

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
OF THE
CITY OF GREENSBORO

CLOSED SESSION

14 MARCH 2016

Pursuant to motion made at the regular meeting held on the above date, the City Council of the City of Greensboro met in Closed Session at 5:03 p.m. in the Council Office located in the Melvin Municipal Office Building to preserve the attorney-client privilege between the City Attorney and Council and to discuss matters relating to the relocation or expansion of industries or other businesses, including potential economic development incentives that may be offered in negotiations, pursuant to N.C.G.S. 143-318.11(a) (3)& (a)(4).

The following members of Council were present: Mayor Pro-Tem Johnson, Councilmembers Marikay Abuzaiter, Mike Barber, Jamal T. Fox, Sharon Hightower, Justin Outling, and Tony Wilkins. Absent: Mayor Nancy Vaughan and Councilmember Nancy Hoffmann.

Councilmember Outling participated via telephone.

Also present: Jim Westmoreland, City Manager, Tom Carruthers, City Attorney, David Parrish, Assistant City Manager, Terri Jones, Assistant City Attorney, Kathi Dubel, Economic Development and Business Support Manager and Elizabeth H. Richardson, City Clerk.

Also present were Mike Cooke and Patsy Matthews with Rentenbach Constructors (Rentenbach); Anthony Pecchio with Christman Capital Development Company (Christman) and Marsh Prause with Preservation Greensboro.

City Manager Jim Westmoreland stated the session was to hear a proposal for the former Cascade Saloon site; provided the history of the item; spoke to the involvement of Preservation Greensboro in landing a tenant for the property; and introduced Mike Cooke of Rentenbach to speak to the item.

Mr. Cooke began a PowerPoint Presentation; recognized Patsy Matthews, Anthony Pecchio and Marsh Prause; explained the relationship between Christman and Rentenbach; spoke to areas where Rentenbach had done new construction and renovations; confirmed that Rentenbach had been located on Gracade Street in Greensboro since 1971; that Rentenbach would lease the building upon the completion of the renovations; and spoke to other locations where they had restored historic properties.

Patsy Matthews of Rentenbach provided an overview of the company's makeup; stated the company was growing and needed a new facility; spoke to the commitment to and partnerships with North Carolina A&T State University to recruit three to four students each year; and to what young people wanted.

Mr. Cooke provided an overview of the proposed floor plans; makeup of the interior offices; referenced historic preservation guidelines; spoke to the brick interior of turn of the century buildings; and the possibility of a roof terrace.

Mr. Pecchio provided examples of buildings Christman had renovated; emphasized that they had been in business since 1894; provided the history of getting involved with the renovation of the site; explained the concept of the redevelopment; proposed renovation that would cost approximately \$3.6 million; and outlined the financial investment and strategy the company would utilize that included tax credits.

Councilmember Wilkins asked if the \$290,000 was more than the original proposal.

Mr. Prause responded that an anonymous donor had contributed about \$250,000 early in the process; and spoke to the additional Preservation Greensboro Fund \$40,000 contribution.

Councilmember Barber asked about the other \$850,000.

Mr. Prause responded that some of the \$850,000 was deferred fees; and some was what they were discussing today.

Mr. Pecchio outlined the required funding to stabilize the building; where the funding would be spent; added the cost to stabilize the building would be double of what they thought; and verified they were asking for \$300,000 to go towards the stabilization.

Councilmember Hightower inquired about a guarantee that they would not come back and ask for more funds in the future; and if the company would assure that this would be the final figure.

Mr. Pecchio responded that Christman would take the financial risk should more funds be necessary for completion of the project.

Councilmember Outling verified Preservation Greensboro would take ownership of the property should Council approve the incentive.

Mr. Pecchio explained the language that would be spelled out for the public and included in the agreement; verified that Preservation Greensboro would take ownership of the building; spoke to the timeframe for the design work; and confirmed that details would be in place prior to beginning the project.

Councilmember Hightower voiced concern that the City would not benefit from the project; and asked if a non-profit or for profit would own the property.

Discussion took place regarding tax credits; \$175,000 being given to Preservation Greensboro previously; tax return to the City once the development was complete; collateral for the City; and the City providing the engineering reports for the development company.

