that a minimum Policy recommendation of five percent (5%) on-site for affordable housing units or lots was supported for recommendation.
[2] Based on U.S. Department of Housing and Urban Development (HUD) Raleigh, NC Metropolitan Statistical Area (MSA) Area Median Income (AMI) published income limits and North Carolina Housing Finance Agency (NCHFA) Low-Income Housing Tax Credit (LIHTC) Multifamily Tax Subsidy Program (MTSP) published income limits for the Wake County Metropolitan area.
[3] The Town is considered a high-cost area, as the Town's market-rate rents and median home sales prices are higher than most jurisdictions within Wake County. An affordable housing rental and ownership AMI analysis was performed utilizing the following: (1) regional jurisdictions Affordable Housing, Density Bonus and Inclusionary Housing Ordinances within and outside of Wake County, (2) HUD industry standards, (3) non-profit affordable housing providers, (4) market-rate-income analysis, (5) market-rate rent analysis and (6) market-rate ownership analysis. As a result, the empirical data showed that up to one hundred percent (100%) AMI for affordable housing rental units and up to one-hundred percent (135%) AMI for affordable housing ownership units was supported for recommendation.

3.2 *Affordable Housing Calculations*

Instructions and examples for calculating the maximum monthly affordable housing ownership costs and maximum initial sales prices are provided in Appendix B.

When computations for the number of on-site residential affordable housing units or lots result in a fraction, the applicability shall be as shown in Table 3.

Table 3 – Affordable Housing Unit Fraction Applicability

Fraction	**Applicability**
0.00 – 0.49	No Additional Affordable Housing Unit or Lot
0.50 – 0.99	Round Up & Provide Additional Affordable Housing Unit or Lot

To receive credit toward the minimum Policy recommendation of five percent (5%) on-site affordable housing ownership units within a development, the affordable housing ownership initial sales price (including unit and lot price) must be at least ten percent (10%) below the market-rate initial sales price/appraised value for the specific affordable housing ownership units based on bedroom size and affordable AMI percentage category. The residential market-rate units and the affordable housing ownership units should have similar floor plans.

Table 4 shows examples of different scenarios of when an applicant will or will not receive credit toward the minimum Policy recommendation. This threshold does not apply when an applicant is proposing to partner, sell, donate or transfer the lots to another entity or program (i.e. an affordable housing developer) who will in turn construct the residential affordable housing ownership units at an affordable initial sales price.

Table 4 – Affordable Housing Ownership Unit Credit

Bedroom Size	**Maximum Affordable AMI Percentages (%'s)**	**Market-Rate Initial Sales Price (Unit & Lot)**	**Affordable Housing Initial Sales Price (Unit & Lot)**	**Affordable Housing Initial Sales Price Percentage (%) Below Market-Rate Initial Sales Price (Min. 10%)**	**Affordable Housing Unit Credit**
3	100	$325,000	$308,750 Similar Floor Plan	5	No

Bedroom Size	Maximum Affordable AMI Percentages (%'s)	Market-Rate Initial Sales Price (Unit & Lot)	Affordable Housing Initial Sales Price (Unit & Lot)	Affordable Housing Initial Sales Price Percentage (%) Below Market-Rate Initial Sales Price (Min. 10%)	Affordable Housing Unit Credit
3	135	$350,000	$308,000 Similar Floor Plan	12	Yes

3.3 ***Other Programs for Affordable Housing***

3.3.1 Ownership

An applicant may include affordable housing ownership units on-site through other state, federal or local affordable housing programs or construction partnerships. When affordable housing ownership units are proposed to be included through other state, federal, or local affordable housing programs or construction partnerships; the Town will work with all entities involved on the specific regulatory requirements of those programs or partnerships.

If an applicant is proposing to satisfy the minimum Policy recommendation of five percent (5%) on-site affordable housing ownership units through other affordable housing programs or construction partnerships, formal written agreements (i.e., MOU, development agreement, etc.) shall be in place between the entities involved. The specifics of the proposal shall be included in the applicant's AHP.

3.3.2 Rental Housing

An applicant may include affordable rental housing through other state, federal or local affordable housing programs (i.e., Section 8 Housing Choice Voucher Program, Low-Income Housing Tax Credit (LIHTC) Program, etc.) or other construction partnerships. When affordable rental units are proposed to be included through other affordable housing programs or partnerships, the Town will work with all entities involved on the specific regulatory requirements of those programs or partnerships. If an applicant is proposing to satisfy the minimum Policy recommendation of five percent (5%) on-site for the affordable rental units through other affordable housing programs or partnerships, formal written agreements (i.e., MOU, development agreement, etc.) shall be in place between the entities involved. The specifics of the proposal shall be included in the applicant's AHP as part of the Conditional Zoning application process.

3.4 ***Restrictive Covenants***

Affordable housing ownership units or lots and rental housing units will be subject to a recorded restrictive covenant (i.e. affordable housing agreement), as stated in Section 2.5, that will be executed between the Town and applicant.

Affordable housing ownership units may be subject to an additional recorded restrictive covenant (i.e. resale deed restriction agreement, shared appreciation agreement, etc.) recorded against the property between one of the following: (1) the applicant and Town, (2) the applicant and individual purchasers, (3) third party entity and individual purchasers, or (4) Town and individual purchasers that is above and beyond what is stated in Section 2.5 that restricts the affordable initial sales price and resale price during the period of affordability at the agreed upon maximum AMI percentage.

In situations where the mortgage or other program regulations prohibit a recorded restrictive covenant (i.e. resale deed restriction agreement, shared appreciation agreement, etc.) to be recorded against the property, other instruments that preserve the affordability will be utilized.

Recorded restrictive covenants shall run with the land and will remain in effect for subsequent buyers and owners. Final affordability terms and conditions will be included in the following: (1) zoning condition as approved by Town Council, and (2) memorialized in a recorded restrictive covenant against the property or lots.

Section 4. Town Incentives

An applicant may request one or more of the zoning-based, non-financial, and financial incentives listed in this section through the Conditional Zoning (CZ) or Planned Unit Development-Conditional Zoning (PUD-CZ) application. An applicant is not precluded from requesting one or more of the incentives if proposing an alternative proposal that differs from the Town's minimum Policy recommendations. All zoning-based, non-financial, and financial incentives requested by the applicant are not automatically approved and are subject to Town Council consideration and approval.

4.1 *Zoning-Based Incentives*

The zoning-based incentives that an applicant may request include:

4.1.1 Higher Density Zoning District

An applicant may apply for a zoning district that allows more housing types and density than otherwise indicated on the 2045 Land Use Map to increase overall project density to support the provision of affordable housing.

4.1.2 Density Bonus

A density bonus encourages the production of affordable housing by allowing applicants to build more units or lots within the development than would otherwise be allowed by the proposed zoning district. If rezoning to the High-Density Multi-Family Residential-Conditional Zoning (HDMF-CZ), an applicant may propose a zoning condition that increases the allowed density above the 14 dwelling units per acre that the HDMF zoning district permits. An increase to at least 16 dwelling units per acre would be supported by this incentive.

4.1.3 Development Standards

Adjustments to the development standards listed below may be requested in order to support the development of affordable housing. In all cases, the type and amount of incentives proposed will be reviewed in conjunction with the 2045 Land Use Plan (as amended from time to time by the Town Council), including the Land Use Map and Context Areas Map, and the character of the surrounding area. The incentives listed below in (a), (b) and (c) are applicable in any CZ district, without the need to rezone to a PUD-CZ district.

a. Increased maximum building height
b. Reduced minimum building setbacks
c. Reduced minimum lot widths

4.1.4 Resource Conservation Area (RCA) Reduction

The maximum reduction in Resource Conservation Area (RCA) that may be requested is 10%. The amount of reduction that may be supported by staff will depend upon the percentage of units or lots provided as affordable housing and the amount of RCA required for the property. This incentive is applicable in any CZ district, without the need to rezone to a PUD-CZ district.

4.1.5 Parking Reductions
A reduction in the required amount of parking may be requested for developments that are pedestrian-oriented mixed-use and/or within .25-mile of an existing or planned bus stop. This incentive is applicable in any CZ district, without the need to rezone to a PUD-CZ district.

4.1.6 Sidewalk Reductions
For PUD-CZ applications located in the Rural Context Area as depicted on the 2045 Land Use Plan Context Areas Map, the Town may choose to waive the requirement in Section 2.3.4.F.1.a.iv of the UDO requiring construction of sidewalks on both sides of residential streets. In these cases, sidewalks must be provided on at least one side of all residential streets. Section 7.5.4.C of the UDO, requiring pedestrian facilities on both sides of all collector streets and thoroughfares, would not be waived.

4.2 ***Non-Financial Incentives***

Below is a list of non-financial incentives that an applicant may request through this Policy.

4.2.1 Expedited Processing
The Town, wherever possible, would consider expediting the processing of site plan and master subdivision plan applications where at least 10% of the residential units or lots are set aside for affordable housing.

4.3 ***Financial Incentives***

Below is a list of financial incentives that an applicant may request through this Policy.

4.3.1 Loan, Grants and Reimbursements
The Town may choose to provide financial assistance in the form of a grant for reimbursement of certain development fees to help offset some of the total development costs for providing residential affordable housing units or lots within a development. Funds shall be structured in a manner that directly reduces the housing cost for the end user in the form of a lower purchase price or monthly rental cost. The Town may also choose to provide financial assistance in the form of a loan or grant within a development to assist with the creation of residential affordable housing units or lots. This incentive is subject to Town funding availability, and will be evaluated on a case-by-case basis.

This incentive is also subject to the requirements set forth by the North Carolina General Statutes as listed below.

<u>North Carolina General Statue § 157-3</u>

1. If the Town chooses to provide financial assistance, at least twenty-percent (20%) of the total housing units within the development (ownership or rental) must be set-aside as affordable housing units for the exclusive use of persons of low-income earning no more than sixty-percent (60%) of AMI.

2. Financial assistance provided by the Town must be shown to flow directly to reducing the housing costs for low-income and moderate-income persons, and not diverted for other uses. For example, if $10,000 of financial assistance is provided by the Town, then the entire amount

must directly offset the housing costs of low-income and moderate-income persons and not to any market-rate units that might accompany the income-restricted units.

North Carolina General Statue § 157-9.4. Multi-family Rental Housing Projects

a. If the Town owns, operates, or provides financial assistance to a multi-family rental housing project, at least twenty percent (20%) of the total housing units in the development shall be set aside for the exclusive use of persons of low-income earning no more than sixty percent (60%) of AMI. A single developer may group projects being developed concurrently in order to meet the requirement of this subsection.

b. If an authority provides financial assistance to a multi-family rental housing project, the authority shall establish, as a condition of the assistance, requirements and procedures that insure that all units initially set aside for the exclusive use of persons of low-income earning no more than sixty percent (60%) of AMI continue to be so used for at least fifteen (15) years after the initial date on which at least fifty percent (50%) of the units in the project are occupied.

c. Financial assistance provided by the Town must be shown to flow directly to reducing the housing costs for low-income and moderate-income persons, and not diverted for other uses. For example, if $10,000 of financial assistance is provided by the Town, then the entire amount must directly offset the housing costs of low-income and moderate-income persons and not to any market-rate units that might accompany the income-restricted units.

Appendix A – Procedures Manual Definitions

Affordable Housing means housing on which the occupant is paying no more than thirty percent (30%) of gross monthly household income for housing costs, including utilities.

Affordable Housing Ownership Housing Costs means a reasonable down payment and monthly housing costs expected during the first calendar year of occupancy, including utilities or utility allowances, mortgage loan principal and interest, mortgage insurance, property taxes, homeowner's insurance, homeowner's association dues, if any, and all other property assessments, dues and fees assessed as a condition of property ownership, which does not exceed thirty percent (30%) of gross monthly household income based on a family size that is equal to the actual number of bedrooms as the affordable housing low-income ownership unit.

Affordable Housing Rental Housing Costs – means a monthly rent, including utilities in the form of a utility allowance which does not exceed thirty percent (30%) of gross monthly housing income adjusted for family size. Rents shall not exceed the maximum rent limits per bedroom size of the Raleigh, NC Area Median Income ("AMI") as most recently published by HUD and stipulated by the most recently published North Carolina Housing Finance Agency (NCHFA) Low-Income Housing Tax Credit (LIHTC) Multifamily Tax Subsidy Program (MTSP) income and rent limits for the Wake County Metropolitan Area.

Affordable Housing Incentive Zoning Policy means a set of minimum Town recommendations, applicability standards and incentive options for applicants to consider in exchange for providing residential affordable housing units or lots within a development as part of the Conditional Zoning and Planned Unit Development-Conditional Zoning (PUD-CZ) approval process.

Affordable Housing Incentive Zoning Policy Administration Manual means a manual which details policies and procedures for the on-going administration of residential affordable housing units or lots generated through the Affordable Housing Incentive Zoning Policy.

Affordable Housing Proposal (AHP) means a document submitted by an applicant as part of the Conditional Zoning application for the development which stipulates the affordable housing criteria as specified in the Affordable Housing Incentive Zoning Policy Procedures Manual for the residential affordable housing units or lots in order to assure compliance with the Affordable Housing Incentive Zoning Policy.

Affordable Housing Incentive Zoning Policy Procedures Manual means a manual which details applicability standards and procedures for residential affordable housing units or lots generated through the Affordable Housing Incentive Zoning Policy.

Affordable Housing Unit means a residential dwelling unit or lot that meets the definition of an affordable housing unit or lot as detailed in the Affordable Housing Incentive Zoning Policy Procedures Manual and Affordable Housing Incentive Zoning Policy Administration Manual through the Affordable Housing Incentive Zoning Policy.

Area Median Income means the annual median family income for the Raleigh, NC Metropolitan Statistical Area (MSA), adjusted for family size, as most recently published and defined by the U.S. Department of Housing and Urban Development (HUD).

For-Sale Residential Development means any residential development or portion of a residential development that involves the creation of one or more additional dwelling units or lots that may be lawfully sold individually.

HUD means the U.S. Department of Housing and Urban Development.

Period of Affordability means the time specified in the recorded restrictive covenant for which the required number or percentage of residential affordable housing units or lots must be preserved.

Persons of Low-Income as defined in North Carolina General Statute § 157-3 (15a) means persons in households the annual income of which, adjusted for family size, is not more than sixty percent (60%) of the local area median family income as defined by the most recent figures published by the U.S. Department of Housing and Urban Development.

Persons of Moderate Income as defined in North Carolina General Statute § 157-3 (15b) means persons deemed by the authority to require the assistance made available pursuant to this Chapter on account of insufficient personal or family income taking into consideration, without limitation, (i) the amount of the total income of such persons and families available for housing needs, (ii) the size of the person's family, (iii) the cost and condition of housing facilities available, and (iv) the eligibility of such persons and families for federal housing assistance of any type predicated upon a moderate or low and moderate income basis.

Planned Unit Development-Conditional Zoning means the zoning district established in Sec. 3.3.3.C of the UDO. This district allows for variations in development standards in order to provide a type of development that is not possible through strict application of the Ordinance.

Maximum Allowable Affordable Housing Ownership Sales Price means the highest dollar amount at which a residential affordable housing ownership unit may be sold.

Maximum Allowable Affordable Housing Rent Limit means the highest dollar amount at which a residential affordable housing rental unit may be rented including utilities or utility allowances.

Mixed-Use Residential Development means any development that contains both residential and non-residential uses.

Rental Residential Development means any residential development or portion of a residential development that creates one or more dwelling units that cannot lawfully be sold individually.

Restrictive Covenant means a legal document imposing a restriction on the use of land so that the affordability terms and conditions are memorialized for the residential affordable housing units or lots.

Utility Allowance means maintenance and utilities costs as most recently published by the U.S. Department of Veterans Affairs (VA) for affordable ownership housing and utility allowance schedule as most recently published by either the Housing Authority of the County of Wake or the Raleigh Housing Authority, NC for affordable rental housing.

VA means the U.S. Department of Veterans Affairs.

Appendix B – Affordable Housing Ownership Costs and Initial Sales Price Assumptions and Examples

Step 1:

Maximum Affordable Housing Ownership Housing Costs

The first step is to determine the maximum affordable housing ownership housing costs by AMI percentage income category (e.g., 80% AMI, 100% AMI, or 135% AMI). The maximum affordable housing ownership housing costs determines how much a household can spend toward their total ownership housing expenses (i.e. principal and interest loan payment, property taxes, homeowner's insurance, mortgage insurance, utilities, HOA and property assessments). The following steps below outline how the maximum affordable housing ownership housing costs are calculated.

Target AMI Reduction Factor

An AMI reduction factor of 10 percentage points is included in determining the maximum affordable ownership costs. This reduction serves to help ensure monthly affordability for the buyer, and increase the pool of potential buyers.

For example, if the applicant has pledged ownership units targeted to households at 100% AMI or below, the AMI Reduction Factor is 90%. If the applicant has pledged ownership units targeted to households at 80% AMI or below, the AMI Reduction Factor is 70%.

Maximum Affordable Housing Ownership Housing Costs

The following steps below outline how the maximum affordable housing ownership housing costs are calculated.

1. Obtain the maximum annual affordable housing ownership housing costs by multiplying the following:

    a. 80% AMI = Thirty percent (30%) times 70 percent (70% AMI Reduction Factor) times the annual median-income limit (100% AMI category) based on a household size that is equal to the actual number of bedrooms.

    b. 100% AMI = Thirty percent (30%) times ninety percent (90% AMI Reduction Factor) times the annual median-income limit (100% AMI category) based on a household size that is equal to the actual number of bedrooms.

    c. 135% AMI = Thirty percent (30%) times one hundred twenty five percent (125% AMI Reduction Factor) times the annual median-income limit (100% AMI category) based on a household size that is equal to the actual number of bedrooms.

The table on the next page provides an example of how to calculate the maximum affordable housing ownership housing costs for the different affordable housing AMI percentage income categories (i.e. 100%, 135% AMI) based on a four (4) bedroom affordable housing unit.

Maximum Affordable Housing Ownership Housing Costs

Affordable AMI Percentages (%)	Unit Bedroom Size	Household Size	Annual Median-Income Limit	Calculation	Maximum Monthly Affordable Housing Costs
80%AMI	4	4	$113,330	0.3 x 0.7 x $113,300 = $23,793/yr. divided by 12 = $1,982.75/mo.	$1,982.75
100%AMI	4	4	$113,300	0.3 x 0.9 x $113,300 = $30,591/yr. divided by 12 = $2,549.25/mo.	$2,549.25
135% AMI	4	4	$113,300	0.3 x 1.25 x $113,300 = $42,487.50/yr. divided by 12 = $3,540.62/mo.	$3,540.62

Step 2:

Affordable Housing Initial Sales Price Housing Costs Assumptions

After the maximum affordable housing ownership housing costs have been calculated per Step 1 above, Step 2 is to plug in the affordable housing initial sales price housing costs assumptions below in order to determine the suggested maximum affordable housing ownership initial sales price. The initial sales price housing costs (i.e. principal and interest loan payment, property taxes, homeowner's insurance, mortgage insurance, utilities, HOA and property assessments), shall not exceed the household's maximum affordable housing ownership housing costs per the applicable income category (e.g., 80% AMI, 100% AMI, 135% AMI) and bedroom size of the affordable housing unit. In order to determine the suggested maximum affordable housing ownership initial sales price, certain housing costs assumptions must be considered. The following affordable housing ownership housing costs are assumed when calculating the maximum affordable housing ownership initial sales prices.

Affordable Housing Initial Sales Price Housing Costs Assumptions

Item	Assumption
Down Payment	3.00% of Initial Sales Price
Loan Amount	97.00% Loan-To-Value (LTV) of Initial Sales Price
Loan Term	30 Year Loan Term, Fully Amortized Principal and Interest (P&I)
Interest Rate	Freddie Mac 30 Year Fixed Rate Mortgage, Most Recent Monthly Average
Private Mortgage Insurance (PMI)	0.50% of 1st Mortgage Loan Amount
Property Taxes	1.00% of Initial Sales Price
Homeowners Insurance	0.25% of Initial Sales Price
Utilities or Utility Allowance	VA Maintenance & Utility Standard
Homeowners Association (HOA) Fee	Project Specific (If Applicable)
Other Property Assessments	Project Specific (If Applicable)

Step 3:

Affordable Housing Initial Sales Prices

Once Steps 1 and 2 above have been performed, Step 3 will produce the suggested affordable housing initial sales price per income category (e.g., 80%, 100% AMI, 135% AMI) based on the bedroom size of the affordable housing unit. The tables below illustrate examples of an affordable housing initial sales price for a four (4) bedroom 80% AMI, 100% AMI and four (4) bedroom 135% AMI affordable housing ownership unit. It is important to note that these are examples, and each project will be different.

Example
4 Bedroom Suggested Maximum (80% AMI) Affordable Housing Initial Sales Price

Maximum Affordable Housing Initial Sales Price	**$276,000.00**
NCHFA Homebuyers Assistance	$15,000
Wake County Homebuyers Assistance	$50,000
Buyer Down Payment (3.0%)	$6,330.00
1st Mtg. Loan Amount (75.0%) Loan-To-Value (LTV)	$204,670.00
1st Mtg. Interest Rate	6.39%
1st Mtg. Principal & Interest (P&I) Loan Payment	$1,318.44/mo.
Property Taxes (1.0%)	$230/mo.
HOA Dues (Estimated)	$100.00/mo.
Other Property Assessments (If Applicable)	$0.00/mo.
Homeowner's Insurance (0.25%)	$43.96/mo.
Utilities – VA Standard @ 0.14 cents/sq. ft Based on 1,800 sq. ft. Unit Size	$252.00/mo.
Private Mortgage Insurance (0.50%)	$87.92/mo.
Total Housing Cost	**$1,978.14**
30% Maximum Housing Costs	**$1,982.75/mo.**
Affordable Initial Sales Price Housing Costs	**$1,978.14/mo.**

Note: The maximum affordable housing initial sales price calculation in the table above is used only for illustration and educational purposes and does not reflect any project-specific data.

Example
4 Bedroom Maximum (100% AMI) Affordable Housing Initial Sales Price

Maximum Affordable Housing Initial Sales Price	**$292,000.00**
Down Payment (3.0%)	$8,760.00
1st Mtg. Loan Amount (97.0%) Loan-To-Value (LTV)	$283,240.00
1st Mtg. Interest Rate	6.39%
1st Mtg. Principal & Interest (P&I) Loan Payment	$1,769.83/mo.
Property Taxes (1.0%)	$243.33/mo.
HOA Dues (Estimated)	$100.00/mo.
Other Property Assessments (If Applicable)	$0.00/mo.
Homeowner's Insurance (0.25%)	$60.83/mo.
Utilities – VA Standard @ 0.14 cents/sq. ft Based on 1,800 sq. ft. Unit Size	$252.00/mo.
Private Mortgage Insurance (0.50%)	$121.67/mo.
Total Housing Cost	**$2,547.66**
30% Maximum Housing Costs	**$2,549.25/mo.**
Affordable Initial Sales Price Housing Costs	**$2,547.66/mo.**

Note: The maximum affordable housing initial sales price calculation in the table above is used only for illustration and educational purposes and does not reflect any project-specific data.

Example
4 Bedroom Maximum Median-Income (135% AMI) Affordable Housing Initial Sales Price

Maximum Affordable Housing Initial Sales Price	$420,000.00
Down Payment (3.0%)	$12,600.00
1st Mtg. Loan Amount (97.0%) Loan-To-Value (LTV)	$407,400.00
1st Mtg. Interest Rate	6.39%
1st Mtg. Principal & Interest (P&I) Loan Payment	$2,545.64/mo.
Property Taxes (1.0%)	$350.00/mo.
HOA Dues (If Applicable)	$100.00/mo.
Other Property Assessments (If Applicable)	$0.00/mo.
Homeowner's Insurance (0.25%)	$87.50/mo.
Utilities – VA Standard @ 0.14 cents/sq. ft Based on 1,800 sq. ft. Unit Size	$252.00/mo.
Private Mortgage Insurance (0.50%)	$175.00/mo.
Total Housing Cost	**$3,510.14/mo.**
30% Maximum Housing Costs	**$3,540.62/mo.**
Affordable Initial Sales Price Housing Costs	**$3,510.62/mo.**

Note: The maximum affordable housing initial sales price calculation in the table above is used only for illustration and educational purposes and does not reflect any project-specific data.

Appendix C – Affordable Rental Housing Cost Calculation Example

The following steps below outline how the maximum affordable rental housing costs are calculated.

Step 1:

Maximum Affordable Rental Housing Costs

The first step is to determine the maximum affordable rental housing costs by AMI percentage income category (e.g., 60% AMI, 80% AMI or 100% AMI). The maximum affordable rental housing costs determines how much a household can spend toward their total rental housing expenses (rent and utilities).

1. Obtain the maximum annual affordable housing rental housing costs by multiplying the following:

   a. 60% AMI = Thirty percent (30%) times sixty percent (60%) times the annual median-income limit (100% AMI category) based on household size.

   b. 80% AMI = Thirty percent (30%) times eighty percent (80%) times the annual median-income limit (100% AMI category) based on household size.

   c. 100% AMI = Thirty percent (30%) times one hundred percent times the annual median-income limit (100% AMI category) based on household size.

Maximum Affordable Rental Housing Costs

AMI	1 person	2-person	3-person	4-person	5-person
60%	$ 1,191.00	$ 1,360.50	$ 1,530.00	$ 1,699.50	$ 1,836.00
80%	$ 1,588.00	$ 1,814.00	$ 2,040.00	$ 2,266.00	$ 2,448.00
100%	$ 1,985.00	$ 2,267.50	$ 2,550.00	$ 2,832.50	$ 3,060.00

Step 2:

Affordable Rental Housing – Maximum Suggested Rent Assumptions

Rents shall be marketed at maximum rent limits per bedroom size, based on the most recently published North Carolina Housing Finance Agency (NCHFA) Low-Income Housing Tax Credit (LIHTC) Multifamily Tax Subsidy Program (MTSP) income and rent limits for the Wake County Metropolitan Area

*A monthly utility allowance shall be provided consistent with the procedures outlined by the North Carolina Housing Finance Agency.

Maximum Rent (2022 MTSP - Wake County)

AMI	Efficiency	1-bedroom	2-Bedroom	3-bedroom	4-bedroom
60%	$ 1,123.00	$ 1,203.00	$ 1,444.00	$ 1,669.00	$ 1,863.00
80%	$ 1,498.00	$ 1,605.00	$ 1,926.00	$ 2,226.00	$ 2,484.00
100%	$ 1,872.00	$ 2,006.00	$ 2,406.00	$ 2,782.00	$ 3,104.00

Note: Maximum rents will be updated annually as approved by the North Carolina Housing Finance Agency

Step 3:

Determining Final Rent Amount

Rents shall not exceed 30% of monthly gross income adjusted for household size for the agreed upon income category. Rents shall be the lesser of the maximum rent based on bedroom size, or 30% of gross income of the agreed upon income category. In no case shall the rents charged be more than the non-restricted units, based on bedroom size, throughout the development.

*A monthly utility allowance shall be provided consistent with the procedures outlined by the North Carolina Housing Finance Agency.