City Manager Westmoreland confirmed that there would be about a 20 year investment on the property tax return; verified Council was being requested to fund the \$300,000 gap; and spoke to the engineering studies they City had done.

Mr. Pecchio verified the company had reviewed the engineering reports provided by the City; and developed the pro-forma in accordance with said reports.

Councilmember Wilkins referenced the \$300,000 gap; and stated he would support the item as the information told him the City had been slightly responsible for the gap.

Councilmember Outling asked if the request exceeded the cost for demolition; referenced previous numbers provided by Councilmember Matheny; and asked who prepared the estimate.

City Manager Westmoreland spoke to the study done by the City; stated the estimate for demolition was approximately \$300,000; and spoke to the impact to the City should the facility be demolished and there be no tax base.

Assistant City Manager Parrish verified the estimate had been done by EHG Construction.

Councilmember Fox inquired if the funding source had been identified; and moved to provide \$300,000 in addition to the \$175,000 already provided. The motion was seconded by Councilmember Abuzuaiter.

City Manager Westmoreland stated the funds would be transferred from the Capital Leasing Fund to the Economic Development Fund; and spoke to utilization of funds in the Capital Leasing Fund.

Councilmember Wilkins asked if a super majority vote would be needed to transfer the funds.

City Attorney Carruthers responded that the funding was already in the budget; provided an overview of the terms of the incentive; spoke to the General Assembly's action to add historic preservation to the economic incentive statute

that would allow local governments more flexibility; referenced the legal authority of the City; provided an overview of agreements that would be in place with Preservation Greensboro and Rentenbach; verified a clawback clause would be in place; and spoke to the security the City would take.

Ms. Dubel verified that six new jobs would be created.

Councilmember Barber and Mayor Pro-Tem Johnson requested a paragraph be added that said this contribution was made with the awareness of the cost of demolition; that it was the intention of the Council that no further monies be directed to this project; reference the preservation of the City's tax base; and the speak to the elimination of future liability risks.

Councilmember Outling inquired how the funds would be paid; if the company was in a position to get capital elsewhere; and the City's position to seek remedy should the project not be completed.

City Manager Westmoreland outlined the process and reasons for payment up front; and spoke to a similar process used for Lee Comer.

Discussion took place regarding tax credits; tax value upon completion of the renovation; and the county tax assessment.

Councilmember Wilkins asked if they knew the proposed tax value upon completion; and the length of the building.

Ms. Dubel spoke to the Guilford County estimated tax assessment amount.

Mr. Pecchio outlined the impact to Christman and/or Rentenbach should the funds come directly to them as ordinary income for tax purposes; stabilization work; spoke to the square footage of the building; stated the tax value was hard to estimate; and that this proposal was recommending the funds go directly to Preservation Greensboro.

City Attorney Carruthers outlined the proposed three way agreements that the City would have with the companies; verified the City's funds would be spent on stabilization while the building was owned by Preservation Greensboro; and spoke to Rentenbach's form of guarantee.

Councilmember Barber asked that a payback clause be included; spoke to referencing the estimated tax base once completed; and thanked the company for its service in Greensboro.

Mayor Pro-Tem Johnson added that the future tax base was not the driving factor.

Mayor Pro-Tem Johnson stated a motion had been made by Councilmember Fox and seconded by Councilmember Abuzaiter for the item to go before Council.

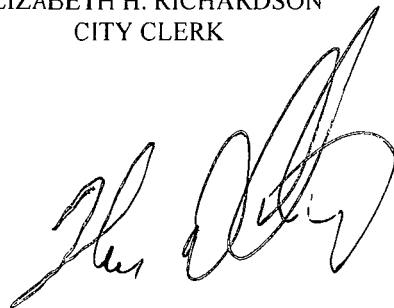
The motion carried by a show of hands 6-1 with Councilmember Wilkins voting 'no'.

Councilmember Hightower spoke to the need for diversity and M/WBE participation.

THE CLOSED SESSION WAS ADJOURNED AT 5:38 P.M. BY CONSENSUS OF THE MEMBERS OF THE GREENSBORO CITY COUNCIL. The City Council returned to open session.

YVONNE J. JOHNSON
MAYOR PRO-TEM

ELIZABETH H. RICHARDSON
CITY CLERK



CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
OF THE
CITY OF GREENSBORO

CLOSED SESSION

19 APRIL 2016

Pursuant to a motion made at the regular meeting held on the above date, the City Council of the City of Greensboro met in Closed Session at 4:33 p.m. in the Council Office located in the Melvin Municipal Office Building to preserve the attorney-client privilege between the City Attorney and Council and give instructions to legal counsel concerning the settlement of LaMonte Burton Armstrong v. City of Greensboro, et al., pursuant to N.C.G.S. 143-318.11(a) (3); and to consider the qualifications, competence, performance, character and fitness of public officer or an employee pursuant to N.C.G.S. Sections 143-318.11(a) (6).

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Johnson, Councilmembers Marikay Abuzuaiter, Mike Barber, Sharon Hightower, Nancy Hoffmann, Justin Outling, and Tony Wilkins. Absent: Jamal T. Fox.

Councilmember Hoffmann participated via telephone.

Also present: Chris Wilson, Assistant City Manager, Tom Carruthers, City Attorney, and Elizabeth H. Richardson, City Clerk.

Human Resources Director Connie Hammond entered the meeting at 4:35 p.m.

Ms. Hammond left the meeting at 4:47 p.m.

THE ABOVE PORTION OF THESE MINUTES IS PERSONNEL AND ARE PERMANENTLY SEALED

City Attorney Tom Carruthers, Police Chief Wayne Scott and Attorneys Alan Duncan and Steve Russell entered the meeting at 4:48 p.m.

City Attorney Carruthers recognized Attorneys Alan Duncan and Steve Russell for an update on the LaMonte Armstrong case.

Attorney Russell reviewed the history of the case; explained that the Judge Osteen had issued an Order with regard to the Motion to Dismiss on some of the defendants that had been denied; provided the reasons for the denial; and stated that the Court had forecast it would deny the City's Motion to Dismiss.

Attorney Duncan spoke to the language in the Opinion; verified it was an unusual result to have answers for some of the defendants and not all; added that counsel would probably see factual development of the case so that the court could rule on Summary Judgment; and spoke to what they might hear regarding the ruling.

Attorneys Duncan and Russell outlined what the City was asking for; confirmation that one of the defendants had already filed an Answer; support of the City's positions by the Spagnolia Answer; actions that had taken place between 1988 and 1994 when Mr. Armstrong was charged; further investigative development that had occurred; the smoking gun in the case; and the role of the Special Bureau of Investigation (SBI).

Discussion took place regarding if Armstrong was told the palm print was his; forensic evidence; if the claim would carry on should Armstrong pass away; Armstrong's testimony; and persons who would be eligible to receive the benefit.

Attorney Duncan provided an outline of the settlement demands in the case; verified that the last number provided from Armstrong during the mediation was \$12 million; referenced discussions with Attorney Rudolph regarding the City's insurance details; referenced the date the policies were issued; spoke to correspondence he had been in with the insurance company; stated counsel would respond stating the reasons why the City believed it had coverage; spoke to what Attorney Rudolph was looking at; and possible future negotiations with the insurance carrier.

Councilmember Wilkins inquired if the City was the final financial request Mr. Armstrong had; if the case would go to jury trial; and if all the entities that had been required to pay had done so.

Attorney Duncan responded that the type of trial would depend on the Court's decision; verified that the state had paid Mr. Armstrong; outlined the entities covered under the state's payment; spoke to events that occurred during Mr. Armstrong's trial; and reviewed questions that had been raised for specific issues.

Discussion took place regarding the status of the Wray and BNT case; and that any further discussion regarding said cases would violate the purpose of the closed session.

Attorneys Duncan and Russell left the meeting at 5:00 p.m.

City Attorney Carruthers stated he would like to provide his legal opinions on body worn cameras; and deferred to Councilmember Barber.

Councilmember Barber voiced the he did not believe Council had a legal foundation to be in the room in closed session as he did not think this was a topic that fell under personnel or other reasons to go closed session; further stated he did not want to participate; and emphasized he did not think it was cool that Council hold the discussion.