Example: 80% AMI Restricted Units – 1-bedroom apartment

Maximum Affordable Rental Costs:

80% AMI	Max. Cost.	Max Rent
1 person	$1,588.00	$ 1,588.00
2-person	$1,814.00	$ 1,605.00

Example: 80% AMI Restricted Units – 2-bedroom apartment

Maximum Affordable Rental Costs:

80% AMI	Max. Cost.	Max Rent
1 person	$1,588.00	$ 1,588.00
2-person	$1,814.00	$ 1,814.00
3-person	$2,040.00	$ 1,926.00
4-person	$2,266.00	$ 1,926.00

Appendix D – Affordable Rental Housing Proposal Development Template

Submittal Date: ________________________

Submittal No.: _________________________

Applicant/Project Information:

Conditional Zoning Case #:

____

____

Name of Applicant: ____

Applicant Representative Contact Information (Name, Phone and E-mail Address):

____

____

Name of Development: ____

Name of Market-Rate Builder/Developer: ____

Name of Affordable Housing Builder/Developer: ____

Site Address: ____

Policy Incentives (See Policy Procedures Manual For Full Incentive Descriptions):
Please check the Policy incentives being requested for the development from the list below and provide a description of the request.

1. Higher Density Zoning District (Zoning-Based) ☐

   Description of Request (i.e. Requesting rezoning from Rural Residential (RR) to Medium Density Residential-Conditional Zoning (MD-CZ)): ____

   ____

2. Density Bonus High Density Multi-Family Residential-Conditional Zoning (HDMF-CZ) (Zoning-Based) ☐

   Description of Request (i.e. Requesting a minimum of 16 du/ac): ____________________________

   ____

3. Increased Maximum Building Height (Zoning-Based) ☐

Description of Request (i.e. Requesting an additional xx feet): ____________________

____

4. Reduced Minimum Building Setbacks (Zoning-Based) ☐

   Description of Request (i.e. Requesting a reduction from xx feet to xx feet): ________________________

   ____

5. Reduced Minimum Lot Widths (Zoning-Based) ☐

   Description of Request (i.e. Requesting a reduction from xx feet to xx feet): ________________________

   ____

6. Resource Conservation Area (RCA) Reduction (Zoning-Based) ☐

   Description of Request (i.e. Requesting a reduction of xx percent):

   ____

   ____

7. Parking Reductions (Zoning-Based) ☐

   Description of Request (i.e. Requesting reduction of parking standards from xx spaces to xx spaces or xx spaces per unit to xx spaces per unit): ____

   ____

8. *Sidewalk Reductions (Zoning-Based) ☐

   Description of Request (i.e. Requesting to waive UDO requirement to construct sidewalks on both sides of residential streets): ____

   ____

   **Note: Incentive is only available in Rural Context Area as depicted on the Town of Apex Context Area Map.*

9. *Expedited Processing of Site Plan and Master Subdivision Plan Applications (Non-Financial) ☐

   Description of Request (i.e. Requesting expedited processing of Site Plan or Master Subdivision Plan): ______

   ____

   **Note: Min. 10% of the residential units or lots to be set aside for affordable housing in order to qualify for this incentive.*

10. *Loans, Grants and Reimbursements (Financial) ☐

    Description of Request (i.e. Requesting a fee reimbursement in the amount of $xx for the water capital reimbursement fee): ____

____

**Note: Min. 20% of the residential units or lots to be set aside for affordable housing and not to exceed 60% AMI in order to qualify for this incentive. Subject to North Carolina General Statutes § 157-3 and § 157-9.4*

<u>Affordable Rental Housing Proposal Summary Information:</u>

Rental Development		
Policy Item	**Minimum Policy Recommendations**	**Applicant Proposal** **(If Not Proposing Minimum Policy Recommendations, The Proposal Is Considered An Alternative Proposal)**
Min. Affordable Housing Rental On-Site Unit Percentage (%)	5.0%	
Maximum Affordable Rental AMI% and Income Category	100% AMI	
Minimum Affordability Term	Negotiable	
Affordable Housing Rental Unit Administration (i.e. Property Management Functions)	Applicant or Applicant's Property Management Company	

<u>Alternative Proposals:</u>
If submitting an alternative proposal that is different than the minimum Policy recommendations (i.e. different on-site unit %, different maximum AMI %, different affordability term, etc.), please submit reason here:

____

____

____

____

<u>Other Policy Unit/Design Recommendations:</u>

1. Residential affordable housing units should be comparable to market-rate units in terms of unit type, consistency in building materials, overall quality of construction, and consistent with

current building code standards for new construction housing.

2. Residential affordable housing lot sizes, number of bedrooms and number of garages may be less than the market-rate housing units.
3. Residential affordable housing units should be dispersed through the development as evenly as possible based on project location, project size, proximity to transit, number of buildings and number of phases.

Market-Rate Development Information

Total Number of Market-Rate Rental Units Proposed: ______________

Total Number of Residential Buildings: ______________

Market-Rate Rental Unit Types (please check all that apply below):

☐ Single-Family Detached

☐ Single-Family Attached

☐ Townhouse Detached

☐ Townhouse Attached

☐ Apartments

☐ Other, Please Specify ____

Market-Rate Rental Unit Bedroom Sizes (please check all that apply below):

☐ Studio/SRO/Efficiency

☐ 1 Bedroom

☐ 2 Bedroom

☐ 3 Bedroom

☐ 4 Bedroom

Estimated Market-Rate Rental Unit Sizes (please check and insert all that apply below):

☐ Studio/SRO/Efficiency = _____________________ (sq./ft.)

☐ 1 Bedroom = _____________________ (sq./ft.)

☐ 2 Bedroom = _____________________ (sq./ft.)

☐ 3 Bedroom = _____________________ (sq./ft.)

☐ 4 Bedroom = _____________________ (sq./ft.)

*Estimated Market-Rate Monthly Rent Prices (please check and insert all that apply below):

☐ Studio/SRO/Efficiency = $________________/mo.

☐ 1 Bedroom = $________________/mo.

☐ 2 Bedroom = $______________/mo.

☐ 3 Bedroom = $______________/mo.

☐ 4 Bedroom = $______________/mo.

**Market-Rate Monthly Rent Prices Subject to Change*

Affordable Rental Housing Summary Information

Total Number of Affordable Rental Units Proposed: ____________

Will affordable rental units be subsidized by other programs (i.e. Section 8 Housing Choice Voucher, Low-Income Housing Tax Credit (LIHTC), etc.)? If Yes, Please List Programs:

____

How will you notify residents of affordable rental opportunities (i.e. interest list, waiting list, application period, etc.) for this development?

____

____

____

Affordable Housing Rental Unit Types (please check all that apply below):

☐ Single-Family Detached

☐ Single-Family Attached

☐ Townhouse Detached

☐ Townhouse Attached

☐ Apartments

☐ Other, Please Specify ____________________________________

Affordable Housing Rental Unit Bedroom Sizes, Number of Affordable Units and Maximum Affordable AMI % (please check and insert all that apply below):

☐ Studio/SRO/Efficiency

# of Affordable Units = ________ @ _______ AMI %

☐ 1 Bedroom

# of Affordable Units = ________ @ _______ AMI %

☐ 2 Bedroom

# of Affordable Units = ________ @ _______ AMI %

☐ 3 Bedroom,

# of Affordable Units = _________ @ ________ AMI %

☐ 4 Bedroom

# of Affordable Units = _________ @ ________ AMI %

Estimated Affordable Housing Rental Unit Sizes (please check and insert all that apply below):

☐ Studio/SRO/Efficiency = __________________ (sq./ft.)

☐ 1 Bedroom = __________________ (sq./ft.)

☐ 2 Bedroom = __________________ (sq./ft.)

☐ 3 Bedroom = __________________ (sq./ft.)

☐ 4 Bedroom = __________________ (sq./ft.)

*Estimated Affordable Housing Maximum Monthly Rent Limits (Including Utilities) and Maximum Affordable AMI %:
Note: Town staff to provide this information to Applicant

☐ Studio/SRO/Efficiency = $________________/mo. @ ________ AMI %

☐ 1 Bedroom = $________________/mo. @ ________ AMI %

☐ 2 Bedroom = $________________/mo. @ ________ AMI%

☐ 3 Bedroom = $________________/mo. @ ________ AMI %

☐ 4 Bedroom = $________________/mo. @ ________ AMI %

**Affordable Housing Maximum Monthly Rent Limits Subject to Change*

Applicant Authorized Representative:

____

Insert Name & Job Title

Reviewed and Approved By:

____

Insert Town Staff Name & Job Title

Appendix E – Affordable Ownership Housing Proposal Development Template

Submittal Date: ________________________

Submittal No.: _________________________

Applicant/Project Information:

Conditional Zoning Case #:

____

____

Name of Applicant: ____

Applicant Representative Contact Information (Name, Phone and E-mail Address):

____

____

Name of Development: ____

Name of Market-Rate Builder/Developer: ____

Name of Affordable Housing Builder/Developer: ____

Site Address: ____

Policy Incentives (See Policy Procedures Manual For Full Incentive Descriptions):
Please check the Policy incentives being requested for the development from the list below and provide a description of the request.

1. Higher Density Zoning District (Zoning-Based) ☐

   Description of Request (i.e. Requesting rezoning from Rural Residential (RR) to Medium Density Residential-Conditional Zoning (MD-CZ)): ____

   ____

2. Density Bonus High Density Multi-Family Residential (HDMF)-Conditional Zoning (CZ) (Zoning-Based) ☐

   Description of Request (i.e. Requesting a minimum of 16 du/ac): ______________________________

   ____

3. Increased Maximum Building Height (Zoning-Based) ☐

   Description of Request (i.e. Requesting an additional xx feet): ____________________

____

4. Reduced Minimum Building Setbacks (Zoning-Based) ☐

   Description of Request (i.e. Requesting a reduction from xx feet to xx feet): __________________________

   ____

5. Reduced Minimum Lot Widths (Zoning-Based) ☐

   Description of Request (i.e. Requesting a reduction from xx feet to xx feet): __________________________

   ____

6. Resource Conservation Area (RCA) Reduction (Zoning-Based) ☐

   Description of Request (i.e. Requesting a reduction of xx percent):

   ____

   ____

7. Parking Reductions (Zoning-Based) ☐

   Description of Request (i.e. Requesting reduction of parking standards from xx spaces to xx spaces or xx spaces per unit to xx spaces per unit): ____

   ____

8. *Sidewalk Reductions (Zoning-Based) ☐

   Description of Request (i.e. Requesting to waive UDO requirement to construct sidewalks on both sides of residential streets): ____

   ____

   **Note: Incentive is only available in Rural Context Area as depicted on the Town of Apex Context Area Maps.*

9. *Expedited Processing of Site Plan and Master Subdivision Plan Applications (Non-Financial) ☐

   Description of Request (i.e. Requesting expedited processing of Site Plan or Master Subdivision Plan): ______

   ____

   **Note: Min. 10% of the residential units or lots to be set aside for affordable housing in order to qualify for this incentive.*

10. *Loans, Grants and Reimbursements (Financial) ☐

    Description of Request (i.e. Requesting a fee reimbursement in the amount of $xx for the water capital reimbursement fee): ____

**Note: Min. 20% of the residential units or lots to be set aside for affordable housing and not to exceed 60% AMI in order to qualify for this incentive. Subject to North Carolina General Statutes § 157-3 and § 157-9.4*

Affordable Housing Proposal Summary Information:

Ownership Development		
Policy Item	**Minimum Policy Recommendations**	**Applicant Proposal** **(If Not Proposing Minimum Policy Recommendations, The Proposal Is Considered An Alternative Proposal)**
Min. Affordable Housing Ownership On-Site Unit/Lot Percentage (%)	5.0%	
Maximum Affordable Ownership AMI% and Income Category	135% AMI	
Minimum Affordability Term	20 Years	
Affordable Housing Ownership Unit Administration (i.e. Resales, Refinances, Annual Occupancy Verifications, etc.)	See Options To Right	Please Circle Option Option 1: Applicant (In-House) Option 2: Third-Party Administrator (i.e. an affordable housing developer.) Insert Third-Party Administrator Name: ____________________________ Option 3: Town of Apex

Alternative Proposals:

If submitting an alternative proposal that is different than the minimum Policy recommendations (i.e. different on-site %, different AMI %, different affordability term, etc.), please submit reason here:

____

____

____

____

Other Policy Unit/Design Recommendations:

1. Residential affordable housing units should be comparable to market-rate units in terms of unit type, consistency in building materials, overall quality of construction, and consistent with current building code standards for new construction housing.
2. Residential affordable housing lot sizes, number of bedrooms and number of garages may be less than the market-rate housing units.
3. Residential affordable housing units should be dispersed through the development as evenly as possible based on project location, project size, proximity to transit, number of buildings and number of phases.

Market-Rate Development Summary Information

Total Number of Market-Rate Ownership Units Proposed: _______________

Total Number of Phases Proposed: ________________

Estimated Monthly HOA Dollar Amount: $________________

Market-Rate Ownership Unit Types (please check all that apply below):

☐ Single-Family Detached

☐ Single-Family Attached

☐ Condominium

☐ Townhouse Detached

☐ Townhouse Attached

☐ Other, Please Specify _______________________________________

Market-Rate Ownership Unit Bedroom Sizes (please check all that apply below):

☐ 1 Bedroom

☐ 2 Bedroom

☐ 3 Bedroom

☐ 4 Bedroom

☐ 5 Bedroom

Estimated Market-Rate Ownership Unit Sizes (please check and insert all that apply below):

☐ 1 Bedroom = ____________________ (sq./ft.)

☐ 2 Bedroom = ____________________ (sq./ft.)

☐ 3 Bedroom = ____________________ (sq./ft.)

☐ 4 Bedroom = ____________________ (sq./ft.)

☐ 5 Bedroom = ____________________ (sq./ft.)

*Estimated Market-Rate Ownership Unit Initial Sales Prices (Unit Price + Lot Price) (please check and insert all that apply below):

☐ 1 Bedroom = $________________________

☐ 2 Bedroom = $________________________

☐ 3 Bedroom = $________________________

☐ 4 Bedroom = $________________________

☐ 5 Bedroom = $________________________

**Market-Rate Ownership Initial Sales Prices Subject to Change*

Affordable Housing Ownership Summary Information

Total Number of Affordable Housing Ownership Units/Lots Proposed: _______________

Will Affordable Housing Ownership Lot(s) Be Sold/Transferred To Another Entity (i.e. an affordable housing developer)? _____________________

If Yes, To Question Above, Please Insert Name of Entity: ____________________________________

In Which Phase(s) Will Affordable Housing Ownership Units Be Constructed? ___________________

How Will You Notify Residents of Affordable Housing Ownership Opportunities (i.e. interest list, waiting list, application period, etc.) For This Development?

____

____

____

Affordable Housing Ownership Unit Types (please check all that apply below):

☐ Single-Family Detached

☐ Single-Family Attached

☐ Condominium

☐ Townhouse Detached

☐ Townhouse Attached

☐ Other, Please Specify _______________________________________

Affordable Housing Ownership Unit Bedroom Sizes, Number of Affordable Units and Maximum Affordable AMI % (please check and insert all that apply below):

☐ 1 Bedroom

# of Affordable Units = _________ @ ________ AMI %

☐ 2 Bedroom

# of Affordable Units = _________ @ ________ AMI %

☐ 3 Bedroom

# of Affordable Units = _________ @ ________ AMI %

☐ 4 Bedroom

# of Affordable Units = _________ @ ________ AMI %

☐ 5 Bedroom

# of Affordable Units = _________ @ ________ AMI %

Estimated Affordable Housing Ownership Unit Sizes (please check and insert all that apply below):

☐ 1 Bedroom = ____________________ (sq./ft.)

☐ 2 Bedroom = ____________________ (sq./ft.)

☐ 3 Bedroom = ____________________ (sq./ft.)

☐ 4 Bedroom = ____________________ (sq./ft.)

☐ 5 Bedroom = ____________________ (sq./ft.)

*Estimated Affordable Housing Ownership Unit Maximum Initial Sales Prices (Unit Price + Lot Price)
Note: Town staff to provide this information to Applicant

☐ 1 Bedroom = $__________________ @ _______ AMI %

☐ 2 Bedroom = $__________________ @ _______ AMI%

☐ 3 Bedroom = $__________________ @ _______ AMI %

☐ 4 Bedroom = $__________________ @ _______ AMI %

☐ 5 Bedroom = $__________________ @ _______ AMI %

**Affordable Housing Ownership Maximum Initial Sales Prices Subject to Change*

Applicant Authorized Representative:

____

Insert Name & Job Title

Reviewed and Approved By:

____

Insert Town Staff Name & Job Title

Evaluation and Disposition of County-owned Land for Affordable Housing

X	Countywide		Department:		Division:
Supersedes: N/A				Effective Date: 09/01/2019	
Authority: County Manager					
Originating Department: Housing Affordability & Community Revitalization (Housing Department)					

I. **Purpose:** The purpose of this policy is to establish uniform procedures and standards to be used by Wake County for the evaluation and disposition of available County-owned properties and other publicly-owned properties for the development of affordable housing. This policy is enacted to comply with N.C.G.S. 160D-1316.

II. **Policy Statement:** Evaluating County-owned property for potential affordable housing development is a good use of existing County resources and a potential resource for creating mixed-income communities and supporting residents' access to opportunity. Prior to disposing of County-owned properties, Wake County shall evaluate County-owned properties for affordable housing use, including physical feasibility, suitability, necessity, and alignment with County policy priorities regarding affordable housing development. In addition to any other County policies and inventory management procedures, Wake County shall use the criteria set forth in Sections A and B of this policy for evaluating potential use of County or other public-owned property for affordable housing.

Except as otherwise delegated by the Wake County Board of Commissioners, final decisions regarding the disposition of County-owned property shall be made on a case-by-case basis by the Wake County Board of Commissioners. N.C.G.S. 160A-266 "Methods of sale; limitation" shall apply regardless of recommending or designating the property for affordable housing development. Wake County deems the use of property for affordable housing a public purpose such that private negotiation and sale may also be permitted as authorized by G.S. 160A-266 and G.S. 160A-279 "Sale of property to entities carrying out a public purpose; procedure".

A. Multifamily Land Disposition

Criteria	Preferred Condition	Filtered Out
Ownership	1. County-owned 2. Wake County Board of Education-owned 3. Municipal-owned	• Publicly-owned, federal • Privately-owned • County-designated open space
I. Site Conditions—Determining physical feasibility		

Lot Size	1. Properties >= 1 acre	• Less than 1 acre
Built Area	1. Vacant 2. Underutilized - ratio of heated area to total lot size is < 60%	• Lots with > 60% building coverage • Fully built
Floodplain	1. Not in floodplain 2. <50% of property in floodplain	Majority of parcel is in floodplain
Topography	1. Flat 2. Sloped, slight	• Sloped, steep
Utilities	1. Existing utility connections	*Sites without existing utility infrastructure that meet other physical criteria can be considered for future development*
Access	1. Existing paved road access to parcel	*Sites without existing paved road access that meet other physical criteria can be considered for future development*
Incompatible Use	1. Site is not currently occupied by an incompatible use (e.g. landfill, manufacturing facility)	*Sites currently in use for a purpose incompatible with housing can be considered for future development if use changes*

II. Site Suitability—Applying policy priorities to sites that are physically feasible for housing	
Criteria	**Desired Characteristics**
Encumbrances	• No existing deed restrictions • No encumbrances • County's title is free and clear of restrictions
Proximity to Existing Residential and Commercial	• Within 500 feet of existing residential • Within 0.5 mile of existing commercial
Connectivity	• Within 0.25 mile of existing high-frequency transit • Within 0.25 mile of planned high-frequencytransit • Within 0.5 mile of existing transit • Within 0.5 mile of planned transit stations • Within 0.25 mile of existing sidewalk
Zoning	• Multifamily residential • Single-family residential • Mixed-use
Proximity to Basic Services	• Within 1 mile of a grocery store • Within 1 mile of a pharmacy
LIHTC Eligibility	• Score of at least 59 according to NC QAP scoring criteria for 9% deals
Market Strength	• Recent/pipeline multifamily, office, retail, and/or hotel development within 1-mile radius • Located in a community likely to support affordable housing

Properties that are both physically feasible and suitable for multifamily affordable housing may be recommended by the Housing Affordability & Community Revitalization Department (Housing Department) for disposition through private sale.

Multifamily Disposition Process: A competitive request for proposals (RFP) process will be used to dispose of properties under this policy. As part of the RFP, the County will require detailed financial projections of the proposed development. The County will review each project's financial projections to evaluate the level of discount to land price necessary and will consider which proposal maximizes public benefits.

The Housing Department shall oversee the development of the RFP and manage the selection process, with assistance and review from other County departments as needed.

B. Single Family Disposition

Often, the County may own properties that are less than one acre in size. These properties will be assessed for single family, affordable housing development or preservation. Should development or acquisition be feasible for affordable housing, the property will be recommended for disposition through private sale.

Single Family Disposition Process: The Housing Department maintains a list-serve of single-family affordable housing developers, investors, partners and interested parties. Should a property be deemed eligible for single family disposition, a notification will be sent to the list-serve and published on the website. The Housing Department will receive offers to purchase by the date designated in the list-serve email. The Housing Department shall have oversight responsibility for reviewing Offers to Purchase; and shall direct specific inquiries to Facilities, Design and Construction, Revenue, Finance and Legal, to evaluate each offer by analyzing the following:

- Property Features: fair market value, appraised value, and assessed tax value
- Applicant Information: financial projections or income information
- Legal sufficiency of Offer

These factors will allow the County to evaluate the level of discount necessary to maintain affordability and consider which offer maximizes public benefits according to the Housing Affordability Requirements of this policy.

C. Wake County Board of Education Disposition

Properties recommended for disposition by the Wake County Board of Education ("WCBOE surplus property") may also be evaluated in accordance with this policy. For purposes of this section, the evaluation criteria shall be the same as set forth in Section A and shall be administered in conjunction with the Wake County Board of Commissioner's consideration of any proposed sale of WCBOE surplus property, including Wake County's right of first refusal set forth under G.S. 115C-518.

III. Housing Affordability Requirements: Under the Evaluation and Disposition of County-owned Land for Affordable Housing Policy, the County's priority is realizing the deepest level of affordability possible. As such, the policy will prioritize the following target levels of affordability:

1. Rental units affordable at or below 30-40% Area Median Income (AMI);
2. When this level of affordability is not feasible, the County will accept rental units affordable at or below 40% - 60% AMI; and
3. For sale units affordable to populations at or below 80% AMI.

Rental units will maintain an affordability period of at least 30 years, and for-sale units will maintain an affordability period of at least 30 years.

These affordability minimums exceed levels set by G.S. 157-9.4, which mandates multifamily rental projects owned, operated, or financially assisted by a Housing Authority contain a minimum of 20% of all units affordable to populations at or below 60% AMI, for a minimum of 15 years.

The County may choose to require only a portion of the housing units developed on the site meet the affordability requirement, resulting in a mixed-income development. The County may sell land at a discount for a mixed-income development to support neighborhood revitalization, deconcentrate poverty, use the value of market rate housing units to further subsidize the cost of affordable housing units, or to achieve other public benefits.

The County may enforce terms of affordability through deed restrictions with a reverter clause in any conveyances.

If a property is sold before the end of the affordability period, it will be subject to the Resale/Recapture Provisions as stated in the Wake County Housing Department Policy and Procedures Manual.

IV. Definitions:

1. **Affordability period** – The minimum period of time during which a property must comply with affordability rules and regulations, including income and rent restrictions.
2. **Affordable housing** - In general, housing for which the occupant(s) is/are paying no more than 30 percent of their income for gross housing costs, including utilities.

3. **Area median income (AMI)** – Household income for the median, or middle, household in a designated region. Percentages of AMI determines income limits by household composition for program eligibility.
4. **Housing Affordability & Community Revitalization Department (Housing Department)** A division of Wake County Government responsible for identifying and addressing affordable housing needs within Wake County through funding, acquisition, and development. The Housing Department is under the general control of the Wake County Manager and Board of Commissioners.
5. **Disposition** – A conveyance of real property owned by the County, excluding encroachment agreements, right of entries, easements, right of way agreements or properties subject to continuation of existing leases. With respect to the Wake County Board of Education, any real property disposition requiring approval by the Wake County Board of Commissioners in accordance with G.S. 115C-518.
6. **Low-income housing tax credit (LIHTC)** – Federal government's primary program for encouraging the investment of private equity in the development of affordable rental housing for low to moderate-income households.
7. **Multifamily housing** – A building with more than four residential units.
8. **Request for proposals (RFP)** – A document that solicits proposals, often made through a bidding process, by an agency or company interested in procurement of a commodity, service, or valuable asset.
9. **Single family housing** - A single-unit family residence, detached or attached to other housing structures, consisting of four or less residential units.
10. **U.S. Department of Housing and Urban Development (HUD)** - U.S. government agency created in 1965 to support community development and homeownership.

V. Applicability: North Carolina recognizes the provision of affordable housing in cases of demonstrated need as fulfilling an allowable constitutional public purpose when necessary. State law enables local government units to dispose of property at below market-value through a private sale to develop affordable housing when the planning, construction, and financing of decent residential housing is not otherwise available. The reduction in fair market value cannot exceed the discount needed to make on-site affordable housing development feasible, and the conveyance of property at this reduced value must be conditional on successful delivery, and maintenance, of affordable units.

The Evaluation and Disposition of County-owned Land for Affordable Housing Policy is intended to supplement existing State law and County policies regarding disposition of property and real estate decisions presented to the County Board of Commissioners. When staff present recommendations regarding the disposition of County-owned property to the Board of Commissioners, an assessment of the property’s feasibility and suitability for affordable housing will be included in the materials provided to the Board of Commissioners for the Board's consideration alongside of any other identified County needs or uses for the property provided by other Departments. If the Housing Department has determined that the property does not meet feasibility and suitability criteria for affordable housing at any stage of the evaluation process, this information shall be included in the materials provided to the Board of Commissioners.

VI. Policy Responsibility and Management: The Housing Affordability & Community Revitalization Department will oversee implementation of this policy, including coordinating the development of the RFP, evaluating developer responses, and monitoring developments to ensure compliance with affordability requirements. This policy will be reviewed annually to ensure currency and compliance with state or federal mandates, as well as community need.

VII. Related Policies, Procedures, and Publications:

1. Wake County Housing Department Policy and Procedures Manual
2. North Carolina Legal Requirements Governing Land Disposition for Affordable Housing, developed by HR&A Advisors
3. Overview of Site Evaluation Process, developed by HR&A Advisors

VIII. Appendices: none

IX. History:

Effective Date	Version	Section(s) Revised	Author
09/01/2019	original	n/a	Housing Affordability & Community Revitalization Department
07/01/2021	two	Updated General Statute due to repeal of G.S. 153A Article 18, clarified G.S. 157-9.4 is if acting as Housing Authority.	Housing Affordability & Community Revitalization Department

TOWN of WAKE FOREST

REQUEST FOR PROPOSALS (RFP #24-0001)

for the

PURCHASE AND DEVELOPMENT OF TOWN OF WAKE FOREST PROPERTY

DATE ISSUED
Monday, January 8, 2024

QUESTIONS AND CLARIFICATIONS DUE DATE
Friday, January 26, 2024
2:00 p.m.

DUE DATE
Friday, April 19, 2024
2:00 p.m.

E-Mail Address Submittal (Preferred)
bwest@wakeforestnc.gov

Physical Acceptance Location (flash drive only)
Town of Wake Forest Town Hall
Attn: Brad West, Long Range Planning Manager
301 South Brooks Street, Ground Floor
Wake Forest, NC 27587-2901

Mailing Address (flash drive only)
Town of Wake Forest Town Hall
Attn: Brad West, Long Range Planning Manager
301 South Brooks Street
Wake Forest, NC 27587-2901

TABLE OF CONTENTS

Notice

The Town of Wake Forest (as referred to as "the Town" or "Wake Forest") is seeking qualified firm(s) or organization(s) to submit proposals for the purchase or lease of [two] (2) Town-owned properties for the construction of attractive, contextually sensitive housing on approximately 1.5 acres that will be made available for affordable housing opportunities. The method of disposition will be determined by the Town and guided by applicable state laws, which require the proposer to develop a project that provides significant public benefit. The existing zoning of Renaissance Area Historic Core (RAHC) must be utilized.

I. Background

Town of Wake Forest

Wake Forest is part of the Research Triangle, one of the fastest growing regions in the country, and located minutes from Raleigh, the state capital. In the past few decades, Wake Forest has transformed from a small, rural town into a thriving suburban community with an estimated population greater than 50,000.

While this growth has brought forth many opportunities to the Town, a number of challenges have also emerged. One significant challenge experienced by many current and prospective residents of Wake Forest is the cost of housing. Increased costs have not only made purchasing a home difficult, but have also made renting prohibitively expensive.

In response to rising home prices, the Town adopted a Housing Affordability Plan in 2022, which called for the creation of a Land Disposition Program for the purpose of providing affordable housing. This RFP is being offered as part of the Land Disposition Program to create affordable housing units by selling or leasing Town-owned property.

Location and Site Characteristics

The subject properties are located at 101 and 102 Affordability Way. The lots are all vacant and Town-owned.

• Zoning is Renaissance Area Historic Core (RAHC) per the Unified Development Ordinance (UDO)
• As of October 1st, 2023, the lots are sized and appraised as follows:

101 Affordability Way 0.77 acres $ XXX,XXX.XX
102 Affordability Way 0.73 acres $ XXX,XXX.XX
Total Appraised Value: $ XXX,XXX.XX

[INSERT MAP]

II. Development Objectives

The Town has the following development objectives for the subject property:

1. **Affordable ownership and rental housing**. The development should incorporate a mix of affordable rental units targeted for individuals and families at 60 percent area median income (AMI) or lower, or affordable owner-occupied units targeted at 80 percent AMI or lower. The Town of Wake Forest utilizes the Raleigh Metropolitan Statistical Area (MSA) AMI thresholds, as defined by the U.S. Department for Housing and Community Development (HUD).

2. **Quality design**. The proposed development should incorporate context-sensitive design, with an emphasis on attractive housing structures that engage streetscapes and common open space areas.

3. **Sale or Lease.** The Town of Wake Forest intends to either sell the subject property or offer a 55-year ground lease.

4. **Long-term Affordability.** The proposed development should maximize the duration of affordable housing units with a minimum of 15 years for ground lease projects or in perpetuity for land sale projects.

5. **Multiple stories with an active ground floor use.** The proposed development should be at least two stories in height and contain a non-residential active use on the ground floor.

6. **Partnership with a for-profit or non-profit.** The Town is interested in partnering with either a for-profit or non-profit developer, each with respective statutory considerations.

III. Statutory Requirements

The State of North Carolina has specific statutory requirements that govern how local governments may sell or lease land for the purpose of building affordable housing, which will impact a proposal:

Note: The Town does not act as, or utilize the powers of, a Housing Authority per §157-9. The following statutory requirements are permitted by local governments without Housing Authority powers per §160D-1316, §160A-278, and §160A-279.

Leasing Land for the Creation of Rental Units

- Under state law *§160A-278 Lease of land for housing*, at least 20 percent of rental units should be made available to households earning up to 60 percent area median income (AMI) for the Raleigh Metropolitan Statistical Area (MSA), as defined by the U.S. Department for Housing and Community Development (HUD).

- The remaining 80 percent of units can be restricted to higher affordable income levels or unrestricted. However, the Town must obtain fair market value for its land, either through payment and/or community benefits, which include affordable housing.

Leasing Land for the Creation of For Sale Units

- Under state law *§160A-278 Lease of land for housing*, if proposing for sale units, at least 20 percent should target households earning 80 percent of AMI and should have sale prices that do not exceed the State's Community Home Buying Programs' maximum sale prices. https://www.nchfa.com/home-buyers/community-home-buying-programs.
- The same requirements for community benefits or receipt of fair market value for rental housing sites apply to for-sale housing sites.

Selling Land for the Creation of Rental Units

- Under state law *§160D-1316 Low- and moderate-income housing programs* and *§160A-279, Sale of property to entities carrying out a public purpose; procedure*, local governments may sell land for the purpose of building affordable housing, but the price of the land must reflect fair market value, unless the buyer is a non-profit entity. Fair market value appraisal may take into account the reduced revenue potential of affordable housing units, versus market-rate housing units.
- *§160D-1316* requires that conveyed property must contain covenants or conditions to ensure the property will be developed for lease to low to moderate income persons.
- At least 20 percent of rental units should be made available to households earning up to 60 percent area median income (AMI) for the Raleigh Metropolitan Statistical Area (MSA), as defined by the U.S. Department for Housing and Community Development (HUD).
- *§160A-279* requires that if a conveyance of land, by the local government, for under fair market value is made to a non-profit, the property must revert back to the local government when it is no longer used by the nonprofit for the purpose of providing affordable housing.

Selling Land for the Creation of Ownership Units

- Under state law *§160D-1316 Low- and moderate-income housing programs* and *§160A-279, Sale of property to entities carrying out a public purpose; procedure*, local governments may sell land for the purpose of building affordable housing, but the price of the land must reflect fair market value, unless the buyer is a non-profit entity. Fair market value appraisal may take into account the reduced revenue potential of affordable housing units, versus market-rate housing units.
- *§160D-1316* requires that conveyed property must contain covenants or conditions to ensure the property will be developed for sale only to low to moderate income persons.
- At least 20 percent of ownership units should be made available to households earning up to 80 percent area median income (AMI) for the Raleigh Metropolitan Statistical Area (MSA), as defined by the U.S. Department for Housing and Community Development

(HUD), and should have sale prices that do not exceed the State's Community Home Buying Programs' maximum sale prices. https://www.nchfa.com/home-buyers/community-home-buying-programs.

- *§160A-279* requires that if a conveyance of land, by the local government, for under fair market value is made to a non-profit, the property must revert back to the local government when it is no longer used by the nonprofit for the purpose of providing affordable housing.

IV. Neighborhood-Serving Uses

Mixed-use developments with active, ground-level uses are a high priority for the Town in Downtown Wake Forest and designated Transit-Oriented Development zones *(See Wake Forest Unified Development Ordinance and Zoning Map for specific geographical boundaries)*. As such, any proposal within these areas should strive to include at least a 1,000 square foot non-residential use that serves the surrounding neighborhood. Though a retail or service use is preferred, dedicated non-profit space may be considered if said use benefits low-to-moderate income households.

V. Design Standards

All proposals should adhere to the development standards of the Town's Unified Development Ordinance (UDO) and Manual of Specifications, Standards & Design (MSSD).

Additionally, if not expressed within the Town's development regulations, proposals involving infill development within existing neighborhoods should be considerate of surrounding context and architecture. Primary structures should orient towards streetscapes and open spaces with vehicle storage areas placed to the side or rear. Landscaping and outdoor amenities should be robust and easy to maintain.

For single-family detached and attached structures, the inclusion of porches or stoops is preferred. Exterior facade accents, such as brick or stone veneer, should wrap around corners no less than one foot in length. Building materials, such as siding or roofing shingles, should be of high quality with durability in mind.

VI. Content and Format of Proposal Package

Firms submitting proposals shall have no association with elected or appointed officials that could be considered a conflict of interest. Any such relationship will subject the firm to immediate disqualification in consideration for this project. A selection committee will evaluate the submittals and may elect to select the most desirable firm based on the responses as submitted or elect to conduct interviews with multiple firms prior to recommending a firm.

The submission shall be a maximum 20 pages front and back or 40 pages single-sided. Only digital Work Samples, which are excluded from the page limit, will be accepted. Submittals shall include the following:

Letter of Interest:

The letter of interest provided in the submission shall include the following:

- The name and address of the prime firm and the state in which it is incorporated and chiefly located.
- The name and address of each sub-firm and the state in which each entity is incorporated and chiefly located, if sub-firm is part of team.
- A brief description of the proposer (prime and sub-firm, if applicable), and its interest in developing the proposed site(s).
- The name, address, phone, and e-mail address of the designated contact for the proposer (prime firm).
- A statement indicating any judgments against the proposer (prime firm, sub-firms, and third-party firms) within the last five (5) years, or pending litigation, related to development activity, professional conduct or services.
- Acknowledgement of all addenda to the RFP document, if applicable.
- Signature of a duly authorized official of the prime firm or other person fully authorized to act on behalf of the firm or team.

Firm and Staff Qualifications:

The submission shall include a general description of the firm and its background as it relates to this project. Specific information regarding the firm and staff shall be submitted and include:

- Information regarding the firm's previous experience with similar or related projects, performed within the last 5 years, including a brief description of these projects and project staffing.
- Information on the firm's (including sub-firms, if applicable) previous experience successfully producing affordable housing.
- Information demonstrating the firm and staff capabilities to perform all aspects of this project, including financial capacity with financial institution references, if requested.
- Information regarding the expertise and experience of staff person(s) assigned to work on the project. It should also contain specific proposed responsibilities of the project staff person(s).
- A description and organizational chart showing the structure of the proposer's team, inter-relationships, areas of responsibility and the names and current professional licenses of key personnel assigned to the project along with their areas of responsibility. Note: no substitutions to the proposed project team of the selected firm(s) can be made without the prior written approval of the Town.
- The firm and staff qualification information for each sub-firm, a description of the services the firm performed, as well as related projects and references, if sub-firm is part of team.
- Three references including name, address, contact person, telephone number, email, project start and end date as well as a project description. References should be for similar or related projects on which key staff that are proposed for this project have worked.

Project Approach:

The submission shall provide a comprehensive narrative demonstrating the firm's understanding and approach to accomplishing the items listed in Sections II through V of this RFP document.

Pro Forma:

The submission shall provide a financial feasibility model in the form of a development pro forma.

Anticipated Schedule:

The submission shall include an anticipated schedule with the timeframe for each task incorporated. The submission shall demonstrate how the submitting firm will manage its responsibilities and work scheduled to be performed, including work of and with Town personnel.

Concept Design:

The submission shall include a concept design that, at a minimum, illustrates the arrangement and height of buildings, site ingress and egress, streets and driveways, sidewalks and pathways, and vehicle storage areas.

Though detailed architectural elevations are not necessarily an expectation, housing product samples should be provided to offer a sense of proposed architectural style and massing.

Project Samples:

The submission shall include three recent project samples related to housing development experience. Alternatively, if proposer is a newly formed partnership or firm, three project samples on which key staff that are proposed for this project have worked may be accepted.

VII. Submittal Process Details

Firm selection will be based on content, completeness, and presentation of information contained within the submittal package, consisting of the letter of interest, firm (prime and sub-firms) and staff qualifications and relevant experience, project approach, anticipated schedule, and project samples related to producing affordable housing as detailed in the Evaluation Criteria section of this RFP.

The Town of Wake Forest reserves the right to reject any responses to this RFP that do not comply with the content and format of proposal requirements. The Town can also conduct discussions with any or all respondents. The Town accepts no financial responsibility for any costs or expenses incurred by any entity in responding to this RFP. All submissions may be kept by the Town and may be disclosed to third parties at the Town's discretion.

VIII. Questions and Clarifications

All questions shall be submitted to Brad West, Long Range Planning Manager, via email (bwest@wakeforestnc.gov), no later than 2:00 p.m. on Friday, January 26, 2024. Questions submitted later than this deadline will not be considered. An addendum with questions and answers, if necessary, will be published on the Town website by 5:00 p.m. on Friday, February 2, 2024.

IX. Proposal Submittal

The deadline for firms submitting proposals is 2:00 p.m. on Friday, April 19, 2024. No submissions or supporting documents will be accepted after this deadline. Submittals may be emailed to bwest@wakeforestnc.gov or delivered to:

Physical Acceptance Location
Town of Wake Forest Town Hall
Attn: Brad West, Long Range Planning Manager
301 South Brooks Street, Ground Floor
Wake Forest, NC 27587-2901

Mailing Address
Town of Wake Forest Town Hall
Attn: Brad West, Long Range Planning Manager
301 South Brooks Street
Wake Forest, NC 27587-2901

Submittal packages should be enclosed in a sealed envelope marked **REQUEST FOR PROPOSALS – PURCHASE AND DEVELOPMENT OF TOWN OF WAKE FOREST PROPERTY** to the attention of Brad West, Long Range Planning Manager. All proposal packages and materials submitted hereunder become the exclusive property of the Town of Wake Forest.

X. Anticipated Schedule

- 01/29/2024: Questions and clarifications deadline
- 02/02/2024: Questions and clarifications response
- 04/19/2024: Submission deadline
- 04/22/2024 – 05/17/2024 Selection committee review of submittals
- 05/20/2024 – 05/31/2024: Virtual interviews conducted with selected firms, if necessary
- 06/03/2024: Highest ranked firm(s) notified
- 07/02/2024: Proposals presented to Board of Commissioners
- 07/16/2024: Board of Commissioners proposal selection
- 07/17/2024: Contract and sale/lease negotiation commences

XI. Selection Process

This RFP provides information necessary to prepare and submit proposals for consideration and ranking by the Town. It is the intent of the Town to appoint a selection committee to review the submitted proposals. This committee will review each proposal submittal and rank the submittal based on the criteria requirements specified within this RFP. The Town may invite firms for interviews, but this is not a required step in the selection process. At the conclusion of the interviews (if held), the selection committee will rank the proposals, and their respective firm(s), based on the selection criteria and the interviews. The Town will provide written notification to all firms regarding final selection by July 22, 2024.

Upon completion of the selection process, the top three highest ranked proposals will be brought forward to the Board of Commissioners for consideration. Upon selection by the Board of Commissioners, Town staff will begin contract and sale/lease negotiations with the selected firm. By submitting their proposal in response to this RFP, respondent accepts the evaluation process as outlined in the following section, acknowledges, and accepts that determination of the "highest ranked proposal" may require subjective judgments by the Town.

XII. Evaluation Criteria

1. Qualifications of the Firm: Outline and specify the qualifications of the firm to deliver affordable housing units as outlined in Section II Development Objectives, including track record, financial institution references, and financial capacity. This shall include any sub-firms that may be part of the team, if applicable. (20%)

2. Income Targeting and Mix: Specify the number of units and their respective level of affordability in relation to area median income (AMI) as determined by the U.S. Department for Housing and Community Development (HUD). Further, demonstrate ability to provide the units at the specified level of affordability, including information and assumptions about additional funding sources from grants, loans, etc. Provide a working excel cash flow model. (25%)

3. Duration of Affordability: Specify the duration of time affordable units will stay affordable, how this will be accomplished, and how affordable units could be monitored for compliance. (20%)

4. Concept Design. Provide a concept that illustrates the arrangement and height of buildings, site ingress and egress, streets and driveways, sidewalks and pathways, vehicle storage areas, and supplementary housing product samples. (20%)

5. Relevant Experience. Demonstrate relevant work experience with developing housing in comparable communities with references. (15%)

XIII. Developer Responsibility

The successful developer will be responsible for securing construction financing, completing all necessary site planning, any infrastructure necessary (including, but not limited to, installation of water and sewer taps, storm drainage, etc.) constructing the development, marketing, selling or renting all housing units to qualified households within 36 months of the date of closing. The developer is required to provide a construction schedule clearly outlining the sequence of activities with the resources necessary to complete the project in the most efficient time. This schedule should include all land planning efforts necessary to ensure efficient development of the site.

APPENDIX A

I. General Terms and Conditions

- The selected firm will work directly with the Town of Wake Forest. The selected firm is to enter into a contract and development agreement with the Town, prior to any sale or lease of land, to ensure that all development activity reflects the firm's proposal. The selected firm will be responsible for providing engineers, technicians, and sub-contractors with the appropriate skills and qualifications to ensure compliance. The firm will be directly responsible for oversight of the project.

- The selected firm will be notified by the Town and will enter into contract and development agreement negotiations for the sale/lease and development of land.

II. Communication:

All communication of any nature with respect to this RFP shall be addressed to the project manager identified earlier in this RFP. The prospective firms and their staffs are prohibited from communicating with elected Town officials, Town staff, and any selection committee member regarding this RFP or submittals from the time the RFP was released until the selection results are publicly announced. Violation of this provision many lead to disqualification of the firm's proposal for consideration.

III. Conflict of Interest Statement:

By submission of a response, the firm agrees that at the time of submittal, it: (1) has no interest (including financial benefit, commission, finder's fee, or any other remuneration) and shall not acquire any interest, either direct or indirect, that would conflict in any manner or degree with the performance of firm's services, and (2) will not benefit from an award resulting in a "Conflict of Interest." A "Conflict of Interest" shall include holding or retaining membership, or employment, on a board, elected office, department, division or bureau, or committee sanctioned by and/or governed by the Town. Firms shall identify any interests, and the individuals involved, on separate paper with the response and shall understand that the Town, in consultation with legal counsel, may reject their proposal.

IV. Changes to Firm Representation:

Changes to firm representation during contract and development agreement negotiations, are to be avoided wherever possible. The selected firm must notify the Town in writing for all changes to firm representation. The Town will consider notifications to change in representation and withholds the right to deem the selected firm no longer eligible for implementation of this RFP.

V. <u>Trade Secrets and Public Records:</u>

Records received by the Town in response to the Request for Proposals are public records and subject to public inspection and copying. The Public Records law (N.C.G.S. 132-1 et seq.) authorizes the Town to withhold from public inspection and copying legitimate and properly marked 'trade secrets'. Note that to protect a 'trade secret' detail requirements must be met, such as:

- It is a "trade secret" as defined in G.S. 66-152(3); and
- It is the property of a private "person" as defined in G.S. 66-152(2); and
- It is disclosed or furnished to the Town in connection with a bid or proposal; and
- It is marked as "confidential" or as a "trade secret" at the time of its initial disclosure to the Town.

VI. <u>Submittal Ownership/Costs:</u>

All responses, inquiries or correspondence relating to this Request for Proposals will become property of the Town of Wake Forest when received. Drawings, tracings, specifications, reports, models, computer discs, renderings, copyrights, and all other documents to be prepared and furnished by the firm pursuant to specific projects undertaken by the successful proposer, are the sole property of the Town of Wake Forest, whether the project for which they are made is executed or not, and may be used by the Town of Wake Forest as they see fit. If such documents are used on another project or for another purpose by the Town of Wake Forest, the firm shall not be responsible for such use, and shall not receive additional compensation. All costs for development of the written submittal and the oral presentation are entirely the obligation of the firm and shall not be remunerated in any manner by the Town of Wake Forest.

VII. <u>Non-Warranty of Request for Proposals:</u>

Due care and diligence has been used in preparing this RFP. However, the Town shall not be responsible for any error or omission in this RFP, nor for the failure on the part of the firms to ensure that they have all information necessary to effect their submittals.

VIII. <u>Acceptance/Rejection of Submittals:</u>

The Town of Wake Forest reserves the right to accept or reject any or all submittals in whole or in part, with or without cause; to waive technicalities; or to accept submittals or portions thereof which, in the Town's judgment, best serve the interest of the Town.

IX. <u>Equal Opportunity:</u>

The selected firm will ensure that employees and applicants for employment are not unfairly discriminated against because of their race, color, religion, sex, national origin, disability or veteran status.

X. <u>Americans with Disabilities Act (ADA) Compliance:</u>

The Town of Wake Forest will comply with the Americans with Disabilities Act (ADA) which prohibits discrimination on the basis of a disability. The Town of Wake Forest will make reasonable accommodations in all programs to enable participation by an individual with a disability who meets essential eligibility requirements. Town of Wake Forest programs will be available in the most integrated setting for each individual. If any accommodations are necessary for participation in any program or services, participants are encouraged to notify Town staff.

XI. Minority/Women/Small Business Enterprise:

It shall be the practice of the Town of Wake Forest Government to provide minority-owned, women-owned, and small business enterprises (collectively "M/W/SBE) as well as other responsible vendors with fair and reasonable opportunity to participate in Town of Wake Forest's business opportunities including but not limited to employment, construction development projects, and material/services, consistent with the laws of the State of North Carolina. The policy of the Town of Wake Forest prohibits discrimination against any person or business in pursuit of these opportunities on the basis of race, color, national origin, religion, sex, age, disability, or veteran's status. It is further the policy of the Town of Wake Forest to conduct its contracting and procurement programs so as to prevent such discrimination and to resolve any and all claims of such discrimination.

XII. Title VI:

The selected firm, during the implementation of this proposal for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

(1) Compliance with Regulations: The contractor shall comply with the Regulation relative to nondiscrimination in Federally-assisted programs of the Town of Wake Forest (hereinafter, "Town") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

(2) Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, sex, religion, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when a contract covers a program set forth in Appendix B of the Regulations.

(3) Solicitations for Subcontractors, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's

obligations under a contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

(4) Information and Reports: The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Town to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the Town as appropriate and shall set forth what efforts it has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of the contractor's noncompliance with the nondiscrimination provisions of a contract, the Town shall impose such contract sanctions as it or the Town may determine to be appropriate, including, but not limited to:

(a) withholding of payments to the contractor under a contract until the contractor complies, and/or
(b) cancellation, termination, or suspension of a contract, in whole or in part.

(6) Incorporation of Provisions: The contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Town may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Town to enter into such litigation to protect the interests of the Town, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

XIII. <u>Financial Capacity:</u>

The selected firm must have financial capacity to undertake the work and assume associated liability.

XIV. <u>Familiarity and Compliance with Laws, Regulations, and Ordinances:</u>

The selected firm shall make itself aware of and comply with and shall cause each of its subcontractors to comply with, all applicable federal, state, and local laws and regulations.

XV. <u>Iran Divestment Act:</u>

The selected firm shall certify that; (i) it is not identified on the Final Divestment List or any other list of prohibited investments created by the NC State Treasurer pursuant to N.C.G.S. 143-6A-4; (ii) it will not take any action causing it to appear on any such list during the term of a contract, and (iii) it will not utilize any subcontractor to provide goods or services hereunder that is identified on any list.

XVI. <u>Divestment from Companies that Boycott Israel:</u>

The selected firm shall certify that; (i) it is not identified on the Final Divestment List or any other list of prohibited investments created by the NC State Treasurer pursuant to N.C.G.S. 143-6A-4; (ii) it will not take any action causing it to appear on any such list during the term of a contract, and (iii) it will not utilize any subcontractor to provide goods or services hereunder that is identified on any list.

XVII. <u>Notifications</u>

Addenda Notice:
It is the respondent's responsibility to ensure that all addenda have been received. Please visit https://www.wakeforestnc.gov/finance/purchasing-warehouse/bids-announcements for the most current information.

RESOLUTION 2023-XX

RESOLUTION TO APPROVE THE TOWN OF WAKE FOREST AFFORDABLE HOUSING LAND DISPOSITION PROGRAM POLICY

WHEREAS, the Town of Wake Forest has grown significantly in recent decades; and

WHEREAS, new growth has provided numerous benefits to the Town, along with some complex challenges; and

WHEREAS, many find it difficult to maintain, purchase or rent a home in recent years due to surging housing costs; and

WHEREAS, to help mitigate the challenge of housing affordability, the Town of Wake Forest Board of Commissioners adopted the Housing Affordability Plan in 2022 ; and

WHEREAS, the Housing Affordability Plan called for the creation of a Land Disposition Program, which would organize the Town's process of selling or acquiring land for the purpose of creating affordable housing; and

WHEREAS, Town staff, working with housing consultants BAE Economics, produced the policy framework for a Town Land Disposition Program for affordable housing; and

WHEREAS, Town staff would utilize this policy framework to establish a Town of Wake Forest Land Disposition Program to sell or acquire land for affordable housing, including the allocation of necessary funding and staff time;

BE IT RESOLVED that the governing body of the Town of Wake Forest hereby authorizes the Town Manager to establish a Land Disposition Program for affordable housing based on the policy framework provided by Town staff.

Adopted and effective this 19th day of December 2023.

____

Vivian A. Jones

Mayor

ATTEST:

APPROVED AS TO FORM:

Theresa Savary
Town Clerk

Hassan Kingsberry
Town Attorney

Board of Commissioners Work Session Agenda Item Report

Agenda Item No.: 2023-328-
Submitted by: Aileen J. Staples
Submitting Department: Administration
Meeting Date: December 5, 2023

SUBJECT
Discussion of October Monthly Financial Summaries

Recommendation:

Item Summary:

ATTACHMENTS

- Monthly Financial Report_summary.pdf
- October 31,2023 Financial Summaries.pdf

Agenda Item: Monthly Financial Report

Summary: Staff prepares monthly financial reports for each of the respective operating funds for which an annual budget is authorized by the Board of Commissioners. The reports are accompanied by highlights during respective month for each fund.

Attachments: Financial reports

Town of Wake Forest
October 31, 2023

GENERAL FUND HIGHLIGHTS:

- Total year-to-date revenues are at 17.06% of annual budgeted amounts.
- Ad valorem taxes represent over 50% of the general fund revenues – they are due September 1. Penalties and interest do not accrue until January 2024. Majority of this revenue source comes in towards the end of December and before January 6.
- Unrestricted intergovernmental revenues (sales and utility franchise tax) represent over 20% of general fund revenues. The first distribution of these revenues was received in mid-October.
- Other financing sources include installment purchase proceeds, interfund transfers and appropriated fund balance – reflective later in the fiscal year.
- Total year-to-date expenditures are at 35.66% of appropriations (includes encumbrances).
  - Departments that are above the guideline results from blanket purchase orders that are issued in July for services that cover the fiscal year, purchase orders carried forward (items not received in FY 23) and capital equipment being ordered earlier due to delayed delivery times.
  - Risk Management (431) – Worker's compensation, property and liability insurance invoices paid early in fiscal year.
- Net increase YTD (*decrease* fund balance) is ***$8.7 million.***
  - Typical for General Fund to operate at a deficit first few months of the fiscal year due to timing of property tax collections and receipt of sale tax revenues.

DEBT SERVICE FUND HIGHLIGHTS:

- $32,518 in debt service payments made in October.
- Net increase YTD *(increase* in fund balance) is ***$1,445,837.***

WF BIP:

- Other financing sources represents transfer from General Fund.
- Expenditures are below expected guideline (33%).

DMSD HIGHLIGHTS:

- Majority of DMSD tax revenue will come in December and early January.
- Transfers out to Debt Service and General Fund will occur later in the fiscal year.

WFRC HIGHLIGHTS:

- Expenditures are at 30.15% which is below the guideline (33%).
- Other financing sources represents transfer from General Fund for personnel costs.

October 31, 2023 - Financial Summaries – page 2

ELECTRIC FUND HIGHLIGHTS:

- Total year-to-date revenues are at 37.96% of budgeted amounts.
- Total expenses are at 67.55% (includes encumbrances) – without inventory encumbrance – 35.4%.
  - Purchase for resale – power for October **($883,213)** is paid in November and not reflected in the attached.
  - Purchase order for $4,383,350 was issued in April 2022 per bids received for transformers (inventory) – expected to arrive in early **2024**.
    - Purchases for inventory are accounted for on a cash basis during the fiscal year then reconciled to the balance sheet at year end.
    - Purchase orders for transformers carried forward from FY 22 and FY 23.
    - Shipment of transformers arrived in October.
- Net gain YTD is ***$650,311***
  - ***During the month of October, we paid over $1.2 million for transformers and wire which reduced the YTD gain significantly from September to October.***

Rate adjustments approved on March 21, 2023, with respective effective dates of April 1, 2023, and September 1, 2023.

AMERICAN RESCUE PLAN ACT (ARPA):

- Report is a "life to date" (LTD) meaning everything reported is cumulative from the beginning – July 2021.
- Due to reporting and accounting requirements, funds received to date are shown as "deferred revenue" and is recorded as revenue as we incur expenditures over the next few years. For monthly reporting purposes, it is shown that all funds have been received.

GENERAL FUND
October 31, 2023

Monthly Target Percentage 33.33%

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
REVENUES						
Ad Valorem Taxes	$ 38,078,440	$ 7,668,338	-	$ 30,410,102	20.14%	$ 7,334,229
Other Taxes	55,000	14,950	-	40,050	27.18%	13,722
Unrestricted Intergovernmental	18,435,300	1,436,747	-	16,998,553	7.79%	1,285,680
Restricted Governmental	2,297,540	973,524	-	1,324,016	42.37%	603,475
Permits and Fees	2,514,750	1,000,506	-	1,514,244	39.79%	1,026,544
Other Revenue	1,903,470	501,863	-	1,401,607	26.37%	458,201
Sales and Services	5,096,750	1,036,057	-	4,060,693	20.33%	908,968
Investment Earnings	650,000	409,471	-	240,529	63.00%	106,595
Other Financing Sources	7,659,660	38,636	-	7,621,024	0.50%	-
General Fund Total	$ 76,690,910	13,080,092	-	63,610,818	17.06%	$ 11,737,413

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
EXPENDITURES						
410 Board of Commissioners	$ 417,500	$ 97,685	$ -	$ 319,815	23.40%	$ 126,537
412 Legal Services	396,200	107,112	-	289,088	27.03%	131,839
420 Town Manager's Office	895,650	295,917	8,590	591,143	34.00%	229,434
421 Town Clerk	250,500	74,308	-	176,192	29.66%	-
422 Organizational Performance	474,180	138,056	2,604	333,520	29.66%	-
423 Budget Management	232,785	45,935	11,971	174,879	24.88%	-
425 Communications	1,288,400	409,522	107,675	771,204	40.14%	344,754
430 Human Resources	1,162,910	380,766	57,768	724,377	37.71%	408,865
431 Risk Management	467,730	312,878	400	154,452	66.98%	-
435 Downtown Development	510,500	167,654	-	342,846	32.84%	122,862
440 Financial Services	1,275,635	311,941	4,232	959,462	24.79%	472,773
445 Information Technology	2,281,575	974,886	105,875	1,200,813	47.37%	474,244
480 Inspections	2,408,475	651,165	53,832	1,703,478	29.27%	581,435
490 Planning	4,265,250	918,467	972,147	2,374,636	44.33%	650,555
500 Public Facilities	3,082,000	1,120,101	870,935	1,090,965	64.60%	908,065
510 Police	16,328,175	5,089,961	604,491	10,633,723	34.88%	4,376,770
520 Fire	12,668,250	3,391,022	269,344	9,007,884	28.89%	3,304,065
530 Public Works Administration	313,115	102,916	-	210,199	32.87%	78,197
535 Urban Forestry	529,400	157,221	400	371,779	29.77%	118,079
540 Engineering	1,697,290	456,849	252,707	987,733	41.81%	481,903
545 Stormwater Management	796,560	149,242	5,009	642,310	19.36%	-
550 Fleet Maintenance	651,295	191,706	5,619	453,970	30.30%	149,051
560 Streets	3,901,430	910,940	855,036	2,135,454	45.26%	751,825
580 Solid Waste	5,985,500	1,042,099	231,220	4,712,181	21.27%	884,286
620 Parks and Recreation	6,208,965	1,574,884	1,184,374	3,449,708	44.44%	1,320,578
999 Transfers	8,201,640	2,667,216	-	5,534,424	32.52%	2,360,126
General Fund Total	$ 76,690,910	21,740,447	5,604,228	49,346,235	35.66%	$ 18,276,241

General Fund - Net Gain (Loss) ***$ (8,660,354)*** ***$ (6,538,828)***

Debt Service Fund
October 31, 2023

Monthly Target Percentage 33.33%

Department		Amended Budget	YTD Actual	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)		PY YTD Actuals
REVENUES							
Restricted Governmental	$	1,290,595	677,250	613,345	0.00%		642,845
Permits and Fees		707,610	209,971	497,639	0.00%		181,158
Investment Earnings		30,520	5,840	24,680	0.00%		2,080
Other Financing Sources		6,078,775	2,004,592	4,074,183	32.98%		1,705,777
General Fund Total	**$**	**8,107,500**	**2,897,654**	**5,209,846**	**35.74%**	**$**	**2,531,860**

Department		Amended Budget		YTD Actual		Remaining Budget (including encumbrances)		% Budget Used (includes encumbrances)		PY YTD Actuals
EXPENDITURES										
440 Financial Services	$	762,870	$	-	$	762,870	$	-	$	-
445 Information Technology		397,135		196,009		201,126		49.36%		199,884
480 Building Inspections		54,455		47,397		7,058		87.04%		48,605
490 Planning		12,595		-		12,595		0.00%		-
500 Public Facilities		617,190		335,006		282,184		54.28%		308,532
510 Police		673,215		342,891		330,324		50.93%		364,448
520 Fire		290,355		134,543		155,812		46.34%		134,543
535 Urban Forestry Division		8,555		4,273		4,282		49.95%		4,272
540 Engineering		6,985		-		6,985		0.00%		-
550 Fleet Maintenance		20,715		4,273		16,442		0.00%		4,273
560 Streets		1,620,525		176,743		1,443,782		10.91%		191,370
570 Powell Bill		1,522,590				1,522,590		0.00%		-
580 Solid Waste		235,605		26,360		209,245		11.19%		26,360
620 Parks and Recreation		1,884,710		184,321		1,700,389		9.78%		191,917
General Fund Total	**$**	**8,107,500**		**1,451,817**		**6,655,683**		**17.91%**	**$**	**1,474,204**
Debt Service Fund - Net Gain (Loss)			***$***	***1,445,837***					***$***	***1,057,656***

DMSD Special Revenue Fund
October 31, 2023

Monthly Target Percentage 33.33%

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
REVENUES						
Ad Valorem Taxes	$ 155,570	$ 25,249	-	$ 130,321	16.23%	$ 31,228
Investment Earnings	9,430	6,111	-	3,319	64.80%	1,277
Other Financing Sources	-	-	-	-	0.00%	-
DMSD Special Revenue Fund Total	**$ 165,000**	**31,360**	**-**	**133,640**	**19.01%**	**$ 32,505**

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
EXPENDITURES						
Transfers In (Out)	$ 165,000	$ -	$ -	$ 165,000	0.00%	$ -
DMSD Special Revenue Fund Total	**$ 165,000**	**-**	**-**	**165,000**	**0.00%**	**$ -**

Downtown District - Net Gain (Loss)		***31,360***				***32,505***

Wake Forest Renaissance Centre
October 31, 2023

Monthly Target Percentage 33.33%

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
REVENUES						
Sales and Services	$ 249,710	$ 41,674	$ -	$ 208,036	16.69%	$ 58,522
Other Revenue	140,700	37,573	-	103,127	26.70%	36,159
Other Financing Sources	757,785	241,262	-	516,523	31.84%	167,071
WFRC Fund Total	**$ 1,148,195**	**320,508**	**-**	**827,687**	**27.91%**	**$ 261,751**

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
EXPENDITURES						
626 Wake Forest Renaissance Centre	$ 1,148,195	$ 317,933	$ 28,253	$ 802,008	30.15%	$ 262,708
WFRC Fund Total	**$ 1,148,195**	**317,933**	**28,253**	**802,008**	**30.15%**	**$ 262,708**

WFRC Fund - Net Gain (Loss)		***$ 2,575***				***$ (957)***

Wake Forest Business and Industry Partnership Fund (BIP)
October 31, 2023

Monthly Target Percentage 33.33%

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
REVENUES						
Sales and Services	$ -	$ -	$ -	$ -	0.00%	$ -
Other Revenue	2,500	4,211	-	(1,711)	168.46%	-
Other Financing Sources	550,700	158,400	-	392,300	28.76%	121,755
WFRC Fund Total	**$ 553,200**	**162,611**	**-**	**390,589**	**29.39%**	**$ 121,755**

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
EXPENDITURES						
415 Economic Development	$ 553,200	$ 89,276	$ -	$ 463,924	16.14%	$ 25,232
WFRC Fund Total	**$ 553,200**	**89,276**	**-**	**463,924**	**16.14%**	**$ 25,232**

WFBIP Fund - Net Gain (Loss)		***$ 73,336***				***$ 96,523***

WAKE FOREST POWER (ELECTRIC FUND) | **Monthly Target Percentage** 33.33%

October 31, 2023

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
REVENUES						
Charges for Services	$ 22,616,900	$ 8,806,556	-	$ 13,810,344	38.94%	$ 7,617,050
Sales Tax - Utility	1,567,350	612,727	-	954,623	39.09%	528,295
Other Revenue	287,500	78,124	-	209,376	27.17%	111,144
Investment Earnings	31,250	25,779	-	5,471	82.49%	9,595
Other Financing Sources	582,000	-	-	582,000	0.00%	-
Electric Fund Total	**$ 25,085,000**	**9,523,187**	**-**	**15,561,813**	**37.96%**	**$ 8,266,085**

Department	Amended Budget	YTD Actual	Encumbrances	Remaining Budget (including encumbrances)	% Budget Used (includes encumbrances)	PY YTD Actuals
EXPENDITURES						
840 Electric - Billing & Collections	$ 575,820	$ 177,456	$ 1,247	$ 397,117	31.03%	$ -
850 Electric - Operations	$ 23,890,635	8,598,039	7,862,242	7,430,355	68.90%	7,002,958
860 Electric - Tree Trimming	618,545	97,381	207,952	313,212	49.36%	130,097
Electric Fund Total	**$ 25,085,000**	**8,872,876**	**8,071,441**	**8,140,684**	**67.55%**	**$ 7,133,055**
Electric Fund - Net Gain (Loss)	$ -	***650,311***				***1,133,029***

AMERICAN RESCUE PLAN ACT (ARPA) **Monthly Target Percentage** N/A

10/31/2023 (Cumulative - Life to Date)

Department		Amended Budget		LTD Actual		Encumbrances		Remaining Budget	% Budget Used		PY YTD Actuals *N/A*
REVENUES											
Restricted Governmental	$	14,541,000		14,541,846		-		(846)	100.01%		-
Investment Earnings		-		522,142		-		(522,142)	0.00%		-
Other Financing Sources		-		-		-		-	0.00%		-
General Fund Total	**$**	**14,541,000**		**15,063,987**		**-**		**(522,987)**	**103.60%**	**$**	**-**

Department		Amended Budget		LTD Actual		Encumbrances		Remaining Budget	% Budget Used		PY YTD Actuals
EXPENDITURES											
445 Information Technology	$	1,030,000	$	166,780	$	-	$	863,220	16.19%	$	-
525 Public Safety (ARPA)		2,800,000		1,284,047		1,654,000		(138,047)	104.93%		-
540 Engineering		6,325,000		600,811		483,864		5,240,325	17.15%		-
638 Other Improvements		4,386,000		1,886,286		1,049,434		1,450,280	66.93%		-
General Fund Total	**$**	**14,541,000**		**3,937,924**		**3,187,298**		**7,415,778**	**49.00%**	**$**	**-**
ARPA Fund - Net Gain (Loss)			***$***	***11,126,063***						***$***	***-***

`

Board of Commissioners Work Session Agenda Item Report

Agenda Item No.: 2023-332-
Submitted by: Terry Savary
Submitting Department: Administration
Meeting Date: December 5, 2023

SUBJECT
Review of Draft Agenda for Upcoming Regular Meeting

Recommendation:

Item Summary:

ATTACHMENTS
- DraftBOCAgenda_Dec202319.pdf

Wake Forest Board of Commissioners
Draft Meeting Agenda
December 19, 2023 at 6:00 PM

All items listed are for discussion and possible action

Call to Order

Pledge of Allegiance

1.Approval of Agenda

2.Approval of Minutes

2.A. November 9, 2023 Work Session
November 21, 2023 Regular Meeting

3.Presentations

4.Public hearings / Public Comment

4.A. Public Comment: If anyone would like to address the Board of Commissioners on an item other than a public hearing item during the time of public comment, please sign up with the Town Clerk prior to the meeting. Each speaker is asked to limit comments to 3 minutes. Please provide the clerk with copies of any handouts you have for the Board. Although the Board is interested in hearing your concerns, speakers should not expect Board action or deliberation on subject matter brought up during the Public Comment segment. Topics requiring further investigation will be referred to the appropriate Town Staff and may be scheduled for a future agenda. Thank you for your consideration of the Board of Commissioners, staff and other speakers.

5.Consent Agenda

(A Consent Agenda is a group of items passed with a single motion and vote. These matters are of a generally routine nature. No debate is allowable on any item included on the Consent Agenda. If a Commissioner or any citizen of Wake Forest or its ETJ wants separate consideration of any item, it may be removed from the Consent Agenda by request.)

5.A. Approval of a resolution to schedule the public hearing and certify the sufficiency for a petition requesting annexation submitted by McAdams Company C/O Bill

Andrews for property associated with the rezoning request RZ-22-07, located at 12621 and 12631 Capital Blvd being Wake County PINs 1831-85-3681 and 1831-85-5861 being approximately 5.54 acres.

5.B. Approval of a resolution to schedule the public hearing and certify the sufficiency for a petition requesting annexation submitted by Marion Jordan C/O Edward and Louise Smith for property associated with the rezoning request RZ-23-07, located at 200 Stephen Taylor Road being Franklin County PINs 1842-82-6404 being approximately 1.008 acres.

5.C. Approval of the 2024 Board of Commissioners Meeting Schedule

5.D. Approval of Budget Ordinance Amendment # 1 - FY 2023 - 2024

5.E. Approval for H. L. Miller Park Design

5.F. Approval of purchase of generation systems from Power Secure, Inc.

5.G. Consideration of the Town of Wake Forest Affordable Housing Land Disposition Program Policy

6.Legislative Items

6.A. Second Vote to Consider the Stormwater Utility Fee

7.Planning Items

8.Administration and Financial Items

8.A. Consideration of approval of resolution updating the Internal Control Policy

9.Public Services Items

10.Parks and Recreation Items

11.Public Safety Items

12.Other Business

12.A. Department Monthly Report

12.B. Wake County Tax Release

12.C. Commissioner Reports

12.D. Resolutions of Appreciation for Outgoing Commissioners

12.E. Oaths of Office for Commissioners-elect

13.Adjournment

Board of Commissioners Work Session Agenda Item Report

Agenda Item No.: 2023-327-
Submitted by: Chris Glass
Submitting Department: Engineering
Meeting Date: December 5, 2023

SUBJECT
Discussion of SSA with Kimley-Horn for Miller Park Phase I Construction Drawings and Permits

Recommendation:
Approval of the Amended Contract for Miller Park Phase I Construction Drawings and Permits

Item Summary:

ATTACHMENTS

- 2023-327-Agenda Item Summary.pdf
- Attachment_A_2023-xx_Resolution.docx
- Attachment_B_H.L.MillerPark_Scope_Kimley_Horn_Survey.pdf
- Attachment_C_H.L.MillerPark_Scope_Kimley_Horn_Survey.pdf
- Attachment_D_Kimley-Horn_MSA_contract.pdf

ITEM TITLE: Consideration of Resolution to Approve SSA with Kimley-Horn for Miller Park Phase I Construction Drawings and Permits

ITEM SUMMARY: Approval of amended design contract in the amount of $256,140.00 to utilize Kimley Horn and Associates, Inc. for Miller Park Phase I Construction Drawings, and environmental permits. Original contract amount for survey was $53,091.00 executed in September. Adjusted the contract to a total of $309,231.00. In March 2023, the Board approved Kimley Horn as a consultant connected to the Town's On-Call Professional General Engineering Services. This contract details the scope for the final design for H.L. Miller Park Stream Restoration, Greenway Trail, and Park Design. Funding is provided through the American Rescue Plan Act (ARPA).

ATTACHMENTS:

Attachment_A_2023-xx_Resolution

Attachment_B_MillerPark_Scope_KH_Final Design

Attachment_C_H.L.MillerPark_Scope_Kimley_Horn_Survey

Attachment_D_Kimley-Horn_MSA_Contract

SPECIFIC ACTION REQUESTED: Recommend approval.

RESOLUTION 2023-XX

RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE ON BEHALF OF THE TOWN OF WAKE FOREST, THE PROFESSIONAL SERVICES CONTRACT FOR ON-CALL ENGINEERING SERVICES FOR H.L. MILLER PARK DESIGN

WHEREAS, Kimley-Horn and Associates, Inc. was awarded as an on-call engineering services consultant in March 2023

WHEREAS, on-call agreements are an effective way to retain professional engineering consultants to ensure that the Town's projects are designed and constructed in a timely and cost-effective manner that meets Town's standards; and

WHEREAS, in September 2023 the Town and our on-call consultant Kimley-Horn and Associates, Inc. agreed to a scope of services to include professional services for surveying related to the H.L. Miller Park; and

WHEREAS, in November 2023 the Town and our on-call consultant Kimley-Horn and Associates, Inc. propose to amend the previous agreed upon scope of services to include permitting, final design and bid assistance related to the H.L. Miller Park; and

WHEREAS, the H.L. Miller Park has been awarded American Rescue Plan Act (ARPA) Funding; and

BE IT RESOLVED by the governing body of the Town of Wake Forest hereby authorizes the Town Manager to execute Professional Services for H.L. Miller Park Design Project Engineering services in the amount of $309,231.00.

Duly adopted this 19th day of December 2023.

Motion by: ______________________

Second by: ______________________

____

Vivan Jones
Mayor

ATTEST:

____

Theresa Savary

Town Clerk

APPENDIX B

TOWN OF WAKE FOREST, NORTH CAROLINA SUPPLEMENTAL SERVICES AGREEMENT NO. [1] TO THE MASTER SERVICE AGREEMENT FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES

SECTION I: PURPOSE

The purpose of this Supplemental Services Agreement (hereinafter "SSA") is for, Kimley-Horn, the Consultant, to provide On-Call general engineering Professional Services, as assigned, in accordance with the Agreement titled, "TOWN OF WAKE FOREST, NORTH CAROLINA MASTER SERVICES AGREEMENT FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES" between the Town and Kimley-Horn, dated March 6, 2023 (hereinafter "Master Services Agreement" or "MSA").

SECTION II: SCOPE

Consultant will perform On-Call General engineering Professional Services on an as-needed basis upon receipt of request and assignment from the Town representative. The Consultant shall comply with all terms of the MSA, which agreement is incorporated into this SSA as if fully set forth verbatim herein. Duties will involve the scope of services outlined in Exhibit A.

Services to be provided include, but are not limited to the scope of services outlined in Exhibit A. Consultant and the Town will mutually determine at time of assignment of individual tasks the Consultant personnel to be assigned, schedule, and deliverables.

SECTION III: SCHEDULE

Consultant shall perform tasks as expeditiously as practical and in conformance with schedules developed at the time of assignment of individual tasks and agreed upon by the Town and Consultant.

SECTION IV: PERIOD OF SERVICE

This SSA shall be for a period of from September 1, 2023 to July 1, 2025.

SECTION V: COMPENSATION

Consultant shall perform the services detailed in the scope described in Section II above on the basis of the hourly rate schedule contained in the MSA or set fee for services and attached hereto.

Billing shall be on a monthly basis in conformance with Section VI of the MSA, and invoices for all compensation owed in accordance with this SSA shall be submitted to the Town with sufficient detail to process the invoice for payment and for a proper pre-audit and post-audit thereof in accordance with Town standards. The total amount billed to the Town under this Supplemental Service Agreement shall not exceed $53,09.001 nor shall the Consultant incur costs above $53,091.00 without the written permission of the Town.

SECTION VI: INSURANCE COVERAGE

Consultant shall provide insurance coverage as provided for in Section VII of the MSA.

SECTION VII: OTHER SPECIAL TERMS

The Town will provide the Consultant all pertinent information and data available to the Town and deemed necessary to perform assigned tasks.

SECTION VIII: PRE-AUDIT, if applicable

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

____
(Signature of Finance Officer)
Town of Wake Forest
301 S. Brooks Street
Wake Forest, NC 27587

SECTION IX: CONTRACT MONITORING

Staff member responsible for monitoring the contract performance requirements is:

Name and Title: __Chris Glass Senior Civil Engineer____

Department Head Initials: __________

IN WITNESS WHEREOF, the Town of Wake Forest and the Consultant have caused this contract to be executed under seal by their respective duly authorized agents or officers.

TOWN OF WAKE FOREST:

By: ________________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

CONSULTANT:

By: ________________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

Exhibit A

INDIVIDUAL PROJECT ORDER NUMBER 4

Describing a specific agreement between Kimley-Horn and Associates, Inc. (the Consultant), and The Town of Wake Forest (the Client) in accordance with the terms of the Master Service Agreement for On-Call Professional Engineering Services dated March 6, 2023, which is incorporated herein by reference.

Identification of Project:

Project Name: H.L. Miller Park Survey and Coordination
Consultant Project Manager: Caleb Lowman
Project Number: 011311070

Specific scope of basic Services:

Kimley-Horn and Associates, Inc. ("Consultant" or "Consultant") is pleased to submit this Individual Project Order (IPO) to the Town of Wake Forest ("Town" or "the Client") for providing professional engineering services for the above referenced project (the "Project"). Our project understanding, scope of services, schedule, and fee are below.

Project Understanding

The purpose of this IPO is to provide survey and attend meetings for the future design of the H.L. Miller Park greenway that will connect S Taylor St to Elm Ave traveling thru the park as shown in the conceptual design provided by the Town. The plans and specifications will be a part of a future amendment to the IPO or will be provided under a future IPO based on coordination with the Town. Services included in this IPO are listed below.

Scope of Services

Consultant will provide the services specifically set forth below.

Task 1 – Location and Surveys (McKim & Creed)

See McKim & Creed Survey Scope of Work August 23, 2023 (Attachment A).

Task 2 – Meetings and Coordination

Project Kick-Off Meeting. A project kick-off meeting was held via Teams to discuss the project's objectives and critical issues, particularly regarding coordination and scheduling between the different parties involved. This meeting established the preferred path forward.

Progress Meetings - Progress meetings with the Town will be held monthly to provide an update on the project schedule and coordinate the outstanding issues. Consultant shall provide up to two (2) staff to attend a maximum of one (1) progress meetings associated with the Project.

Site Observations - Consultant will make one site visit to observe the site condition during the survey timeframe. Consultant will use the information gathered during the site visit to help confirm the preferred greenway alignment as shown in the conceptual plan provided by the Town.

Meetings beyond those described above will be considered additional services.

Additional Services

Any services not specifically provided for in the above scope will be considered additional services and can be performed at our then current hourly rates. Additional services include, but are not limited to, the following:

- Any meetings not specifically identified above requested by the Client or on the Client's behalf by a third party to this Agreement
- 30%, 60%, and Final Design Plans
- Opinion of Probable Construction Cost
- Geotechnical Investigations
- Wetland Delineation and Permitting
- Hydraulic Design
- Stream Modeling
- Utility Construction Plans
- Structure Design
- Phase I or Phase II archaeological investigations
- Additional Investigations regarding hazardous materials, waste, or contamination in addition to those noted in Falcon Engineering scope.
- Groundwater studies or analysis
- Stream Restoration & Pond Assessments
- Conditional Letter of Map Revision (CLOMR)
- Letter of Map Revision (LOMR)
- Culvert Survey Report (CSR) (Typically associated with NCDOT projects)
- Onsite Mitigation Design
- Landscape and Hardscape Design
- Private Utility Coordinate and Design
- Right of Way and Easement Acquisition Services
- Temporary Shoring Design
- Formwork Design
- Bid Phase Services
- Construction Phase Services, including a Pre-Construction Conference
- Water Utility Relocation Record Drawings

Information provided by Town

The following information will be provided to the Consultant by Town prior to notice to proceed:

- Available existing as-built information in the vicinity of the project area, including utilities
- Current conceptual plan of the preferred greenway location
- Any project permitting fees and any project advertising fees
- Town to complete Right of Way and Easement Acquisition Services

The Consultant shall be entitled to rely on the completeness and accuracy of all information provided by Town.

Schedule

The Consultant shall develop a final project schedule with mutually agreed upon timelines. The Consultant will provide these services as expeditiously as practicable with the goal of meeting the established schedule.

The Consultant shall not be held responsible for any delays in time of completion resulting from the following:

- Client's failure to carry out any of their responsibilities in a timely manner.
- Approving agencies failure to provide timely approval of permits, encroachments, or other entitlement applications.
- Additional Services requested by the Client.
- Any other circumstances beyond the control of the Consultant.

In the event Consultant is delayed by circumstances listed above, the time required to complete the Scope of Services and Additional Services will be extended by negotiation.

Kimley»Horn

Fee and Expenses

Consultant will perform the services described in the Scope of Services for a lump sum fee of **$53,091.00**. Fees broken down by individual tasks are as follows:

Task No.	Design Tasks		Estimated Fee
1	Location and Surveys (McKim & Creed)	$	49,291.00
2	Meetings and Coordination	$	3,750.00
	Expenses	$	00.00
	Total	**$**	**53,091.00**

All permitting, application, and similar project fees will be paid directly by the Client. Fees will be invoiced monthly based upon the percentage of services completed as of the invoice date. Payment will be due within 30 days of the date of the invoice. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter. We appreciate the opportunity to provide these services to you. Please contact me if you have any questions.

Very truly yours,

KIMLEY-HORN AND ASSOCIATES, INC.

By: Caleb D. Lowman, P.E.
Project Manager

Jeffrey W. Moore, P.E.
Senior Vice President

Attachment A – McKim & Creed Scope and Fee
Attachment B – Kimley-Horn Fee

Attachment A

August 23, 2023 ######

Mr. Caleb Lowman, PE
Kimley Horn
421 Fayetteville Street, Suite 600
Raleigh, NC 27601

Ref: Proposal for Professional Land Surveying for the H.L. Miller Park project in the Town of Wake Forest, NC.

Dear Mr. Lowman,

Thank you for requesting our Geomatics services for the above project. Please find below our proposed scope of work, fee and schedule.

Survey Limits

Survey limits for this project are per an email dated August 11, 2023 titled "Miller Park Survey Boundary.pdf" and attached as exhibit A. Limits of survey is approximately 7 acres.

1. **Baseline Control** - McKim & Creed will estabilsh baseline control covering the project limits.

2. **Pavement DTM's** - McKim & Creed will obtain pavement and ground shot DTM's within the survey limits

3. **Field Location of Topo & Planimetric Features)** - McKim & Creed will obtain planimetric features within the limits including: signs, curbs, paved trail paths, foot bridges, fences, foot bridges, benches.

4. **Stream Survey – McKim** & Creed will locate approximately 850' of stream at 25' stations including: top of banks, bottom of banks, centerline of creek or stream, thalweg, major changes in slope of bank, such as eroded areas, historic spoil piles, and rock outcroppings.

5. **Tree Survey** – McKim & Creed will locate trees 15" or greater DBH.

6. **Location of Gravity Utilities** - McKim & Creed will locate gravity utilities within the survey limits or other facilities crossing under the roadway survey limit. Top elevations, invert elevations, pipe sizes, pipe materials and pipe connectivity will be located.

7. **Courthouse Research** - McKim & Creed will perform courthouse research for

1730 Varsity Drive
Suite 500
Raleigh, NC 27606
919.233.8091
Fax 919.233.8031
www.mckimcreed.com

properties to cover the limits. Copies of deeds and plats will be saved as PDF files for delivery. We estimate 4 properties.

8. **Field Property Ties and Recon** - McKim & Creed will attempt to locate front corners for all affected properties and go to back corners as needed. We will also recon and locate existing right-of-way monumentation if available

9. **Property Analysis and Computations**
   McKim & Creed will perform computations and analysis on existing properties and easements within the limits. We estimate 3 properties.

10. **Location of Non-Gravity Utilities (QL-B) and QL-A Test Holes**-McKim & Creed will perform SUE QL-B,electromagnetic (EM) and ground penetrating radar (GPR) designation, to map existing non-gravity utilities within the limits as described and depicted above in the Survey Limits section.

    Quality Level B (QL-B) services include the horizontal detection and mapping of underground facilities. Geophysical prospecting methods are used to indicate the presence and surface position of buried utilities. Non-gravity utilities such as water, gas, power, sanitary force main, telephone (direct buried and in conduit) and cable TV are investigated, identified and marked in the field in order to be surveyed and mapped. Irrigation systems and parking lot lights are typically not included. QL-B information should not be used for construction purposes, or where exact horizontal and vertical measurements are required. Utility exposure (QL-A) permits precise three-dimensional measurements to be taken on utilities for accurate locations. QL-A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

    Only Quality Level A (QL-A) information can be guaranteed. The accuracy of QL-B, designating information is subject to field conditions beyond our control. However McKim & Creed will make every attempt to provide a comprehensive and positionally correct utility map to the limit allowable by the instrumentation. Contracting McKim & Creed's SUE services does not relieve any party from their obligation to contact the utility damage prevention system before digging begins. Utility marks placed on the ground by McKim & Creed are not to be used for construction purposes.

    Quality Level A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

Our field technicians are outfitted with state of the art equipment and our CAD operators and workstations meet industry standards. Our service will be performed in accordance with the Standards of Practice for The Subsurface Utility Engineering profession. Non-gravity utilities will be located using SUE QL-B methodology.

11. **2D/3D Mapping** - McKim and Creed will map all 3D data into one DTM file and create an overall TIN file. The FS file will contain all the 2D planimetrics and SUE data.

12. **Travel** - Round trip travel from our Raleigh office is 2 hour (50 miles).

13. **Project Management & Supervision** - Time will be allowed for a PLS to manage and supervise this project.

14. **Traffic Control & Safety** - McKim and Creed will perform a full safety meeting with all personnel prior to beginning this project. Proper safety signage will be required when working near roadways. Proper personal protective equipment (PPE) will be required at all times.

13. Easement Acquisition Surveys

McKim & Creed will perform easement acquisition surveys and mapping services on an estimated two (2) properties.

McKim & Creed will perform field surveys and the associated mapping for the preparation of recordable easement exhibits and legal descriptions; to meet or exceed the Standards and Practice for Land Surveying in North Carolina (21 NCAC 56.1600).

- Recover existing survey control on site
- Recover existing field evidence and perform partial boundary surveys to establish the right of ways of Whitted Road and Johnson Pond Road at the location of the proposed easements
- Survey data processing and mapping
- Monument the easements in the field using permanent methods
- Prepare two (2) recordable easement exhibits - 1 exhibit per subject property
- Prepare two (2) legal descriptions - 1 description per subject property
- Address two (2) rounds of review comments
- Project Management

The deliverables will include:

- Two (2) certified exhibit maps (paper and .pdf formats)
- Two (2) certified legal descriptions (.pdf and .doc formats)

Deliverables

All data will be delivered per the current NCDOT standards (Microstation V8i format, 1" = 40')

- DTM file (3d microstation file)
- TIN file
- FS file (2d microstation file)
- GPK File

Exclusions

- Construction Staking
- Wetland Delineation, Locations, Mapping
- Geotech Hole Staking/Locations
- Traffic Control for QL-A in Roadway ($1,500 / day)

Schedule

McKim and Creed can begin work (Survey & SUE QL-B) within 10 working days after receiving a fully executed subconsultant agreement. McKim and Creed can complete the above scope of work within an additional 30 working days.

Compensation

Kimley-Horn agrees to compensate McKim & Creed a Lump Sum Fee per the following breakdown. Additional services beyond the above scope of work will require a supplemental agreement.

Conventional Survey	$ 39,391.00
Easement Mapping/Plats/Field ($2,500 ea. x 2)	$ 5,000.00
SUE QL-B	$ 2,500.00
SUE QL-A Test Holes ($1,200/ea. x 2)	$ 2,400.00
Total	**$ 49,291.00**

PAYMENT

The Client is specifically requested to review the "Billing and Payment" Section of the attached McKim & Creed General Conditions. McKim & Creed's ability to continue providing services on your project is dependent on the timely payment of our invoices. McKim & Creed reserves the right, and the Client acknowledges this right by entering into this Agreement, to stop work and also withhold the submittal of our documents should the Client's invoices become past due.

SCHEDULE OF SERVICES

We will perform the work described in the above Scope of Services as expeditiously as practical, weather permitting, to meet a mutually agreed schedule upon receipt of your written authorization to proceed.

ASSUMPTIONS / CLARIFICATIONS

This proposal is based on QLB Test Hole locations being outside of roadway and does not include MOT.

Information to be provided by Client: Surveyor shall rely on the completeness and accuracy of all information and technical data provided by the Client and Client's other consultants. The Client shall provide all necessary information required by Surveyor to complete its work, including any updates to previously provided information and any other information reasonably requested by Surveyor.

Items to be provided by Client include:

- Access to job site
- Notifications to Property Owners

Surveyors Certifications: The Surveyor shall not be required to sign any documents, no matter by whom they may be requested, that would result in the Surveyor's having to certify, guarantee or warrant the existence of conditions which the Surveyor cannot ascertain. The Client also agrees that it has no right to make the resolution of any dispute with the Surveyor or the payment of any amounts due to the Surveyor in any way contingent upon the Surveyor's signing any such certification.

ATTACHMENTS

The following documents are attached hereto and incorporated herein by reference:

1. Survey Limits
2. McKim & Creed General Conditions

ACCEPTANCE

If acceptable, sign and return one (1) copy of this document and all attachments for our files. Our receipt of the executed copy of this proposal will serve as our Notice to Proceed. This proposal is valid for thirty (30) days from the date of the proposal. If the proposal is not accepted within thirty (30) days, we reserve the right to revise or withdraw the proposal entirely at our discretion.

We look forward to working with you on this project and appreciate this opportunity to serve Kimley Horn's surveying needs. If you have any questions or need additional information, please feel free to call us.

Sincerely,

Jeff Aker, PLS
Geomatics Regional Manager
McKim & Creed, Inc.


Survey Boundary - Including water and sewer lines along Elm Ave and Taylor St
and any other dry utilities in the boundary shown below
S Taylor St
S Taylor St
Elm Ave
Elm Ave
S Franklin St
S Franklin St

FEE ESTIMATE

Attachment B

MANHOURS BY CLASSIFICATION							TOTAL		PROJECT PHASE
SENIOR PROF II	SENIOR PROF I	PROF	ANALYST	SENIOR TECH	TECH	SUPPORT STAFF	MANHOURS	MANDAYS	**Task 2 - Meetings and Coordination**
		4	4				8	1.00	Field Reconnaissance
1		2					3	0.38	Kickoff Meeting with Town
		2	1				3	0.38	Progress Meeting (1)
		4					4	0.50	Subconsultant Coordination (1)
1	0	12	5	0	0	0			
							18.00	2.25	

Contractor/Vendor Name: Kimley-Horn and Associates

Vendor Number: 1483

Contract type: Consulting

Description / Scope of Work: Survey including topographic and SUE for Miller Park

Contract Amount: 53091.00

RFP/RFQ #:

Contractor signature: E-SIGNED by John Kuzenski

Date: on 2023-09-07 13:08:55 GMT

September 07, 2023

Finance Department signature: E-SIGNED by Aileen Staples

Date: on 2023-09-07 15:37:20 GMT

September 07, 2023

Town Manager signature: E-SIGNED by Kip Padgett

Date: on 2023-09-07 16:45:41 GMT

September 07, 2023

Attested By: E-SIGNED by Theresa Savary

Date: on 2023-09-07 16:56:58 GMT

September 07, 2023

TOWN OF WAKE FOREST INCORPORATED SEAL FEB. 20, 1909 NORTH CAROLINA

This instrument has been pre-audited in a manner required by the Local Government Budget and Fiscal Control Act.

APPENDIX B

TOWN OF WAKE FOREST, NORTH CAROLINA SUPPLEMENTAL SERVICES AGREEMENT NO. [1] TO THE MASTER SERVICE AGREEMENT FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES

SECTION I: PURPOSE

The purpose of this Supplemental Services Agreement (hereinafter "SSA") is for, Kimley-Horn, the Consultant, to provide On-Call general engineering Professional Services, as assigned, in accordance with the Agreement titled, "TOWN OF WAKE FOREST, NORTH CAROLINA MASTER SERVICES AGREEMENT FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES" between the Town and Kimley-Horn, dated March 6, 2023 (hereinafter "Master Services Agreement" or "MSA").

SECTION II: SCOPE

Consultant will perform On-Call General engineering Professional Services on an as-needed basis upon receipt of request and assignment from the Town representative. The Consultant shall comply with all terms of the MSA, which agreement is incorporated into this SSA as if fully set forth verbatim herein. Duties will involve the scope of services outlined in Exhibit A.

Services to be provided include, but are not limited to the scope of services outlined in Exhibit A. Consultant and the Town will mutually determine at time of assignment of individual tasks the Consultant personnel to be assigned, schedule, and deliverables.

SECTION III: SCHEDULE

Consultant shall perform tasks as expeditiously as practical and in conformance with schedules developed at the time of assignment of individual tasks and agreed upon by the Town and Consultant.

SECTION IV: PERIOD OF SERVICE

This SSA shall be for a period of from September 1, 2023 to July 1, 2025.

SECTION V: COMPENSATION

Consultant shall perform the services detailed in the scope described in Section II above on the basis of the hourly rate schedule contained in the MSA or set fee for services and attached hereto.

Billing shall be on a monthly basis in conformance with Section VI of the MSA, and invoices for all compensation owed in accordance with this SSA shall be submitted to the Town with sufficient detail to process the invoice for payment and for a proper pre-audit and post-audit thereof in accordance with Town standards. The total amount billed to the Town under this Supplemental Service Agreement shall not exceed $53,09.001 nor shall the Consultant incur costs above $53,091.00 without the written permission of the Town.

SECTION VI: INSURANCE COVERAGE

Consultant shall provide insurance coverage as provided for in Section VII of the MSA.

SECTION VII: OTHER SPECIAL TERMS

The Town will provide the Consultant all pertinent information and data available to the Town and deemed necessary to perform assigned tasks.

SECTION VIII: PRE-AUDIT, if applicable

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

____
(Signature of Finance Officer)
Town of Wake Forest
301 S. Brooks Street
Wake Forest, NC 27587

SECTION IX: CONTRACT MONITORING

Staff member responsible for monitoring the contract performance requirements is:

Name and Title: __Chris Glass Senior Civil Engineer____

Department Head Initials: __________

IN WITNESS WHEREOF, the Town of Wake Forest and the Consultant have caused this contract to be executed under seal by their respective duly authorized agents or officers.

TOWN OF WAKE FOREST:

By: ______________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

CONSULTANT:

By: ______________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

Exhibit A

INDIVIDUAL PROJECT ORDER NUMBER 4

Describing a specific agreement between Kimley-Horn and Associates, Inc. (the Consultant), and The Town of Wake Forest (the Client) in accordance with the terms of the Master Service Agreement for On-Call Professional Engineering Services dated March 6, 2023, which is incorporated herein by reference.

Identification of Project:

Project Name: H.L. Miller Park Survey and Coordination
Consultant Project Manager: Caleb Lowman
Project Number: 011311070

Specific scope of basic Services:

Kimley-Horn and Associates, Inc. ("Consultant" or "Consultant") is pleased to submit this Individual Project Order (IPO) to the Town of Wake Forest ("Town" or "the Client") for providing professional engineering services for the above referenced project (the "Project"). Our project understanding, scope of services, schedule, and fee are below.

Project Understanding

The purpose of this IPO is to provide survey and attend meetings for the future design of the H.L. Miller Park greenway that will connect S Taylor St to Elm Ave traveling thru the park as shown in the conceptual design provided by the Town. The plans and specifications will be a part of a future amendment to the IPO or will be provided under a future IPO based on coordination with the Town. Services included in this IPO are listed below.

Scope of Services

Consultant will provide the services specifically set forth below.

Task 1 – Location and Surveys (McKim & Creed)

See McKim & Creed Survey Scope of Work August 23, 2023 (Attachment A).

Task 2 – Meetings and Coordination

Project Kick-Off Meeting. A project kick-off meeting was held via Teams to discuss the project's objectives and critical issues, particularly regarding coordination and scheduling between the different parties involved. This meeting established the preferred path forward.

Progress Meetings - Progress meetings with the Town will be held monthly to provide an update on the project schedule and coordinate the outstanding issues. Consultant shall provide up to two (2) staff to attend a maximum of one (1) progress meetings associated with the Project.

Site Observations - Consultant will make one site visit to observe the site condition during the survey timeframe. Consultant will use the information gathered during the site visit to help confirm the preferred greenway alignment as shown in the conceptual plan provided by the Town.

Meetings beyond those described above will be considered additional services.

Additional Services

Any services not specifically provided for in the above scope will be considered additional services and can be performed at our then current hourly rates. Additional services include, but are not limited to, the following:

- Any meetings not specifically identified above requested by the Client or on the Client's behalf by a third party to this Agreement
- 30%, 60%, and Final Design Plans
- Opinion of Probable Construction Cost
- Geotechnical Investigations
- Wetland Delineation and Permitting
- Hydraulic Design
- Stream Modeling
- Utility Construction Plans
- Structure Design
- Phase I or Phase II archaeological investigations
- Additional Investigations regarding hazardous materials, waste, or contamination in addition to those noted in Falcon Engineering scope.
- Groundwater studies or analysis
- Stream Restoration & Pond Assessments
- Conditional Letter of Map Revision (CLOMR)
- Letter of Map Revision (LOMR)
- Culvert Survey Report (CSR) (Typically associated with NCDOT projects)
- Onsite Mitigation Design
- Landscape and Hardscape Design
- Private Utility Coordinate and Design
- Right of Way and Easement Acquisition Services
- Temporary Shoring Design
- Formwork Design
- Bid Phase Services
- Construction Phase Services, including a Pre-Construction Conference
- Water Utility Relocation Record Drawings

Information provided by Town

The following information will be provided to the Consultant by Town prior to notice to proceed:

- Available existing as-built information in the vicinity of the project area, including utilities
- Current conceptual plan of the preferred greenway location
- Any project permitting fees and any project advertising fees
- Town to complete Right of Way and Easement Acquisition Services

The Consultant shall be entitled to rely on the completeness and accuracy of all information provided by Town.

Schedule

The Consultant shall develop a final project schedule with mutually agreed upon timelines. The Consultant will provide these services as expeditiously as practicable with the goal of meeting the established schedule.

The Consultant shall not be held responsible for any delays in time of completion resulting from the following:

- ➢ Client's failure to carry out any of their responsibilities in a timely manner.
- ➢ Approving agencies failure to provide timely approval of permits, encroachments, or other entitlement applications.
- ➢ Additional Services requested by the Client.
- ➢ Any other circumstances beyond the control of the Consultant.

In the event Consultant is delayed by circumstances listed above, the time required to complete the Scope of Services and Additional Services will be extended by negotiation.

Kimley»Horn

Fee and Expenses

Consultant will perform the services described in the Scope of Services for a lump sum fee of **$53,091.00**. Fees broken down by individual tasks are as follows:

Task No.	Design Tasks		Estimated Fee
1	Location and Surveys (McKim & Creed)	$	49,291.00
2	Meetings and Coordination	$	3,750.00
	Expenses	$	00.00
	Total	**$**	**53,091.00**

All permitting, application, and similar project fees will be paid directly by the Client. Fees will be invoiced monthly based upon the percentage of services completed as of the invoice date. Payment will be due within 30 days of the date of the invoice. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter. We appreciate the opportunity to provide these services to you. Please contact me if you have any questions.

Very truly yours,

KIMLEY-HORN AND ASSOCIATES, INC.

By: Caleb D. Lowman, P.E.
Project Manager

Jeffrey W. Moore, P.E.
Senior Vice President

Attachment A – McKim & Creed Scope and Fee
Attachment B – Kimley-Horn Fee

Attachment A

August 23, 2023 ######

Mr. Caleb Lowman, PE
Kimley Horn
421 Fayetteville Street, Suite 600
Raleigh, NC 27601

Ref: Proposal for Professional Land Surveying for the H.L. Miller Park project in the Town of Wake Forest, NC.

Dear Mr. Lowman,

Thank you for requesting our Geomatics services for the above project. Please find below our proposed scope of work, fee and schedule.

Survey Limits

Survey limits for this project are per an email dated August 11, 2023 titled "Miller Park Survey Boundary.pdf" and attached as exhibit A. Limits of survey is approximately 7 acres.

1. **Baseline Control** - McKim & Creed will estabilsh baseline control covering the project limits.

2. **Pavement DTM's** - McKim & Creed will obtain pavement and ground shot DTM's within the survey limits

3. **Field Location of Topo & Planimetric Features)** - McKim & Creed will obtain planimetric features within the limits including: signs, curbs, paved trail paths, foot bridges, fences, foot bridges, benches.

4. **Stream Survey – McKim** & Creed will locate approximately 850' of stream at 25' stations including: top of banks, bottom of banks, centerline of creek or stream, thalweg, major changes in slope of bank, such as eroded areas, historic spoil piles, and rock outcroppings.

5. **Tree Survey** – McKim & Creed will locate trees 15" or greater DBH.

6. **Location of Gravity Utilities** - McKim & Creed will locate gravity utilities within the survey limits or other facilities crossing under the roadway survey limit. Top elevations, invert elevations, pipe sizes, pipe materials and pipe connectivity will be located.

7. **Courthouse Research** - McKim & Creed will perform courthouse research for

1730 Varsity Drive
Suite 500
Raleigh, NC 27606
919.233.8091
Fax 919.233.8031
www.mckimcreed.com

properties to cover the limits. Copies of deeds and plats will be saved as PDF files for delivery. We estimate 4 properties.

8. **Field Property Ties and Recon** - McKim & Creed will attempt to locate front corners for all affected properties and go to back corners as needed. We will also recon and locate existing right-of-way monumentation if available

9. **Property Analysis and Computations**
McKim & Creed will perform computations and analysis on existing properties and easements within the limits. We estimate 3 properties.

10. **Location of Non-Gravity Utilities (QL-B) and QL-A Test Holes**-McKim & Creed will perform SUE QL-B,electromagnetic (EM) and ground penetrating radar (GPR) designation, to map existing non-gravity utilities within the limits as described and depicted above in the Survey Limits section.

    Quality Level B (QL-B) services include the horizontal detection and mapping of underground facilities. Geophysical prospecting methods are used to indicate the presence and surface position of buried utilities. Non-gravity utilities such as water, gas, power, sanitary force main, telephone (direct buried and in conduit) and cable TV are investigated, identified and marked in the field in order to be surveyed and mapped. Irrigation systems and parking lot lights are typically not included. QL-B information should not be used for construction purposes, or where exact horizontal and vertical measurements are required. Utility exposure (QL-A) permits precise three-dimensional measurements to be taken on utilities for accurate locations. QL-A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

    Only Quality Level A (QL-A) information can be guaranteed. The accuracy of QL-B, designating information is subject to field conditions beyond our control. However McKim & Creed will make every attempt to provide a comprehensive and positionally correct utility map to the limit allowable by the instrumentation. Contracting McKim & Creed's SUE services does not relieve any party from their obligation to contact the utility damage prevention system before digging begins. Utility marks placed on the ground by McKim & Creed are not to be used for construction purposes.

    Quality Level A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

Our field technicians are outfitted with state of the art equipment and our CAD operators and workstations meet industry standards. Our service will be performed in accordance with the Standards of Practice for The Subsurface Utility Engineering profession. Non-gravity utilities will be located using SUE QL-B methodology.

11. **<u>2D/3D Mapping</u>** - McKim and Creed will map all 3D data into one DTM file and create an overall TIN file. The FS file will contain all the 2D planimetrics and SUE data.

12. **<u>Travel</u>** - Round trip travel from our Raleigh office is 2 hour (50 miles).

13. **<u>Project Management & Supervision</u>** - Time will be allowed for a PLS to manage and supervise this project.

14. **<u>Traffic Control & Safety</u>** - McKim and Creed will perform a full safety meeting with all personnel prior to beginning this project. Proper safety signage will be required when working near roadways. Proper personal protective equipment (PPE) will be required at all times.

<u>13. Easement Acquisition Surveys</u>

McKim & Creed will perform easement acquisition surveys and mapping services on an estimated two (2) properties.

McKim & Creed will perform field surveys and the associated mapping for the preparation of recordable easement exhibits and legal descriptions; to meet or exceed the Standards and Practice for Land Surveying in North Carolina (21 NCAC 56.1600).

- Recover existing survey control on site
- Recover existing field evidence and perform partial boundary surveys to establish the right of ways of Whitted Road and Johnson Pond Road at the location of the proposed easements
- Survey data processing and mapping
- Monument the easements in the field using permanent methods
- Prepare two (2) recordable easement exhibits - 1 exhibit per subject property
- Prepare two (2) legal descriptions - 1 description per subject property
- Address two (2) rounds of review comments
- Project Management

The deliverables will include:

- Two (2) certified exhibit maps (paper and .pdf formats)
- Two (2) certified legal descriptions (.pdf and .doc formats)

<u>Deliverables</u>

All data will be delivered per the current NCDOT standards (Microstation V8i format, 1" = 40')

- DTM file (3d microstation file)
- TIN file
- FS file (2d microstation file)
- GPK File

Exclusions

- Construction Staking
- Wetland Delineation, Locations, Mapping
- Geotech Hole Staking/Locations
- Traffic Control for QL-A in Roadway ($1,500 / day)

Schedule

McKim and Creed can begin work (Survey & SUE QL-B) within 10 working days after receiving a fully executed subconsultant agreement. McKim and Creed can complete the above scope of work within an additional 30 working days.

Compensation

Kimley-Horn agrees to compensate McKim & Creed a Lump Sum Fee per the following breakdown. Additional services beyond the above scope of work will require a supplemental agreement.

Conventional Survey	$ 39,391.00
Easement Mapping/Plats/Field ($2,500 ea. x 2)	$ 5,000.00
SUE QL-B	$ 2,500.00
SUE QL-A Test Holes ($1,200/ea. x 2)	$ 2,400.00
Total	**$ 49,291.00**

PAYMENT

The Client is specifically requested to review the "Billing and Payment" Section of the attached McKim & Creed General Conditions. McKim & Creed's ability to continue providing services on your project is dependent on the timely payment of our invoices. McKim & Creed reserves the right, and the Client acknowledges this right by entering into this Agreement, to stop work and also withhold the submittal of our documents should the Client's invoices become past due.

SCHEDULE OF SERVICES

We will perform the work described in the above Scope of Services as expeditiously as practical, weather permitting, to meet a mutually agreed schedule upon receipt of your written authorization to proceed.

McKIM&CREED

ASSUMPTIONS / CLARIFICATIONS

This proposal is based on QLB Test Hole locations being outside of roadway and does not include MOT.

Information to be provided by Client: Surveyor shall rely on the completeness and accuracy of all information and technical data provided by the Client and Client's other consultants. The Client shall provide all necessary information required by Surveyor to complete its work, including any updates to previously provided information and any other information reasonably requested by Surveyor.

Items to be provided by Client include:

- Access to job site
- Notifications to Property Owners

Surveyors Certifications: The Surveyor shall not be required to sign any documents, no matter by whom they may be requested, that would result in the Surveyor's having to certify, guarantee or warrant the existence of conditions which the Surveyor cannot ascertain. The Client also agrees that it has no right to make the resolution of any dispute with the Surveyor or the payment of any amounts due to the Surveyor in any way contingent upon the Surveyor's signing any such certification.

ATTACHMENTS

The following documents are attached hereto and incorporated herein by reference:

1. Survey Limits
2. McKim & Creed General Conditions

ACCEPTANCE

If acceptable, sign and return one (1) copy of this document and all attachments for our files. Our receipt of the executed copy of this proposal will serve as our Notice to Proceed. This proposal is valid for thirty (30) days from the date of the proposal. If the proposal is not accepted within thirty (30) days, we reserve the right to revise or withdraw the proposal entirely at our discretion.

We look forward to working with you on this project and appreciate this opportunity to serve Kimley Horn's surveying needs. If you have any questions or need additional information, please feel free to call us.

Sincerely,

Jeff Aker, PLS
Geomatics Regional Manager
McKim & Creed, Inc.


Survey Boundary - Including water and sewer lines along Elm Ave and Taylor St
and any other dry utilities in the boundary shown below
S Taylor St
S Taylor St
Elm Ave
Elm Ave
S Franklin St
S Franklin St

FEE ESTIMATE

Attachment B

MANHOURS BY CLASSIFICATION							TOTAL		PROJECT PHASE
SENIOR PROF II	SENIOR PROF I	PROF	ANALYST	SENIOR TECH	TECH	SUPPORT STAFF	MANHOURS	MANDAYS	**Task 2 - Meetings and Coordination**
		4	4				8	1.00	Field Reconnaissance
1		2					3	0.38	Kickoff Meeting with Town
		2	1				3	0.38	Progress Meeting (1)
		4					4	0.50	Subconsultant Coordination (1)
1	0	12	5	0	0	0			
							18.00	2.25	

Contractor/Vendor Name: Kimley-Horn and Associates

Vendor Number: 1483

Contract type: Consulting

Description / Scope of Work: Survey including topographic and SUE for Miller Park

Contract Amount: 53091.00

RFP/RFQ #:

Contractor signature: E-SIGNED by John Kuzenski

Date: on 2023-09-07 13:08:55 GMT

September 07, 2023

Finance Department signature: E-SIGNED by Aileen Staples

Date: on 2023-09-07 15:37:20 GMT

September 07, 2023

Town Manager signature: E-SIGNED by Kip Padgett

Date: on 2023-09-07 16:45:41 GMT

September 07, 2023

Attested By: E-SIGNED by Theresa Savary

Date: on 2023-09-07 16:56:58 GMT

September 07, 2023

This instrument has been pre-audited in a manner required by the Local Government Budget and Fiscal Control Act.

TOWN OF WAKE FOREST, NORTH CAROLINA
MASTER SERVICE AGREEMENT FOR
ON-CALL PROFESSIONAL GENERAL ENGINEERING SERVICES

THIS AGREEMENT ("Master Service Agreement" or "MSA) is made and entered into as of the 6th day of March, 2023, by the Town of Wake Forest ("Town") and Kimley-Horn ("Consultant"), organized and existing under the laws of the State of North Carolina.

GENERAL ENGINEERING PROFESSIONAL SERVICES

WHEREAS, the Town desires to engage the Consultant to provide On-Call General, Engineering, and Inspection Professional Services related to municipal general engineering, construction, and inspection as set forth in and in accordance with Supplemental Services Agreements ("SSA"); and

WHEREAS, the Town issued a "Request for Qualifications for On-Call General Engineering Services **RFQ # 22-0001** dated 16th day of September 2022; and

WHEREAS, Consultant provides professional consulting services and has experience, staff, and resources to perform such Services;

NOW THEREFORE, Town and Consultant, in consideration of their mutual covenants, herein agree as follows:

SECTION I. BACKGROUND and PURPOSE

The purpose of the Town's on-call process is to secure more than one general engineering professional to provide professional on-call engineering, construction, and inspection services. The purpose of this Agreement is to provide the basic terms and conditions by which Consultant will provide its services to the Town, as the need for Services may arise, and in accordance with the standards and requirements as described herein, and in each SSA.

SECTION II: SERVICES and SCOPE to be PERFORMED

The Consultant shall perform on-call Services as set forth in this MSA and SSA. The SSA is made a part of this Agreement as if fully set forth herein. The Town shall pay Consultant for the performance of Services in the manner set forth herein and in the SSA.

Requests for services made by the Town to Consultant are contingent upon execution of an SSA and the sufficiency of funding. No services shall commence on a particular project until an SSA has been executed by both parties, and the Town has issued a Notice to Proceed to Consultant. Any amendments, corrections, or change orders by either party must be made in writing signed in the same manner as the original. (This form may be used for amendments and change orders.) The Town reserves the right to refuse payment for any work outside that authorized herein or pursuant to a duly approved amendment or change order.

Services to be provided shall be set forth in an SSA and amendments to that agreement. The SSA may also include additional terms and conditions regarding payment and other matters necessary for the execution of projects. SSAs shall not vary the terms of this Agreement, except where this Agreement authorizes such variance, and shall be interpreted consistently with this Agreement. If there is a conflict between this Agreement and SSAs, this Agreement shall control.

The Town has no obligation to provide Services with any work hereunder and does not guarantee the issuance of any minimum number of SSAs under this Agreement.

Consultant represents and agrees that now and continuing for the term of this Agreement, Consultant:

- is experienced, qualified, skilled, and fully capable of performing Services in a competent and professional manner; and
- shall exercise reasonable care and diligence, and shall act in the best interest of Town; and
- shall act in accordance with generally accepted standards of Consultant's practice applicable to the locality; and shall comply with this Agreement, applicable SSAs, and with all applicable federal, state, and local laws, ordinances, codes, rules, and regulations (collectively "Laws and Regulations"); and
- possesses all necessary qualifications, licenses, and certifications; and
- shall perform in a timely manner and in accordance with schedules required under this Agreement or an applicable SSA, time being of the essence; and
- shall work in good faith with Town to meet requirements imposed by the federal or state government or other funding entity if grants are used to fund any portion of projects; and
- the individual(s) signing Agreement have the right and power to do so and bind Consultant to the obligations set forth herein and such individuals do so personally warrant that they have such authority.

SECTION III: AGREEMENT DURATION

This Agreement shall authorize SSAs to be executed for a three (3) year period from the date of execution of this Agreement. Any SSA executed within period of execution of this Agreement shall be binding for the period set forth therein, and this Agreement and such SSA, and amendments to such Agreements, shall be binding for the time period set forth in the SSA. Any SSA executed within this three-year period may be amended for additional scope, fee, or time. The Agreement may be extended for two (2), one-year periods.

Services shall commence upon execution of SSAs describing the specific project and Services to be performed. A written Notice to Proceed following execution of such SSA(s) will be issued to the Consultant. Consultant will not commence Services until such notice is received.

SECTION IV: COMPLETE WORK without EXTRA COST

Unless otherwise provided, the Consultant shall obtain and provide, without additional cost to the Town, all labor, materials, equipment, transportation, facilities, services, permits, and licenses necessary to perform the Services.

SECTION V: COMPENSATION

The terms of payment for Services provided by Consultant shall be set forth in each SSA. Such agreement may provide for compensation in accordance with an hourly rate schedule, or a set fee for Services, paid one time or in periodic payments, or a combination of these methods of compensation.

Unless otherwise provided in the SSA, Consultant shall obtain, and provide, without additional cost to the Town, all labor, materials, equipment, transportation, facilities, services, permits, and licenses necessary to perform Services under this Agreement. In addition to hourly rates or the set fee payment set forth in the SSA, Town shall pay Consultant for expenses and costs only when reimbursement for such items is specifically provided for in an SSA. The Town shall not be obligated to pay any expenses and costs not specifically identified in an SSA.

SECTION VI: CONSULTANT'S BILLINGS to TOWN

The Consultant shall submit an invoice once Service is completed or at designated times during the course of completing a Service. Once the invoice is submitted and approved by the appropriate department the terms will be Net 30 days. The terms may only be changed by written consent of the Finance Director.

SECTION VII: INSURANCE

Consultant shall maintain insurance policies at all times with minimum limits as follows:

Coverage	Minimum Limits
Workers' Compensation	Statutory Limits
Employers' Liability	$ 1,000,000
General Liability	$1,000,000
Automobile Liability	$500,000
Professional Liability (E & O)	$1,000,000 (If Required)

Contractor shall provide the Town with a Certificate of Insurance for review prior to the issuance of any contract or Purchase Order. All Certificates of Insurance will require thirty (30) days written notice by the insurer or contractor's agent in the event of cancellation, reduction or other modifications of coverage. In addition to the notice requirement above, Contractor shall provide the Town with immediate written notice of cancellation, reduction, or other modification of coverage of insurance. Upon failure of the Contractor to provide such notice, Contractor assumes sole responsibility for all loses incurred by the Town for which insurance would have provided coverage. The insurance certificate shall be for the initial contract period of one (1) year and shall be renewed by the contractor for each subsequent renewal period of the contract. The Town shall be listed as certificate holder and named as an additional insured under General Liability. It is required that coverage be placed with "A" rated insurance companies acceptable to the Town. Failure to maintain the required insurance in force may be cause for contract termination. In the event that the contractor fails to maintain and keep in force the insurance herein required, the Town has the right to cancel and terminate the contract without notice. Contractor shall provide proof that a Drug-Free Workplace Program is in place and that drivers meet DOT/CDL licensing requirements, if requested.

SECTION VIII: PERFORMANCE of WORK by TOWN

If the Consultant fails to perform the Services in accordance to Section II above, the Town may, in its discretion, in order to bring the project closer to schedule, perform or cause to be performed some or all of the Services, and doing so shall not waive any of the Town's rights and remedies. Before doing so, the Town shall give the Consultant reasonable notice of its intention. The Consultant shall reimburse the Town for all costs incurred by the Town in exercising its right to perform or cause to be performed some or all of the Services pursuant to this section.

SECTION IX: ATTACHMENTS

The following attachments are made a part of this Agreement and incorporated herein by reference:

Attachment A: Scope of Work
Attachment B: Hourly Rate
Attachment C: Title VI Appendment
Attachment D: ARPA Contract Addendum

SECTION X: NOTICE

All notices and other communications required or permitted by this contract shall be in writing and shall be given either by personal delivery, email, or certified United States mail, return receipt requested, addressed as follows:

To the Town:
Town of Wake Forest
Attn: Joe Guckavan, Jr., PE
Director of Engineering
Engineering Department
301 S Brooks Street
Wake Forest, NC 27587
(919) 435-9439
jguckavan@wakeforestnc.gov

To the Consultant:
Kimley-Horn
Attn: Caleb D. Lowman, PE
Project Engineer
421 Fayetteville St, Ste 600
Raleigh, NC 27601
(919) 677-2108
Caleb.Lowman@kimley-horn.com

Change of Address, Date Notice Deemed Given:
A change of address, fax number, or person to receive notice may be made by either party by notice given to the other party. Any notice or other communication under this contract shall be deemed given at the time of actual delivery, if it is personally delivered or sent by fax. If the notice or other communication is sent by US Mail, it shall be deemed given upon the third calendar day following the day on which such notice or other communication is deposited with the US Postal Service or upon actual delivery, whichever occurs first.

SECTION XI: INDEMNIFCATION

To the extent permitted under N.C. Gen. Stat § 22B-1, the Consultant agrees to indemnify, and hold-harmless the Town of Wake Forest, its elected and appointed officials, employees, agents, and volunteers against any and all damages, expenses, or losses, which may be asserted, claimed, or recovered against or from the Town of Wake Forest, its elected or appointed officials, employees, agents, and volunteers by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof that are proximately caused by the negligence of the Consultant.

SECTION XII: ADDITIONAL PROVISIONS

(a) Choice of Law and Forum. This contract shall be deemed made in Wake County, North Carolina. This contract shall be governed by and construed in accordance with the law of North Carolina. The exclusive forum and venue for all actions arising out of this contract shall be the appropriate division of the North Carolina General Court of Justice, in Wake County. Such actions shall neither be commenced in nor removed to federal court. This section shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this section.

(b) Waiver. No action or failure to act by the Town shall constitute a waiver of any of its rights or remedies that arise out this contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

(c) Performance of Government Functions: Nothing contained in this contract shall be deemed or construed so as to in any way estop, limit, or impair the Town from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

(d) Severability. If any provision of this contract shall be unenforceable, the remainder of this contract shall be enforceable to the extent permitted by law.

(e) Assignment, Successors and Assigns. Without the Town's written consent, the Consultant shall not assign (which includes to delegate) any of its rights (including the right to payment) or duties that arise out this contract. Unless the Town otherwise agrees in writing, the Consultant and all assigns shall be subject to all of the Town's defenses and shall be liable for all of the Consultant's duties that arise out of this contract and all of the Town's claims that arise out of this contract. Without granting the Consultant the right to assign, it is agreed that the duties of the Consultant that arise out of this contract shall be binding upon it and its heirs, personal representatives, successors, and assigns.

(f) Compliance with Law. In performing all of the Work, the Consultant shall comply with all applicable law.

(g) Town Policy. THE TOWN OPPOSES DISCRIMINATION ON THE BASIS OF RACE AND SEX AND URGES ALL OF ITS CONSULTANTS TO PROVIDE A FAIR OPPORTUNITY FOR MINORITIES AND WOMEN TO PARTICIPATE IN THEIR WORK FORCE AND AS SUBCONSULTANTS AND VENDORS UNDER CITY CONTRACTS.

(h) EEO Provisions. During the performance of this Contract the Consultant agrees as follows: (1)The Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. The Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. The Consultant shall post in conspicuous places available to employees and applicants for employment, notices setting forth these EEO provisions. (2) The Consultant in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, political affiliation or belief, age, or handicap.

(i) No Third Party Right Created. This contract is intended for the benefit of the Town and the Consultant and not any other person.

(j) Principles of Interpretation. In this contract, unless the context requires otherwise: (1) The singular includes the plural and the plural the singular. The pronouns "it" and "its" include the masculine and feminine. Reference to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation. References to contracts and agreements shall be deemed to include all amendments to them. The word "person" includes natural persons, firms, companies, associations, partnerships, trusts, corporations, governmental agencies and units, and any other legal entities.

(k) Modifications, Entire Agreement. A modification of this contract is not valid unless signed by both parties and otherwise in accordance with requirements of law. Further, a modification is not enforceable against the Town unless the Town Manager or other duly authorized official signs it for the Town. This contract contains the entire agreement between the parties pertaining to the subject matter of this contract. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed or implied, between the parties, other than as set forth or referenced in this contract.

(l) E-Verify. Consultant shall comply with the requirements of Article 2 of Chapter 64 of the NC General Statutes. Further, if Consultant utilizes a subconsultant, Consultant shall require the Subconsultant to comply with the requirements of Article 2 of Chapter 64 of the NC General Statutes.

(m) Iran Divestment Act. Consultant certifies that; (i) it is not identified on the Final Divestment List or any other list of prohibited investments created by the NC State Treasurer pursuant to N.C.G.S. 143-6A-4; (ii) it will not take any action causing it to appear on any such list during the term of this Contract, and (iii) it will not utilize any subcontractor to provide goods or services hereunder that is identified on any list.

(n) Divestment from Companies that Boycott Israel. Consultant represents, covenants, and certifies that it is not listed on the list of restricted companies developed and published by the North Carolina State Treasurer as required by N.C.G.S. 147-86.81.

(o) Quality and Workmanship. All work performed and/or services rendered shall be performed to the reasonable satisfaction of the Town of Wake Forest in accordance with the accepted industry standard of care for design professionals. The work performed and/or services rendered shall not be considered complete, nor applicable payments rendered, until the Town is satisfied with the work performed and/or services rendered

(p) Standard Terms and Conditions. The Town of Wake Forest's Standard Terms and Conditions listed at https://www.wakeforestnc.gov/sites/default/files/uploads/residents/finance/8-26-22_towf_standard_terms_and_conditions.pdf https://www.wakeforestnc.gov/sites/default/files/uploads/towf_standard_terms_and_conditions.pdf will govern all matters related to the goods and/or services provided by you or your company (the "Vendor") to the Town of Wake Forest (the "Town"). Additional Terms and Conditions stated on the face of a Town purchase order shall take precedence over any conflicting Standard Terms and Conditions stated. Any Terms and Conditions not stated, but incorporated by reference therein, shall be binding only if provided or signed by the Town and attached hereto. In the event that a binding written contract signed by both the Vendor and the Town exists, the Terms and Conditions of that contract shall supersede any conflicting Standard Terms and Conditions.

(q) Non-appropriation clause. Contractor acknowledges that the Town of Wake Forest is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of the Town of Wake Forest's obligations under this contract, then this contract shall automatically expire without penalty to the Town of Wake Forest thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the Town of Wake Forest shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in the Town of Wake Forest's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects the Town of Wake Forest's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to the Town of Wake Forest upon written notice to Contractor of such limitation or change in the Town of Wake Forest's legal authority.

(r) No pledge of taxing authority. The taxing power of the Town of Wake Forest is not pledged directly or indirectly to secure any monies due under this contract.

(s) No waiver of governmental immunity; Violation of law. Except for waiver of governmental immunity resulting from the execution of a valid contract, the Town of Wake Forest makes no other waiver of governmental immunity. If any provision of the Contract or Agreement is in violation of any legal, statutory or state constitutional prohibition, then such provision(s) shall be unenforceable against the Town of Wake Forest.

(t) Conflict of Interest. If this is a contract for design, engineering, contract administration or similar services, the Contractor will not enter into contracts or agreements with third parties that may present a potential for conflict of interest between the Town of Wake Forest and the third parties regarding the subject matter of this Contract or Agreement.

(u) Public Record. This Contract or Agreement is subject to disclosure under the public records laws of the State of North Carolina.

SECTION XIII: TERMINATION

Either party may terminate this Agreement upon sixty (60) day written notice; provided, however, no such termination shall discharge Consultant's obligations to complete and furnish services as previously agreed to by the parties pursuant to this Agreement or any Supplemental Service Agreement, nor shall termination discharge the Town's obligations to pay for such services as provided for in this Agreement or any Supplemental Service Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Town of Wake Forest and the Consultant have caused this contract to be executed under seal by their respective duly authorized agents or officers.

TOWN OF WAKE FOREST:

By: ______________________

Kip Padgett
Printed

Witnessed by:

____
Name

Ella F Dawtin
Printed

TOWN OF WAKE FOREST INCORPORATED FEB. 20, 1909 NORTH CAROLINA SEAL

(SEAL)

CONSULTANT:

By: ______________________

JOHN KUZENSKI, ASSISTANT SECRETARY
Printed

Witnessed by:

____
Name

Cory Howell
Printed

(SEAL)

KIMLEY-HORN AND ASSOCIATES, INC. CORPORATE SEAL NC

TOWN *of*
WAKE FOREST

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS ADDENDUM

This **CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS ADDENDUM** (this "*Addendum*") is entered into by and between Kimley-Horn (name of counterparty) , a Corporation (type of legal entity) ("*Contractor*"), and The Town of Wake Forest, a municipal corporation of the State of North Carolina ("*Unit*"), and forms an integral part of the Contract (as defined in Section I hereof).

RECITALS

WHEREAS, on July 14, 2021, Unit has received, either as a Recipient or Subrecipient (as each such term is defined in Section I hereof) a payment from the Coronavirus State Fiscal Recovery Fund ("*State Fiscal Recovery Fund*") or Coronavirus Local Fiscal Recovery Fund ("*Local Fiscal Recovery Fund*" and, together with the State Fiscal Recovery Fund, the "*Fiscal Recovery Funds*") established pursuant to Sections 602 and 603, respectively, of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 ("*ARPA*") (March 11, 2021); and

WHEREAS, Unit intends to pay, in part or in whole, for the cost of the Contract (as defined in Section I hereof) using monies received from the Fiscal Recovery Funds; and

WHEREAS, in using such funds, Unit must comply with the terms of ARPA, regulations issued by the U.S. Department of the Treasury ("*Treasury*") governing the expenditure of monies distributed from the Fiscal Recovery Funds (including, without limitation, the Interim Final Rule (86 Fed. Reg. 26,786 (May 17, 2021) and Final Rule (87 Fed. Reg. 4,338 (Jan. 27, 2022)), the Award Terms and Conditions applicable to the Fiscal Recovery Funds, and such other guidance as the Treasury has issued or may issue governing the expenditure of monies distributed from the Fiscal Recovery Funds (collectively, the "*Regulatory Requirements*"); and

WHEREAS, pursuant to the Regulatory Requirements, Unit must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury has determined or may determine are inapplicable to the Fiscal Recovery Funds; and

WHEREAS, pursuant to 2 C.F.R. § 200.327, Unit must include within the Contract applicable provisions described in Appendix II to 2 C.F.R. Part 200, each of which is contained in this Addendum; and

WHEREAS, Unit shall not enter into the Contract or make any distributions of funds to Contractor using monies from the Fiscal Recovery Funds absent Contractor's agreement and adherence to each term and condition contained herein.

NOW THEREFORE, Contractor and Unit do mutually agree as follows:

AGREEMENTS

I. ***Definitions***. Unless otherwise defined in this Addendum, capitalized terms used in this Addendum shall have the meanings ascribed thereto in this Section I.

a) "*ARPA*" shall mean the American Rescue Plan Act of 2021, Pub. L. No. 117-2, as amended.

b) "*Administering Agency*" shall have the meaning specified in 41 C.F.R. § 60-1.3.

c) "*Applicant*" shall have the meaning specified in 41 C.F.R. § 60-1.3, which is provided here for ease of reference: ("An applicant for Federal assistance involving a construction contract, or other participant in a program involving a construction contract as determined by regulation of an administering agency. The term also includes such persons after they become recipients of such Federal assistance.").

d) "*Construction Work*" shall have the meaning specified in 41 C.F.R. § 60-1.3, which is provided here for ease of reference: ("[T]he construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.").

e) "*Contract*" shall mean the legal instrument by which Unit, as a Recipient or Subrecipient, shall purchase from Contractor property or services needed to carry out a project or program under a Federal award, and of which this Addendum shall constitute an integral part.

f) "*Contractor*" shall mean the entity named as "Contractor" in this Addendum that has received a Contract from Unit.

g) "*Federally Assisted Construction Contract*" shall have the meaning specified in 41 C.F.R. §60-1.3, which is provided here for ease of reference: ("[A]ny agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the Government or borrowed on the credit of the Government pursuant to any Federal program involving a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the government of the United States of America for a grant, contract, loan, insurance, or guarantee under which the applicant itself participates in the construction work.").

h) "*Government*" shall have the meaning specified in 41 C.F.R. § 60-1.3, which is provided here for ease of reference: ("[T]he government of the United States of America.").

i) "*Laborer*" or "*Mechanic*" shall have the meaning specified in 29 C.F.R. § 5.2(m), which is provided here for ease of reference ("The term laborer or mechanic includes at least those workers whose duties are manual or physical in nature (including those workers who use tools or who are performing the work of a trade), as distinguished from mental or managerial. The term laborer or mechanic includes apprentices, trainees, helpers, and, in the case of contracts subject to the Contract Work Hours and Safety Standards Act, watchmen or guards. The term does not apply to workers whose duties are primarily administrative, executive, or clerical, rather than manual. Persons employed in a bona fide executive, administrative, or professional capacity as defined in part 541 of [Title 40 of the United States Code] are not deemed to be laborers or mechanics. Working foremen who devote more than 20 percent of their time during a workweek to mechanic or laborer duties, and who do not meet the criteria of [Title 40 of the United States Code], are laborers and mechanics for the time so spent.").

j) "*Recipient*" shall mean an entity that receives a Federal award directly from a Federal awarding agency. The term does not include subrecipients or individuals that are beneficiaries of an award.

k) "*Subcontract*" shall mean any agreement entered into by a Subcontractor to furnish supplies or services for the performance of this Contract or a Subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

l) "*Subcontractor*" shall mean an entity that receives a Subcontract.

m) "*Subrecipient*" shall mean an entity that receives a subaward from a pass-through entity to carry out part of a Federal award; but it does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

n) "*Tier*" shall have the meaning indicated in 2 C.F.R. Part 180 and illustrated in 2 C.F.R. Part 180, Appendix II.

o) "*Unit*" shall have the meaning indicated in the preamble to this Addendum.

II. ***<u>Equal Employment Opportunity</u>***

a) If this Contract is a Federally Assisted Construction Contract exceeding $10,000, during the performance of this Contract, Contractor agrees as follows:
   i. Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

ii. Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

iii. Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

iv. Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

v. Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

vi. Contractor will furnish to the Administering Agency and the Secretary of Labor all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

vii. In the event of Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or Federally Assisted Construction Contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965. Such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

viii. Contractor will include the portion of the sentence immediately preceding paragraph (a)(i) of this Section II and the provisions of paragraphs (a)(i) through (a)(vii) in every Subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each Subcontractor or vendor. Contractor will take such action with respect to any Subcontract or purchase order as the Administering Agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

Provided, however, that in the event Contractor becomes involved in, or is threatened with, litigation with a Subcontractor or vendor as a result of such direction by the Administering Agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Unit further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if Unit so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

ix. Unit agrees that it will assist and cooperate actively with the Administering Agency and the Secretary of Labor in obtaining the compliance of Contractors and Subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the Administering Agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the Administering Agency in the discharge of the agency's primary responsibility for securing compliance.

x. Unit further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a Contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally Assisted Construction Contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon Contractors and Subcontractors by the Administering Agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, Unit agrees that if it fails or refuses to comply with these undertakings, the Administering Agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

b. If this Contract is not a Federally Assisted Construction Contract exceeding $10,000, the provisions of Section I(a) of this Addendum shall not apply.

III. *Copeland "Anti-Kickback" Act*

a) Contractor and any Subcontractors performing work under the Contract shall comply with

18 U.S.C. § 874. Unit shall report all suspected or reported violations to the Department of the Treasury.

IV. ***Contract Work Hours and Safety Standards Act***

a) *Overtime Requirements.* No Contractor or Subcontractor contracting for any part of the Contract work which may require or involve the employment of Laborers or Mechanics shall require or permit any such Laborer or Mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such Laborer or Mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

b) *Violation; Liability for Unpaid Wages; Liquidated Damages.* In the event of any violation of the clause set forth in Section IV(a) (*Overtime Requirements*) above, Contractor and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual Laborer or Mechanic, including watchmen and guards, employed in violation of the clause set forth in Section IV(a) (*Overtime Requirements*) above, in the sum of $27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in Section IV(a) (*Overtime Requirements*) above.

c) *Withholding for Unpaid Wages and Liquidated Damages.* Unit shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by Contractor or Subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or Subcontractor for unpaid wages and liquidated damages as provided in Section IV(b) (*Violation; Liability for Unpaid Wages; Liquidated Damages*) of this section.

d) *Subcontracts.* Contractor or Subcontractor shall insert in any Subcontract the clauses set forth in Sections IV(a) through IV(d) and also a clause requiring the Subcontractors to include these clauses in any lower Tier Subcontracts. Contractor shall be responsible for compliance by any first Tier Subcontractor or lower Tier Subcontractor with the clauses set forth in Sections IV(a) through IV(d).

e) *Payroll and Records.* Contractor or Subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the Contract for all Laborers and Mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, Social Security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Records to be maintained under this provision shall be made available by Contractor or Subcontractor for inspection, copying, or transcription by authorized representatives of the Department of the Treasury and the Department of Labor, and Contractor or Subcontractor will permit such representatives to interview employees during working hours on the job.

a) *Exceptions*. None of the requirements of Section IV of this Addendum shall apply if this Contract is a Contract (1) for transportation by land, air, or water; (2) for the transmission of intelligence; (3) for the purchase of supplies or materials or articles ordinarily available in the open market; or (4) in an amount that is equal to or less than $100,000.

V. ***Rights to Inventions Made under a Contract or Agreement***

a) The Government reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for "Government purposes", any subject data or copyright described below.11 "Government purposes," means use only for the direct purposes of the Government. Without the copyright owner's consent, the Government may not extend its Federal license to any other party.

   i. Any subject data developed under the Contract, whether or not a copyright has been obtained; and

   ii. Any rights of copyright purchased by Contractor using Federal assistance funded in whole or in part by the Department of the Treasury.

b) Unless Treasury determines otherwise, a Contractor performing experimental, developmental, or research work required as part of this Contract agrees to permit Treasury to make available to the public, either (1) Department of the Treasury's license in the copyright to any subject data developed in the course of the Contract, or (2) a copy of the subject data first produced under the Contract for which a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of this Contract, is not completed for any reason whatsoever, all data developed under the Contract shall become subject data as defined herein and shall be delivered as the Government may direct.

c) Unless prohibited by North Carolina law, upon request by the Government, Contractor agrees to indemnify, save, and hold harmless the Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by Contractor of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Contract. Contractor shall be required to indemnify the Government for any such liability arising out of the wrongful act of any employee, official, or agent of the Contractor.

d) Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

e) Data developed by Contractor and financed entirely without using Federal assistance provided by the Federal Government that has been incorporated into work required by the underlying Contract is exempt from the requirements herein, provided that Contractor identifies those data in writing at the time of delivery of the Contract work. The Contractor agrees to include these requirements in each Subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance.

f) For the purposes of this Section V, "subject data" means "recorded information, whether or not copyrighted, that is delivered or specified to be delivered as required by the Contract." Examples of "subject data" include, but are not limited to "computer software, standards, specifications, engineering drawings and associated lists, process sheets, manuals, technical reports, catalog item identifications, and related information, but do not include financial reports, cost analyses or other similar information used for performance or administration of the Contract."

VI. *Clean Air Act and Federal Water Pollution Act*

a) *Clean Air Act.* Contractor agrees to comply with all applicable standards, orders and regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. Contractor agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to the U.S. Department of the Treasury and the appropriate Environmental Protection Agency Regional Office. Contractor agrees to include these requirements in each Subcontract exceeding $150,000 financed in whole or in part with Federal assistance provided by Treasury.

b) *Federal Water Pollution Control Act.* Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. §§ 1251 et seq. Contractor agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to assure notification to the U.S. Department of the Treasury and the appropriate Environmental Protection Agency Regional Office. Contractor agrees to include these requirements in each Subcontract exceeding $150,000 financed in whole or in part with Federal assistance provided by Treasury.

VII. *Debarment and Suspension*

a) Due to its receipt of Fiscal Recovery Funds, Unit is a participant in a nonprocurement transaction (defined at 2 C.F.R. § 180.970) that is a covered transaction pursuant to 2 C.F.R. §180.210 and 31 C.F.R. § 19.210. Therefore, this Contract is a lower-Tier covered transaction for purposes of 2 C.F.R. Part 180 and 31 C.F.R. Part 19 if (1) the amount of this Contract is greater than or equal to $25,000 (2 C.F.R. § 180.220(b)(1); 31 C.F.R. § 19.220(b)(1)); (2) the Contract requires the consent of an official of the Department of the Treasury (2 C.F.R. §180.220(b)(2); 31 C.F.R. § 19.220(b)(2)); or (3) this Contract is for federally-required audit services (2 C.F.R. § 180.220(b)(3); 31 C.F.R. § 19.220(b)(3)).

b) **If this Contract is a covered transaction as set forth in Section VII(a) above, Contractor hereby certifies as of the date hereof that Contractor, Contractor's principals (defined at 2 C.F.R. § 180.995), and the affiliates (defined at 2 C.F.R. § 180.905) of both Contractor and Contractor's principals are not excluded (defined at 2 C.F.R. § 180.935) and are not disqualified (defined at 2 C.F.R. § 180.935). If any of the foregoing persons are excluded or disqualified and the Secretary of the Treasury has not granted an exception pursuant to 31 C.F.R. § 19.120(a), (1) this Contract shall be void, (2) Unit shall not make any payments of Federal financial assistance to Contractor, and (3) Unit shall have no obligations to Contractor under this Contract.**

c) Contractor must comply with 2 C.F.R. Part 180, Subpart C, and 31 C.F.R. Part 19, and must include a requirement to comply with these regulations in any lower-Tier covered transaction into which it enters.15 This certification is a material representation of fact relied upon by Unit and all liability arising from an erroneous representation shall be borne solely by Contractor.

d) If it is later determined that Contractor did not comply with 2 C.F.R. Part 180, Subpart C and 31 C.F.R. Part 19, in addition to remedies available to Unit, the Government may pursue available remedies, including but not limited to suspension and/or debarment.

VIII. *Byrd Anti-Lobbying Amendment*

a) Contractor certifies to Unit, and Contractor shall cause each Tier below it to certify to the Tier directly above such Tier, that it has not used and will not use Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grantor any other award covered by 31 U.S.C. § 1352. Contractor shall, and shall cause each Tier below it, to disclose any lobbying with non-Federally appropriated funds that takes place in connection with obtaining any Federal award. Such disclosures (to be set forth on Standard Form-LLL contained in 31 C.F.R. Part 21, Appendix B) shall be forwarded from Tier to Tier up to the Unit which will, in turn, forward the certification(s) to the Department of the Treasury. Contractor shall cause the language of this Section VIII(a) to be included in all Subcontracts. This certification is a material representation of fact upon which Unit has relied when entering into this Contract and all liability arising from an erroneous representation shall be borne solely by Contractor.

b) **Contractors that bid or apply for a contract exceeding $100,000 (including this Contract, if applicable) also must file with Unit the certification in Attachment 1 to this Addendum, which is attached hereto and incorporated herein.**

c) **Contractor also shall cause any Subcontractor with a Subcontract (at any Tier) exceeding $100,000 to file with the Tier above it the certification in Attachment 1 to this Addendum, which is attached hereto and incorporated herein.**

IX. *Procurement of Recovered Materials*

a) Section IX(b) shall apply if (1) this Contract involves the purchase of an item designated by the Environmental Protection Agency ("EPA") in 40 C.F.R. Part 247 that exceeds $10,000, or (2) the total value of such designated items acquired during the Unit's preceding fiscal year exceeded $10,000.

b) In the performance of the Contract, Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot (1) be acquired competitively within a timeframe providing for compliance with the Contract performance schedule, (2) meet Contract performance requirements; or (3) at a reasonable price. Information about this requirement, along with the list of EPA-designated items, is available at EPA's website. Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

X. *Prohibition on Contracting for Covered Telecommunications Equipment or Services*

a) *Definitions.* Unless otherwise defined in this Contract, capitalized terms used in this Section IX shall have the meanings ascribed thereto in this Section IX(a):

   i. *"Backhaul"* means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (e.g., connecting cell phones/towers to the core telephone network). Backhaul can be wireless (e.g., microwave) or wired (e.g., fiber optic, coaxial cable, Ethernet).

ii. *"Covered Foreign Country"* means the People's Republic of China.

iii. *"Covered Telecommunications Equipment or Services"* means: (a) telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); (b) for the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities); (c) telecommunications or video surveillance services provided by such entities or using such equipment; or (d) telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a Covered Foreign Country.

iv. "*Critical Technology*"20 means (1) defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations; (2) items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled (a) pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or (b) for reasons relating to regional stability or surreptitious listening; (3) specially designed and prepared nuclear equipment, parts and components, materials, software, and technology covered by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities); (4) nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material); (5) select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or (6) emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. § 4817).

v. *"Interconnection Arrangements"* means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connection of a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

vi. *"Roaming"* means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

vii. "Substantial or Essential Component" means any component necessary for the proper function or performance of a piece of equipment, system, or service.

viii. *"Telecommunications Equipment or Services"* means telecommunications or video surveillance equipment or services, such as, but not limited to, mobile phones, land lines, internet, video surveillance, and cloud services.

b) *Prohibitions.*

i. Section 889(b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 and 2 C.F.R. § 200.216 prohibit the head of an executive agency on or after August 13, 2020, from obtaining or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons.

ii. Unless an exception in Section X(c) applies, Contractor and any Subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds (including, without limitation, Fiscal Recovery Funds) received from a Federal government to:

1. Procure or obtain any equipment, system, or services that uses Covered Telecommunications Equipment or Services as a Substantial or Essential Component of any system, or as Critical Technology of any system;

2. Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses Covered Telecommunications Equipment or Services as a Substantial or Essential Component of any system, or as Critical Technology of any system;

3. Enter into, extend, or renew contracts with entities that use Covered Telecommunications Equipment or Services as a Substantial or Essential Component of any system, or as Critical Technology as part of any system; or

4. Provide, as part of its performance of this Contract, any Subcontract, any contractual instrument, or any equipment, system, or service that uses Covered Telecommunications Equipment or Services as a Substantial or Essential Component of any system or as Critical Technology as part of any system.

c) *Exceptions.*

i. This clause does not prohibit Contractor or Subcontractors from providing:

1. A service that connects to the facilities of a third-party, such as Backhaul, Roaming, or Interconnection Agreements; or

2. Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

ii. By necessary implication and regulation, the prohibitions also do not apply to:

1. Covered telecommunications equipment that:

a. Is not used as a Substantial or Essential Component of any system; and

b. Is not used as Critical Technology of any system.

2. Other telecommunications equipment or services that are not considered Covered Telecommunications Equipment or Services.

d) Reporting Requirement

i. In the event Contractor identifies, during contract performance, covered Telecommunications Equipment or Services used as a Substantial or Essential Component of any system, or as Critical Technology as part of any system, during Contract performance, or if Contractor is notified of such by a Subcontractor at any Tier or by any other source, Contractor shall report the information in paragraph (d)(2)of this Section X to Unit, unless procedures for reporting the information are elsewhere established in this Contract.

ii. Contractor shall report the following information to Unit pursuant to paragraph (d)(1) of this Section X:

1. Within one business day from the date of such identification or notification: contract number; order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

2. Within ten business days of submitting the information in paragraph (d)(2)(i) of this Section: any further available information about mitigation actions undertaken or recommended. In addition, contractor shall describe the efforts it undertook to prevent use or submission of Covered Telecommunications Equipment or Services, and any additional efforts that will be incorporated to prevent future use or submission of Covered Telecommunications Equipment or services.

e) Subcontractor. Contractor shall cause to be inserted the substance of this Section X, including this paragraph (e), in all Subcontracts and other contractual instruments relating to the performance of this Contract.

XI. *Domestic Preferences for Procurements*

a) As applicable, and to the extent consistent with law, Contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products or materials Produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other Manufactured Products. Contractor shall cause any Subcontractors to include the requirements of this Section XI in any Subcontracts.

b) For purposes of this Section XI, the following terms shall mean:

i. *"Produced in the United States"* means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coating, occurred in the United States.

ii. *"Manufactured Products"* means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

XII. *Solicitation of Minority and Women-Owned Business Enterprises*

a) If Contractor intends to let any Subcontracts, Contractor shall (1) place qualified small and minority businesses and women's business enterprises on its solicitation lists; (2) assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; (4) establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; (5) use the services and assistance, as appropriate, of the Small Business Administration, the Minority Business Development Agency of the Department of Commerce, and the North Carolina Office for Historically Underutilized Businesses.

b) For the purposes of Section XII(a), an entity shall qualify (1) as a "minority business" or "women's business enterprise" if it is currently certified as a North Carolina "historically underutilized business" under Chapter 143, Section 143-128.4(a) of the N.C. General Statutes (hereinafter G.S.), and (2) as a "small business" if it is independently owned and operated and is qualified under the Small Business Administration criteria and size standards at 13 C.F.R. Part 21.

XIII. *Access to Records*

a) Contractor agrees to provide Unit, the Department of the Treasury, the Treasury Office of Inspector General, the Government Accountability Office, and the Comptroller General of the United States, or any authorized representatives of these entities access to any records (electronic and otherwise) of Contractor which are directly pertinent to this Contract to conduct audits or any other investigation. Contractor agrees to permit any of the foregoing parties to reproduce such records by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

b) Contractor agrees to retain all records covered by this Section XIII through December 31, 2031, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit, or other inquiry involving the Contract.

XIV. *Conflicts of Interest; Gifts and Favors*

a) Contractor understands that (1) Unit will use Fiscal Recovery Funds to pay for the cost of this Contract, and (2) the expenditure of Fiscal Recovery Funds is governed by Conflict of Interest Policy of the Unit, the Regulatory Requirements (including, without limitation, C.F.R. § 200.318(c)(1)), and North Carolina law (including, without limitation, G.S. § 14-

234(a)(1) and G.S. § 14-234.3(a)).

b) Contractor certifies to Unit that as of the date hereof, to the best of its knowledge after reasonable inquiry, no employee, officer, or agent of Unit involved in the selection, award, or administration of this Contract (each, a "Covered Individual"), no member of a Covered Individual's immediate family, no partner of a Covered Individual, and no organization (including Contractor) which employs or is about to employ a Covered Individual, has a financial or other interest in or has received a tangible personal benefit from Contractor. Should Contractor obtain knowledge of any such interest or any tangible personal benefit described in the preceding sentence after the date hereof, Contractor shall promptly disclose the same to Unit in writing.

c) Contractor certifies to Unit that it has not provided, nor offered to provide, any gratuities, favors, or anything of value to an officer, employee, or agent of Unit. Should Contractor obtain knowledge of the provision, or offer of any provision, of any gratuity, favor, or anything of value to an officer, employee, or agent described in the preceding sentence after the date hereof, Contractor shall promptly disclose the same to Unit in writing.

XV. *Assurances of Compliance with Title VI of the Civil Rights Act of 1964*

a) Contractor and any Subcontractor, or the successor, transferee, or assignee of Contractor or any Subcontractor, shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 C.F.R. Part 22, which are herein incorporated by reference and made a part of this Contract. Title VI also provides protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by Treasury's Title VI regulations, 31 C.F.R. Part 22, and herein incorporated by reference and made a part of this Contract.

XVI. *Other Non-Discrimination Statutes.* Contractor acknowledges that Unit is bound by and agrees, to the extent applicable to Contractor, to abide by the provisions contained in the federal statutes enumerated below, and any other federal statutes and regulations that may be applicable to the expenditure of Fiscal Recovery Funds:

a) The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;

b) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;

c) The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and

d) Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

XVII. Termination for Cause or Convenience

The Unit, by written notice, may terminate this contract, in whole or in part, when it is in the Unit's interest. If this contract is terminated, the Unit shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

The Unit may, by written notice of default to the Contractor, terminate this contract in whole or in part if the Contractor fails to:

i. Deliver the supplies or to perform the services within the time specified in this contract or any extension;
ii. Make progress, so as to endanger performance of this contract; or
iii. Perform any of the other provisions of this contract.

The Unit's right to terminate this contract may be exercised if the Contractor does not cure such failure within 10 days (or more if authorized in writing by the Unit) after receipt of the notice from the Unit specifying the failure.

If the Unit terminates this contract in whole or in part, it may acquire, under the terms and in the manner the Unit considers appropriate, supplies or services similar to those terminated. However, the Contractor shall continue the work not terminated.

If this contract is terminated for default, the Unit may require the Contractor to transfer title and deliver to the Unit any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "materials" in this clause) that the Contractor has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Unit, the Contractor shall also protect and preserve property in its possession in which the Unit has an interest.

The Unit shall pay contract price for completed supplies delivered and accepted. The Unit may withhold from these amounts any sum the Unit determines to be necessary to protect the Unit against loss because of outstanding liens or claims of former lien holders.

The rights and remedies of the Town in this clause are in addition to any other rights and remedies provided by law or under this contract.

XVIII. Administrative, Contractual, or Legal Remedies

The Contractor shall, in a satisfactory and proper manner in accordance with industry standards, complete all obligations and duties as stipulated in this Agreement. Failure of the Contractor to perform or deliver required work, services, or reports under this Agreement may result in the withholding of payments by the Unit to the Contractor. Breach of contract disputes will be decided by arbitration, if the parties mutually agree, or in a North Carolina court of competent jurisdiction.

The Contractor understands that failure to meet the requirements under this Agreement may result in withdrawal of other state or federal funds that may have been made available to the Contractor.

XVIX. ***Miscellaneous***

a) **Increasing Seat Belt Use in the United States.** Pursuant to Executive Order 13043, 62 Fed. Reg. 19216 (Apr. 18, 1997), Unit encourages Contractor to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented or personally owned vehicles.

b) **Reducing Text Messaging While Driving.** Pursuant to Executive Order 13513, 74 Fed. Reg. 51225 (Oct. 6, 2009), Unit encourages Contractor to adopt and enforce policies that ban text messaging while driving.

XX. ***Conflicts and Interpretation.*** To the extent that any portion of this Addendum conflicts with any term or condition of the Contract expressed outside of this Addendum, the terms of this Addendum shall govern.

CONTRACTOR: KIMLEY-HORN

By: John Kuzenski

Name: John D Kuzenski

Title: Assistant Secretary

UNIT:

By: [signature] 3/16/23

Name: Kip Padgett

Title: Town Manager

ATTACHMENT 1
TO
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS ADDENDUM

APPENDIX A, 31 C.F.R. PART 21 – CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of their knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all contractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The Contractor certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Ch. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

John Kuzenski

Signature of Contractor's authorized official

Date: 2/9/2023

JOHN KUZENSKI

(Print name of person signing above)

ASSISTANT SECRETARY

(Print title of person signing above)

- This form is required only for purchases of more than $100,000 -

TOWN *of*
WAKE FOREST

TITLE VI APPENDMENT for KIMLEY-HORN AND ASSOCIATES

This contract amendment is made and entered into as of the 6th day of March, 2023, by the Town of Wake Forest ("Town") and Kimley-Horn ("Contractor"), organized and existing under the laws of the State of North Carolina.

During the performance of this contract, the Consultant, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

(1) **Compliance with Regulations:** The contractor shall comply with the Regulation relative to nondiscrimination in Federally-assisted programs of the Town of Wake Forest (hereinafter, "Town") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

(2) **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, sex, religion, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

(3) **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

(4) **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Town to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the Town as appropriate and shall set forth what efforts it has made to obtain the information.

(5) **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Town shall impose such contract sanctions as it or the Town may determine to be appropriate, including, but not limited to:

(a) withholding of payments to the contractor under the contract until the contractor complies, and/or

(b) cancellation, termination, or suspension of the contract, in whole or in part.

(6) **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Town may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes

involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Town to enter into such litigation to protect the interests of the Town, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

*The Contractor has read and is familiar with the terms above:

JK
Contractor's Initials

2/9/2023
Date

ATTACHMENT A – SCOPE OF WORK

The Town has the option of requesting a selected firm to develop a scope of work for requested municipal engineering tasks. The types of projects anticipated include but are not limited to:

- Conducting or reviewing TIAs
- Project Management
- Engineering design
- Plan Review
- Construction Inspection
- Surveying
- Other Municipal Engineering Tasks

The scope and fee will be determined separately for each assignment prior to notice to proceed, with the parties entering into a supplemental agreement as needed.

Selection by the Town for the MSA is not a guarantee that any firm will receive a project. The Town makes no guarantee of specific volume of work or a total contracted amount arising from this solicitation. This master agreement will:

- Fulfill the consultant solicitation and selection process for the work to be performed under the on-call contract; and
- Establish current hourly rates for each employee that may perform work on the contract by position class and establish a method of calculation and payment for all other direct/indirect project expenses.

Work performed under the MSA will be conducted through Supplemental Services Agreements.

Client#: 25320 KIMLHORN

ACORD™ **CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY) 3/28/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Greyling Ins. Brokerage/EPIC 3780 Mansell Road, Suite 370 Alpharetta, GA 30022	CONTACT NAME: Jerry Noyola PHONE (A/C, No, Ext): 770-220-7699 FAX (A/C, No): E-MAIL ADDRESS: jerry.noyola@greyling.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Union Fire Ins. Co.	19445
INSURER B : Allied World Assurance Company (U.S.)	19489
INSURER C : New Hampshire Ins. Co.	23841
INSURER D : Lloyds of London	085202
INSURER E :	
INSURER F :	

INSURED
Kimley-Horn and Associates, Inc.
421 Fayetteville Street, Suite 600
Raleigh, NC 27601

COVERAGES CERTIFICATE NUMBER: 22-23 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE [X] OCCUR X Contractual Liab GEN'L AGGREGATE LIMIT APPLIES PER: POLICY [X] PRO-JECT [X] LOC OTHER:			GL5268169	04/01/2022	04/01/2023	EACH OCCURRENCE	$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$500,000
							MED EXP (Any one person)	$25,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
							PRODUCTS - COMP/OP AGG	$2,000,000
								$
A	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			CA4489663	04/01/2022	04/01/2023	COMBINED SINGLE LIMIT (Ea accident)	$2,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
B	X UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED X RETENTION $10,000			03127930	04/01/2022	04/01/2023	EACH OCCURRENCE	$5,000,000
							AGGREGATE	$5,000,000
								$
C C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [N] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC015893685 (AOS) WC015893686 (CA)	04/01/2022 04/01/2022	04/01/2023 04/01/2023	X PER STATUTE OTH-ER	
							E.L. EACH ACCIDENT	$1,000,000
							E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
D	Professional Liab			B0146LDUSA2204949	04/01/2022	04/01/2023	Per Claim $2,000,000 Aggregate $2,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Re: Professional Engineering Consulting Services. The Town of Wake Forest is named as Additional Insured on the above referenced liability policies with the exception of workers compensation & professional liability where required by written contract.

CERTIFICATE HOLDER	CANCELLATION
Town of Wake Forest 301 Brooks Street Wake Forest, NC 27587-0000	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE

Kimley»Horn

Kimley-Horn and Associates, Inc.

Hourly Labor Rate Schedule

Classification	*Rate*
Analyst	$145 - $200
Professional	$200 - $260
Senior Professional I	$245 - $340
Senior Professional II	$330 - $360
Senior Technical Support	$160 - $245
Support Staff	$115 - $140
Technical Support	$120 - $170

Effective through June 30, 2023

Subject to adjustment thereafter

Internal Reimbursable Expenses will be charged at 5% of Labor Billings

External Reimbursable Expenses will be charged at 15% mark-up, or per the Contract

Sub-Consultants will be billed per the Contract

APPENDIX B

TOWN OF WAKE FOREST, NORTH CAROLINA SUPPLEMENTAL SERVICES AGREEMENT NO. [1] TO THE MASTER SERVICE AGREEMENT FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES

SECTION I: PURPOSE

The purpose of this Supplemental Services Agreement (hereinafter "SSA") is for, Kimley-Horn, the Consultant, to provide On-Call general engineering Professional Services, as assigned, in accordance with the Agreement titled, "TOWN OF WAKE FOREST, NORTH CAROLINA MASTER SERVICES AGREEMENT FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES" between the Town and Kimley-Horn, dated March 6, 2023 (hereinafter "Master Services Agreement" or "MSA").

SECTION II: SCOPE

Consultant will perform On-Call General engineering Professional Services on an as-needed basis upon receipt of request and assignment from the Town representative. The Consultant shall comply with all terms of the MSA, which agreement is incorporated into this SSA as if fully set forth verbatim herein. Duties will involve the scope of services outlined in Exhibit A.

Services to be provided include, but are not limited to the scope of services outlined in Exhibit A. Consultant and the Town will mutually determine at time of assignment of individual tasks the Consultant personnel to be assigned, schedule, and deliverables.

SECTION III: SCHEDULE

Consultant shall perform tasks as expeditiously as practical and in conformance with schedules developed at the time of assignment of individual tasks and agreed upon by the Town and Consultant.

SECTION IV: PERIOD OF SERVICE

This SSA shall be for a period of from September 1, 2023 to July 1, 2025.

SECTION V: COMPENSATION

Consultant shall perform the services detailed in the scope described in Section II above on the basis of the hourly rate schedule contained in the MSA or set fee for services and attached hereto.

Billing shall be on a monthly basis in conformance with Section VI of the MSA, and invoices for all compensation owed in accordance with this SSA shall be submitted to the Town with sufficient detail to process the invoice for payment and for a proper pre-audit and post-audit thereof in accordance with Town standards. The total amount billed to the Town under this Supplemental Service Agreement shall not exceed $53,09.001 nor shall the Consultant incur costs above $53,091.00 without the written permission of the Town.

SECTION VI: INSURANCE COVERAGE

Consultant shall provide insurance coverage as provided for in Section VII of the MSA.

SECTION VII: OTHER SPECIAL TERMS

The Town will provide the Consultant all pertinent information and data available to the Town and deemed necessary to perform assigned tasks.

SECTION VIII: PRE-AUDIT, if applicable

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

____
(Signature of Finance Officer)
Town of Wake Forest
301 S. Brooks Street
Wake Forest, NC 27587

SECTION IX: CONTRACT MONITORING

Staff member responsible for monitoring the contract performance requirements is:

Name and Title: __Chris Glass Senior Civil Engineer____

Department Head Initials: ___________

IN WITNESS WHEREOF, the Town of Wake Forest and the Consultant have caused this contract to be executed under seal by their respective duly authorized agents or officers.

TOWN OF WAKE FOREST:

By: ________________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

CONSULTANT:

By: ________________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

Kimley»Horn

Exhibit A

INDIVIDUAL PROJECT ORDER NUMBER 4

Describing a specific agreement between Kimley-Horn and Associates, Inc. (the Consultant), and The Town of Wake Forest (the Client) in accordance with the terms of the Master Service Agreement for On-Call Professional Engineering Services dated March 6, 2023, which is incorporated herein by reference.

Identification of Project:

Project Name: H.L. Miller Park Survey and Coordination
Consultant Project Manager: Caleb Lowman
Project Number: 011311070

Specific scope of basic Services:

Kimley-Horn and Associates, Inc. ("Consultant" or "Consultant") is pleased to submit this Individual Project Order (IPO) to the Town of Wake Forest ("Town" or "the Client") for providing professional engineering services for the above referenced project (the "Project"). Our project understanding, scope of services, schedule, and fee are below.

Project Understanding

The purpose of this IPO is to provide survey and attend meetings for the future design of the H.L. Miller Park greenway that will connect S Taylor St to Elm Ave traveling thru the park as shown in the conceptual design provided by the Town. The plans and specifications will be a part of a future amendment to the IPO or will be provided under a future IPO based on coordination with the Town. Services included in this IPO are listed below.

Scope of Services

Consultant will provide the services specifically set forth below.

Task 1 – Location and Surveys (McKim & Creed)

See McKim & Creed Survey Scope of Work August 23, 2023 (Attachment A).

Task 2 – Meetings and Coordination

Project Kick-Off Meeting. A project kick-off meeting was held via Teams to discuss the project's objectives and critical issues, particularly regarding coordination and scheduling between the different parties involved. This meeting established the preferred path forward.

Progress Meetings - Progress meetings with the Town will be held monthly to provide an update on the project schedule and coordinate the outstanding issues. Consultant shall provide up to two (2) staff to attend a maximum of one (1) progress meetings associated with the Project.

Site Observations - Consultant will make one site visit to observe the site condition during the survey timeframe. Consultant will use the information gathered during the site visit to help confirm the preferred greenway alignment as shown in the conceptual plan provided by the Town.

Meetings beyond those described above will be considered additional services.

Additional Services

Any services not specifically provided for in the above scope will be considered additional services and can be performed at our then current hourly rates. Additional services include, but are not limited to, the following:

- Any meetings not specifically identified above requested by the Client or on the Client's behalf by a third party to this Agreement
- 30%, 60%, and Final Design Plans
- Opinion of Probable Construction Cost
- Geotechnical Investigations
- Wetland Delineation and Permitting
- Hydraulic Design
- Stream Modeling
- Utility Construction Plans
- Structure Design
- Phase I or Phase II archaeological investigations
- Additional Investigations regarding hazardous materials, waste, or contamination in addition to those noted in Falcon Engineering scope.
- Groundwater studies or analysis
- Stream Restoration & Pond Assessments
- Conditional Letter of Map Revision (CLOMR)
- Letter of Map Revision (LOMR)
- Culvert Survey Report (CSR) (Typically associated with NCDOT projects)
- Onsite Mitigation Design
- Landscape and Hardscape Design
- Private Utility Coordinate and Design
- Right of Way and Easement Acquisition Services
- Temporary Shoring Design
- Formwork Design
- Bid Phase Services
- Construction Phase Services, including a Pre-Construction Conference
- Water Utility Relocation Record Drawings

Information provided by Town

The following information will be provided to the Consultant by Town prior to notice to proceed:

- Available existing as-built information in the vicinity of the project area, including utilities
- Current conceptual plan of the preferred greenway location
- Any project permitting fees and any project advertising fees
- Town to complete Right of Way and Easement Acquisition Services

The Consultant shall be entitled to rely on the completeness and accuracy of all information provided by Town.

Schedule

The Consultant shall develop a final project schedule with mutually agreed upon timelines. The Consultant will provide these services as expeditiously as practicable with the goal of meeting the established schedule.

The Consultant shall not be held responsible for any delays in time of completion resulting from the following:

- ➢ Client's failure to carry out any of their responsibilities in a timely manner.
- ➢ Approving agencies failure to provide timely approval of permits, encroachments, or other entitlement applications.
- ➢ Additional Services requested by the Client.
- ➢ Any other circumstances beyond the control of the Consultant.

In the event Consultant is delayed by circumstances listed above, the time required to complete the Scope of Services and Additional Services will be extended by negotiation.

Kimley»Horn

Fee and Expenses

Consultant will perform the services described in the Scope of Services for a lump sum fee of **$53,091.00**. Fees broken down by individual tasks are as follows:

Task No.	Design Tasks		Estimated Fee
1	Location and Surveys (McKim & Creed)	$	49,291.00
2	Meetings and Coordination	$	3,750.00
	Expenses	$	00.00
	Total	**$**	**53,091.00**

All permitting, application, and similar project fees will be paid directly by the Client. Fees will be invoiced monthly based upon the percentage of services completed as of the invoice date. Payment will be due within 30 days of the date of the invoice. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter. We appreciate the opportunity to provide these services to you. Please contact me if you have any questions.

Very truly yours,

KIMLEY-HORN AND ASSOCIATES, INC.

By: Caleb D. Lowman, P.E.
Project Manager

Jeffrey W. Moore, P.E.
Senior Vice President

Attachment A – McKim & Creed Scope and Fee
Attachment B – Kimley-Horn Fee

Attachment A

August 23, 2023 ######

Mr. Caleb Lowman, PE
Kimley Horn
421 Fayetteville Street, Suite 600
Raleigh, NC 27601

Ref: Proposal for Professional Land Surveying for the H.L. Miller Park project in the Town of Wake Forest, NC.

Dear Mr. Lowman,

Thank you for requesting our Geomatics services for the above project. Please find below our proposed scope of work, fee and schedule.

Survey Limits

Survey limits for this project are per an email dated August 11, 2023 titled "Miller Park Survey Boundary.pdf" and attached as exhibit A. Limits of survey is approximately 7 acres.

1. **Baseline Control** - McKim & Creed will estabilsh baseline control covering the project limits.

2. **Pavement DTM's** - McKim & Creed will obtain pavement and ground shot DTM's within the survey limits

3. **Field Location of Topo & Planimetric Features)** - McKim & Creed will obtain planimetric features within the limits including: signs, curbs, paved trail paths, foot bridges, fences, foot bridges, benches.

4. **Stream Survey – McKim** & Creed will locate approximately 850' of stream at 25' stations including: top of banks, bottom of banks, centerline of creek or stream, thalweg, major changes in slope of bank, such as eroded areas, historic spoil piles, and rock outcroppings.

5. **Tree Survey** – McKim & Creed will locate trees 15" or greater DBH.

6. **Location of Gravity Utilities** - McKim & Creed will locate gravity utilities within the survey limits or other facilities crossing under the roadway survey limit. Top elevations, invert elevations, pipe sizes, pipe materials and pipe connectivity will be located.

7. **Courthouse Research** - McKim & Creed will perform courthouse research for

1730 Varsity Drive
Suite 500
Raleigh, NC 27606
919.233.8091
Fax 919.233.8031
www.mckimcreed.com

properties to cover the limits. Copies of deeds and plats will be saved as PDF files for delivery. We estimate 4 properties.

8. **Field Property Ties and Recon** - McKim & Creed will attempt to locate front corners for all affected properties and go to back corners as needed. We will also recon and locate existing right-of-way monumentation if available

9. **Property Analysis and Computations**
McKim & Creed will perform computations and analysis on existing properties and easements within the limits. We estimate 3 properties.

10. **Location of Non-Gravity Utilities (QL-B) and QL-A Test Holes**-McKim & Creed will perform SUE QL-B,electromagnetic (EM) and ground penetrating radar (GPR) designation, to map existing non-gravity utilities within the limits as described and depicted above in the Survey Limits section.

Quality Level B (QL-B) services include the horizontal detection and mapping of underground facilities. Geophysical prospecting methods are used to indicate the presence and surface position of buried utilities. Non-gravity utilities such as water, gas, power, sanitary force main, telephone (direct buried and in conduit) and cable TV are investigated, identified and marked in the field in order to be surveyed and mapped. Irrigation systems and parking lot lights are typically not included. QL-B information should not be used for construction purposes, or where exact horizontal and vertical measurements are required. Utility exposure (QL-A) permits precise three-dimensional measurements to be taken on utilities for accurate locations. QL-A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

Only Quality Level A (QL-A) information can be guaranteed. The accuracy of QL-B, designating information is subject to field conditions beyond our control. However McKim & Creed will make every attempt to provide a comprehensive and positionally correct utility map to the limit allowable by the instrumentation. Contracting McKim & Creed's SUE services does not relieve any party from their obligation to contact the utility damage prevention system before digging begins. Utility marks placed on the ground by McKim & Creed are not to be used for construction purposes.

Quality Level A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

McKIM&CREED

Our field technicians are outfitted with state of the art equipment and our CAD operators and workstations meet industry standards. Our service will be performed in accordance with the Standards of Practice for The Subsurface Utility Engineering profession. Non-gravity utilities will be located using SUE QL-B methodology.

11. **2D/3D Mapping** - McKim and Creed will map all 3D data into one DTM file and create an overall TIN file. The FS file will contain all the 2D planimetrics and SUE data.

12. **Travel** - Round trip travel from our Raleigh office is 2 hour (50 miles).

13. **Project Management & Supervision** - Time will be allowed for a PLS to manage and supervise this project.

14. **Traffic Control & Safety** - McKim and Creed will perform a full safety meeting with all personnel prior to beginning this project. Proper safety signage will be required when working near roadways. Proper personal protective equipment (PPE) will be required at all times.

13. Easement Acquisition Surveys

McKim & Creed will perform easement acquisition surveys and mapping services on an estimated two (2) properties.

McKim & Creed will perform field surveys and the associated mapping for the preparation of recordable easement exhibits and legal descriptions; to meet or exceed the Standards and Practice for Land Surveying in North Carolina (21 NCAC 56.1600).

- Recover existing survey control on site
- Recover existing field evidence and perform partial boundary surveys to establish the right of ways of Whitted Road and Johnson Pond Road at the location of the proposed easements
- Survey data processing and mapping
- Monument the easements in the field using permanent methods
- Prepare two (2) recordable easement exhibits - 1 exhibit per subject property
- Prepare two (2) legal descriptions - 1 description per subject property
- Address two (2) rounds of review comments
- Project Management

The deliverables will include:

- Two (2) certified exhibit maps (paper and .pdf formats)
- Two (2) certified legal descriptions (.pdf and .doc formats)

Deliverables

All data will be delivered per the current NCDOT standards (Microstation V8i format, 1" = 40')

- DTM file (3d microstation file)
- TIN file
- FS file (2d microstation file)
- GPK File

Exclusions

- Construction Staking
- Wetland Delineation, Locations, Mapping
- Geotech Hole Staking/Locations
- Traffic Control for QL-A in Roadway ($1,500 / day)

Schedule

McKim and Creed can begin work (Survey & SUE QL-B) within 10 working days after receiving a fully executed subconsultant agreement. McKim and Creed can complete the above scope of work within an additional 30 working days.

Compensation

Kimley-Horn agrees to compensate McKim & Creed a Lump Sum Fee per the following breakdown. Additional services beyond the above scope of work will require a supplemental agreement.

Conventional Survey	$ 39,391.00
Easement Mapping/Plats/Field ($2,500 ea. x 2)	$ 5,000.00
SUE QL-B	$ 2,500.00
SUE QL-A Test Holes ($1,200/ea. x 2)	$ 2,400.00
Total	**$ 49,291.00**

PAYMENT

The Client is specifically requested to review the "Billing and Payment" Section of the attached McKim & Creed General Conditions. McKim & Creed's ability to continue providing services on your project is dependent on the timely payment of our invoices. McKim & Creed reserves the right, and the Client acknowledges this right by entering into this Agreement, to stop work and also withhold the submittal of our documents should the Client's invoices become past due.

SCHEDULE OF SERVICES

We will perform the work described in the above Scope of Services as expeditiously as practical, weather permitting, to meet a mutually agreed schedule upon receipt of your written authorization to proceed.

ASSUMPTIONS / CLARIFICATIONS

This proposal is based on QLB Test Hole locations being outside of roadway and does not include MOT.

Information to be provided by Client: Surveyor shall rely on the completeness and accuracy of all information and technical data provided by the Client and Client's other consultants. The Client shall provide all necessary information required by Surveyor to complete its work, including any updates to previously provided information and any other information reasonably requested by Surveyor.

Items to be provided by Client include:

- Access to job site
- Notifications to Property Owners

Surveyors Certifications: The Surveyor shall not be required to sign any documents, no matter by whom they may be requested, that would result in the Surveyor's having to certify, guarantee or warrant the existence of conditions which the Surveyor cannot ascertain. The Client also agrees that it has no right to make the resolution of any dispute with the Surveyor or the payment of any amounts due to the Surveyor in any way contingent upon the Surveyor's signing any such certification.

ATTACHMENTS

The following documents are attached hereto and incorporated herein by reference:

1. Survey Limits
2. McKim & Creed General Conditions

ACCEPTANCE

If acceptable, sign and return one (1) copy of this document and all attachments for our files. Our receipt of the executed copy of this proposal will serve as our Notice to Proceed. This proposal is valid for thirty (30) days from the date of the proposal. If the proposal is not accepted within thirty (30) days, we reserve the right to revise or withdraw the proposal entirely at our discretion.

We look forward to working with you on this project and appreciate this opportunity to serve Kimley Horn's surveying needs. If you have any questions or need additional information, please feel free to call us.

Sincerely,

Jeff Aker, PLS
Geomatics Regional Manager
McKim & Creed, Inc.


Survey Boundary - Including water and sewer lines along Elm Ave and Taylor St
and any other dry utilities in the boundary shown below
S Taylor St
S Taylor St
Elm Ave
Elm Ave
S Franklin St
S Franklin St

FEE ESTIMATE

Attachment B

MANHOURS BY CLASSIFICATION							TOTAL		PROJECT PHASE
SENIOR PROF II	SENIOR PROF I	PROF	ANALYST	SENIOR TECH	TECH	SUPPORT STAFF	MANHOURS	MANDAYS	**Task 2 - Meetings and Coordination**
		4	4				8	1.00	Field Reconnaissance
1		2					3	0.38	Kickoff Meeting with Town
		2	1				3	0.38	Progress Meeting (1)
		4					4	0.50	Subconsultant Coordination (1)
1	0	12	5	0	0	0			
							18.00	2.25	

Contractor/Vendor Name: Kimley-Horn and Associates

Vendor Number: 1483

Contract type: Consulting

Description / Scope of Work: Survey including topographic and SUE for Miller Park

Contract Amount: 53091.00

RFP/RFQ #:

Contractor signature: E-SIGNED by John Kuzenski

Date: on 2023-09-07 13:08:55 GMT

September 07, 2023

Finance Department signature: E-SIGNED by Aileen Staples

Date: on 2023-09-07 15:37:20 GMT

September 07, 2023

Town Manager signature: E-SIGNED by Kip Padgett

Date: on 2023-09-07 16:45:41 GMT

September 07, 2023

Attested By: E-SIGNED by Theresa Savary

Date: on 2023-09-07 16:56:58 GMT

September 07, 2023

TOWN OF WAKE FOREST
INCORPORATED
SEAL
FEB. 20, 1909
NORTH CAROLINA

This instrument has been pre-audited in a manner required by the Local Government Budget and Fiscal Control Act.

APPENDIX B

TOWN OF WAKE FOREST, NORTH CAROLINA
SUPPLEMENTAL SERVICES AGREEMENT NO. [1]
TO THE MASTER SERVICE AGREEMENT FOR
ON-CALL PROFESSIONAL ENGINEERING SERVICES

SECTION I: PURPOSE

The purpose of this Supplemental Services Agreement (hereinafter "SSA") is for, Kimley-Horn, the Consultant, to provide On-Call general engineering Professional Services, as assigned, in accordance with the Agreement titled, "TOWN OF WAKE FOREST, NORTH CAROLINA MASTER SERVICES AGREEMENT FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES" between the Town and Kimley-Horn, dated March 6, 2023 (hereinafter "Master Services Agreement" or "MSA").

SECTION II: SCOPE

Consultant will perform On-Call General engineering Professional Services on an as-needed basis upon receipt of request and assignment from the Town representative. The Consultant shall comply with all terms of the MSA, which agreement is incorporated into this SSA as if fully set forth verbatim herein. Duties will involve the scope of services outlined in Exhibit A.

Services to be provided include, but are not limited to the scope of services outlined in Exhibit A. Consultant and the Town will mutually determine at time of assignment of individual tasks the Consultant personnel to be assigned, schedule, and deliverables.

SECTION III: SCHEDULE

Consultant shall perform tasks as expeditiously as practical and in conformance with schedules developed at the time of assignment of individual tasks and agreed upon by the Town and Consultant.

SECTION IV: PERIOD OF SERVICE

This SSA shall be for a period of from September 1, 2023 to July 1, 2025.

SECTION V: COMPENSATION

Consultant shall perform the services detailed in the scope described in Section II above on the basis of the hourly rate schedule contained in the MSA or set fee for services and attached hereto.

Billing shall be on a monthly basis in conformance with Section VI of the MSA, and invoices for all compensation owed in accordance with this SSA shall be submitted to the Town with sufficient detail to process the invoice for payment and for a proper pre-audit and post-audit thereof in accordance with Town standards. The total amount billed to the Town under this Supplemental Service Agreement shall not exceed $53,09.001 nor shall the Consultant incur costs above $53,091.00 without the written permission of the Town.

SECTION VI: INSURANCE COVERAGE

Consultant shall provide insurance coverage as provided for in Section VII of the MSA.

SECTION VII: OTHER SPECIAL TERMS

The Town will provide the Consultant all pertinent information and data available to the Town and deemed necessary to perform assigned tasks.

SECTION VIII: PRE-AUDIT, if applicable

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

____
(Signature of Finance Officer)
Town of Wake Forest
301 S. Brooks Street
Wake Forest, NC 27587

SECTION IX: CONTRACT MONITORING

Staff member responsible for monitoring the contract performance requirements is:

Name and Title: __Chris Glass Senior Civil Engineer____

Department Head Initials: __________

IN WITNESS WHEREOF, the Town of Wake Forest and the Consultant have caused this contract to be executed under seal by their respective duly authorized agents or officers.

TOWN OF WAKE FOREST:

By: ______________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

CONSULTANT:

By: ______________________________

____
Printed

Witnessed by:

____
Name

____
Printed

(SEAL)

Exhibit A

INDIVIDUAL PROJECT ORDER NUMBER 4

Describing a specific agreement between Kimley-Horn and Associates, Inc. (the Consultant), and The Town of Wake Forest (the Client) in accordance with the terms of the Master Service Agreement for On-Call Professional Engineering Services dated March 6, 2023, which is incorporated herein by reference.

Identification of Project:

Project Name: H.L. Miller Park Survey and Coordination
Consultant Project Manager: Caleb Lowman
Project Number: 011311070

Specific scope of basic Services:

Kimley-Horn and Associates, Inc. ("Consultant" or "Consultant") is pleased to submit this Individual Project Order (IPO) to the Town of Wake Forest ("Town" or "the Client") for providing professional engineering services for the above referenced project (the "Project"). Our project understanding, scope of services, schedule, and fee are below.

Project Understanding

The purpose of this IPO is to provide survey and attend meetings for the future design of the H.L. Miller Park greenway that will connect S Taylor St to Elm Ave traveling thru the park as shown in the conceptual design provided by the Town. The plans and specifications will be a part of a future amendment to the IPO or will be provided under a future IPO based on coordination with the Town. Services included in this IPO are listed below.

Scope of Services

Consultant will provide the services specifically set forth below.

Task 1 – Location and Surveys (McKim & Creed)

See McKim & Creed Survey Scope of Work August 23, 2023 (Attachment A).

Task 2 – Meetings and Coordination

Project Kick-Off Meeting. A project kick-off meeting was held via Teams to discuss the project's objectives and critical issues, particularly regarding coordination and scheduling between the different parties involved. This meeting established the preferred path forward.

Progress Meetings - Progress meetings with the Town will be held monthly to provide an update on the project schedule and coordinate the outstanding issues. Consultant shall provide up to two (2) staff to attend a maximum of one (1) progress meetings associated with the Project.

Site Observations - Consultant will make one site visit to observe the site condition during the survey timeframe. Consultant will use the information gathered during the site visit to help confirm the preferred greenway alignment as shown in the conceptual plan provided by the Town.

Meetings beyond those described above will be considered additional services.

Additional Services

Any services not specifically provided for in the above scope will be considered additional services and can be performed at our then current hourly rates. Additional services include, but are not limited to, the following:

- Any meetings not specifically identified above requested by the Client or on the Client's behalf by a third party to this Agreement
- 30%, 60%, and Final Design Plans
- Opinion of Probable Construction Cost
- Geotechnical Investigations
- Wetland Delineation and Permitting
- Hydraulic Design
- Stream Modeling
- Utility Construction Plans
- Structure Design
- Phase I or Phase II archaeological investigations
- Additional Investigations regarding hazardous materials, waste, or contamination in addition to those noted in Falcon Engineering scope.
- Groundwater studies or analysis
- Stream Restoration & Pond Assessments
- Conditional Letter of Map Revision (CLOMR)
- Letter of Map Revision (LOMR)
- Culvert Survey Report (CSR) (Typically associated with NCDOT projects)
- Onsite Mitigation Design
- Landscape and Hardscape Design
- Private Utility Coordinate and Design
- Right of Way and Easement Acquisition Services
- Temporary Shoring Design
- Formwork Design
- Bid Phase Services
- Construction Phase Services, including a Pre-Construction Conference
- Water Utility Relocation Record Drawings

Information provided by Town

The following information will be provided to the Consultant by Town prior to notice to proceed:

- Available existing as-built information in the vicinity of the project area, including utilities
- Current conceptual plan of the preferred greenway location
- Any project permitting fees and any project advertising fees
- Town to complete Right of Way and Easement Acquisition Services

The Consultant shall be entitled to rely on the completeness and accuracy of all information provided by Town.

Schedule

The Consultant shall develop a final project schedule with mutually agreed upon timelines. The Consultant will provide these services as expeditiously as practicable with the goal of meeting the established schedule.

The Consultant shall not be held responsible for any delays in time of completion resulting from the following:

- Client's failure to carry out any of their responsibilities in a timely manner.
- Approving agencies failure to provide timely approval of permits, encroachments, or other entitlement applications.
- Additional Services requested by the Client.
- Any other circumstances beyond the control of the Consultant.

In the event Consultant is delayed by circumstances listed above, the time required to complete the Scope of Services and Additional Services will be extended by negotiation.

Kimley»Horn

Fee and Expenses

Consultant will perform the services described in the Scope of Services for a lump sum fee of **$53,091.00**. Fees broken down by individual tasks are as follows:

Task No.	Design Tasks		Estimated Fee
1	Location and Surveys (McKim & Creed)	$	49,291.00
2	Meetings and Coordination	$	3,750.00
	Expenses	$	00.00
	Total	**$**	**53,091.00**

All permitting, application, and similar project fees will be paid directly by the Client. Fees will be invoiced monthly based upon the percentage of services completed as of the invoice date. Payment will be due within 30 days of the date of the invoice. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter. We appreciate the opportunity to provide these services to you. Please contact me if you have any questions.

Very truly yours,

KIMLEY-HORN AND ASSOCIATES, INC.

By: Caleb D. Lowman, P.E.
Project Manager

Jeffrey W. Moore, P.E.
Senior Vice President

Attachment A – McKim & Creed Scope and Fee
Attachment B – Kimley-Horn Fee

Attachment A

August 23, 2023 ######

Mr. Caleb Lowman, PE
Kimley Horn
421 Fayetteville Street, Suite 600
Raleigh, NC 27601

Ref: Proposal for Professional Land Surveying for the H.L. Miller Park project in the Town of Wake Forest, NC.

Dear Mr. Lowman,

Thank you for requesting our Geomatics services for the above project. Please find below our proposed scope of work, fee and schedule.

Survey Limits

Survey limits for this project are per an email dated August 11, 2023 titled "Miller Park Survey Boundary.pdf" and attached as exhibit A. Limits of survey is approximately 7 acres.

1. **Baseline Control** - McKim & Creed will estabilsh baseline control covering the project limits.

2. **Pavement DTM's** - McKim & Creed will obtain pavement and ground shot DTM's within the survey limits

3. **Field Location of Topo & Planimetric Features)** - McKim & Creed will obtain planimetric features within the limits including: signs, curbs, paved trail paths, foot bridges, fences, foot bridges, benches.

4. **Stream Survey – McKim** & Creed will locate approximately 850' of stream at 25' stations including: top of banks, bottom of banks, centerline of creek or stream, thalweg, major changes in slope of bank, such as eroded areas, historic spoil piles, and rock outcroppings.

5. **Tree Survey** – McKim & Creed will locate trees 15" or greater DBH.

6. **Location of Gravity Utilities** - McKim & Creed will locate gravity utilities within the survey limits or other facilities crossing under the roadway survey limit. Top elevations, invert elevations, pipe sizes, pipe materials and pipe connectivity will be located.

7. **Courthouse Research** - McKim & Creed will perform courthouse research for

1730 Varsity Drive
Suite 500
Raleigh, NC 27606
919.233.8091
Fax 919.233.8031
www.mckimcreed.com

properties to cover the limits. Copies of deeds and plats will be saved as PDF files for delivery. We estimate 4 properties.

8. **Field Property Ties and Recon** - McKim & Creed will attempt to locate front corners for all affected properties and go to back corners as needed. We will also recon and locate existing right-of-way monumentation if available

9. **Property Analysis and Computations**
   McKim & Creed will perform computations and analysis on existing properties and easements within the limits. We estimate 3 properties.

10. **Location of Non-Gravity Utilities (QL-B) and QL-A Test Holes**-McKim & Creed will perform SUE QL-B,electromagnetic (EM) and ground penetrating radar (GPR) designation, to map existing non-gravity utilities within the limits as described and depicted above in the Survey Limits section.

    Quality Level B (QL-B) services include the horizontal detection and mapping of underground facilities. Geophysical prospecting methods are used to indicate the presence and surface position of buried utilities. Non-gravity utilities such as water, gas, power, sanitary force main, telephone (direct buried and in conduit) and cable TV are investigated, identified and marked in the field in order to be surveyed and mapped. Irrigation systems and parking lot lights are typically not included. QL-B information should not be used for construction purposes, or where exact horizontal and vertical measurements are required. Utility exposure (QL-A) permits precise three-dimensional measurements to be taken on utilities for accurate locations. QL-A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

    Only Quality Level A (QL-A) information can be guaranteed. The accuracy of QL-B, designating information is subject to field conditions beyond our control. However McKim & Creed will make every attempt to provide a comprehensive and positionally correct utility map to the limit allowable by the instrumentation. Contracting McKim & Creed's SUE services does not relieve any party from their obligation to contact the utility damage prevention system before digging begins. Utility marks placed on the ground by McKim & Creed are not to be used for construction purposes.

    Quality Level A services allow for direct visual inspection of underground facilities. McKim & Creed uses a non-destructive and minimally intrusive vacuum excavation method to expose utilities at critical points. Verification of type and location of each utility is recorded and reported in a document describing the utility and the surrounding work site or tag and table.

Our field technicians are outfitted with state of the art equipment and our CAD operators and workstations meet industry standards. Our service will be performed in accordance with the Standards of Practice for The Subsurface Utility Engineering profession. Non-gravity utilities will be located using SUE QL-B methodology.

11. **2D/3D Mapping** - McKim and Creed will map all 3D data into one DTM file and create an overall TIN file. The FS file will contain all the 2D planimetrics and SUE data.

12. **Travel** - Round trip travel from our Raleigh office is 2 hour (50 miles).

13. **Project Management & Supervision** - Time will be allowed for a PLS to manage and supervise this project.

14. **Traffic Control & Safety** - McKim and Creed will perform a full safety meeting with all personnel prior to beginning this project. Proper safety signage will be required when working near roadways. Proper personal protective equipment (PPE) will be required at all times.

13. Easement Acquisition Surveys

McKim & Creed will perform easement acquisition surveys and mapping services on an estimated two (2) properties.

McKim & Creed will perform field surveys and the associated mapping for the preparation of recordable easement exhibits and legal descriptions; to meet or exceed the Standards and Practice for Land Surveying in North Carolina (21 NCAC 56.1600).

- Recover existing survey control on site
- Recover existing field evidence and perform partial boundary surveys to establish the right of ways of Whitted Road and Johnson Pond Road at the location of the proposed easements
- Survey data processing and mapping
- Monument the easements in the field using permanent methods
- Prepare two (2) recordable easement exhibits - 1 exhibit per subject property
- Prepare two (2) legal descriptions - 1 description per subject property
- Address two (2) rounds of review comments
- Project Management

The deliverables will include:

- Two (2) certified exhibit maps (paper and .pdf formats)
- Two (2) certified legal descriptions (.pdf and .doc formats)

Deliverables

All data will be delivered per the current NCDOT standards (Microstation V8i format, 1" = 40')

- DTM file (3d microstation file)
- TIN file
- FS file (2d microstation file)
- GPK File

Exclusions

- Construction Staking
- Wetland Delineation, Locations, Mapping
- Geotech Hole Staking/Locations
- Traffic Control for QL-A in Roadway ($1,500 / day)

Schedule

McKim and Creed can begin work (Survey & SUE QL-B) within 10 working days after receiving a fully executed subconsultant agreement. McKim and Creed can complete the above scope of work within an additional 30 working days.

Compensation

Kimley-Horn agrees to compensate McKim & Creed a Lump Sum Fee per the following breakdown. Additional services beyond the above scope of work will require a supplemental agreement.

Conventional Survey	$ 39,391.00
Easement Mapping/Plats/Field ($2,500 ea. x 2)	$ 5,000.00
SUE QL-B	$ 2,500.00
SUE QL-A Test Holes ($1,200/ea. x 2)	$ 2,400.00
Total	**$ 49,291.00**

PAYMENT

The Client is specifically requested to review the "Billing and Payment" Section of the attached McKim & Creed General Conditions. McKim & Creed's ability to continue providing services on your project is dependent on the timely payment of our invoices. McKim & Creed reserves the right, and the Client acknowledges this right by entering into this Agreement, to stop work and also withhold the submittal of our documents should the Client's invoices become past due.

SCHEDULE OF SERVICES

We will perform the work described in the above Scope of Services as expeditiously as practical, weather permitting, to meet a mutually agreed schedule upon receipt of your written authorization to proceed.

MCKIM&CREED

ASSUMPTIONS / CLARIFICATIONS

This proposal is based on QLB Test Hole locations being outside of roadway and does not include MOT.

Information to be provided by Client: Surveyor shall rely on the completeness and accuracy of all information and technical data provided by the Client and Client's other consultants. The Client shall provide all necessary information required by Surveyor to complete its work, including any updates to previously provided information and any other information reasonably requested by Surveyor.

Items to be provided by Client include:

- Access to job site
- Notifications to Property Owners

Surveyors Certifications: The Surveyor shall not be required to sign any documents, no matter by whom they may be requested, that would result in the Surveyor's having to certify, guarantee or warrant the existence of conditions which the Surveyor cannot ascertain. The Client also agrees that it has no right to make the resolution of any dispute with the Surveyor or the payment of any amounts due to the Surveyor in any way contingent upon the Surveyor's signing any such certification.

ATTACHMENTS

The following documents are attached hereto and incorporated herein by reference:

1. Survey Limits
2. McKim & Creed General Conditions

ACCEPTANCE

If acceptable, sign and return one (1) copy of this document and all attachments for our files. Our receipt of the executed copy of this proposal will serve as our Notice to Proceed. This proposal is valid for thirty (30) days from the date of the proposal. If the proposal is not accepted within thirty (30) days, we reserve the right to revise or withdraw the proposal entirely at our discretion.

We look forward to working with you on this project and appreciate this opportunity to serve Kimley Horn's surveying needs. If you have any questions or need additional information, please feel free to call us.

Sincerely,

Jeff Aker, PLS
Geomatics Regional Manager
McKim & Creed, Inc.

McKIM&CREED


Survey Boundary - Including water and sewer lines along Elm Ave and Taylor St
and any other dry utilities in the boundary shown below
S Taylor St
S Taylor St
Elm Ave
Elm Ave
S Franklin St
S Franklin St

FEE ESTIMATE

Attachment B

MANHOURS BY CLASSIFICATION							TOTAL		PROJECT PHASE
SENIOR PROF II	SENIOR PROF I	PROF	ANALYST	SENIOR TECH	TECH	SUPPORT STAFF	MANHOURS	MANDAYS	**Task 2 - Meetings and Coordination**
		4	4				8	1.00	Field Reconnaissance
1		2					3	0.38	Kickoff Meeting with Town
		2	1				3	0.38	Progress Meeting (1)
		4					4	0.50	Subconsultant Coordination (1)
1	0	12	5	0	0	0			
							18.00	2.25	

Contractor/Vendor Name: Kimley-Horn and Associates

Vendor Number: 1483

Contract type: Consulting

Description / Scope of Work: Survey including topographic and SUE for Miller Park

Contract Amount: 53091.00

RFP/RFQ #:

Contractor signature: E-SIGNED by John Kuzenski

Date: on 2023-09-07 13:08:55 GMT

September 07, 2023

Finance Department signature: E-SIGNED by Aileen Staples

Date: on 2023-09-07 15:37:20 GMT

September 07, 2023

Town Manager signature: E-SIGNED by Kip Padgett

Date: on 2023-09-07 16:45:41 GMT

September 07, 2023

Attested By: E-SIGNED by Theresa Savary

Date: on 2023-09-07 16:56:58 GMT

September 07, 2023

This instrument has been pre-audited in a manner required by the Local Government Budget and Fiscal Control Act.