City Attorney Carruthers confirmed that Councilmember Barber was correct with regard to policy discussion; advised what fell under advice from the City Attorney; and stated he could provide his legal opinion in open session.

Discussion took place regarding how the discussion would be handled in the open session; speakers from the floor on the issue; City Attorney Carruthers providing his opinion in open session; this being a hot button topic; not making it a hotter button topic; and confirmation that all discussion with regard to the issue would be take place in open session.

THE CLOSED SESSION WAS ADJOURNED AT 5:03 P.M. BY CONSENSUS OF THE MEMBERS OF THE GREENSBORO CITY COUNCIL. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ELIZABETH H. RICHARDSON
CITY CLERK

A handwritten signature in black ink, appearing to read "Elizabeth H. Richardson", written in a cursive style.

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
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CITY OF GREENSBORO

CLOSED SESSION

21 JUNE 2016

Pursuant to a motion made at the regular meeting held on the above date, the City Council of the City of Greensboro met in Closed Session at 5:05 p.m. in the Council Office located in the Melvin Municipal Office Building to preserve the attorney-client privilege between the City Attorney and Council and to discuss matters relating to the relocation or expansion of industries or other businesses, including potential economic development incentives that may be offered in negotiations, pursuant to N.C.G.S. 143-318.11(a) (3) & (a)(4).

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmembers Marikay Abuzuaiter, Jamal T. Fox, Sharon Hightower, Nancy Hoffmann, Justin Outling, and Tony Wilkins. Absent: Councilmember Mike Barber.

Also present: Jim Westmorland, City Manager, Tom Carruthers, City Attorney, Kathi Dubel, Economic Development and Business Support Manager and Elizabeth H. Richardson, City Clerk.

City Manager Jim Westmoreland recognized Jay and Tom Young; Mac Simms and Zack Matheny; informed Council they would hear about an economic development project for property located at 304 East Market Street that would create a unique place Downtown; encroach eastward; and recognized Kathi Dubel for a presentation.

Ms. Dubel made a PowerPoint Presentation (PPP) that showed a photo of the former Cadillac Dealership in the late 50's; a photo of the building today; stated Mr. Young had purchased the 13,000 square foot building in 2007; provided an overview for the redevelopment opportunity for an event center; spoke to the various phases of the project; capital investment of approximately \$1.9 million; added that the project would create four new full time jobs within twelve months of opening; would activate and extend Downtown; spoke to the incremental tax for the first phase; verified the project met the eligibility requirements of the Urban Development Investment Grant (UDIG); and spoke to the funding from the Economic Development Fund.

Councilmember Fox asked for confirmation that Mr. Young would not be coming back to Council for future incentives for the additional phases.

Mr. Jay Young responded that once Phase I was completed and open that the remaining phases should be possible without an additional funding request.

Mayor Pro-Tem Johnson commended Mr. Young for the restoration and preservation of a historic building while utilizing economic development.

Mr. Young provided the history of his purchase of the property in 2007 and then in 2011 as the sole owner; explained that the structure had great bones; provided slides of the renderings; outlined the work that had been done on the building to date; mentioned that there were smaller buildings located on the lot; stated his business had been in the vicinity since 1995; verified that they had on-site parking; informed Council they had lost the opportunity for tax credits on the project due to the work they had done; spoke to what had been preserved in the building; verified he had personally financed the estimated \$1,350,000 for cleanup and stated it would cost an estimated \$731,000 for completion of Phase I. Mr. Young referenced having a fine tuned business plan in place; stated he was asking for \$200,000 that represented the gap; walked Council through the plans for the building; added that one of his partners was the owner of the Painted Plate; outlined how the different spaces would be used for a variety of events; stated it would be a catalyst for development in East Greensboro; and spoke to future phases, events, capacity and possibilities for the property.

Councilmember Outling voiced that this was a wonderful project; asked how the contribution from the City compared with contributions by the City for similar projects; stated had had concern with the numbers relative to the project; referenced a conversation with a developer who had not asked for any incentives but had done quite a bit of development; and voiced concern for a line to be drawn and asked where said line would be drawn.

Ms. Dubel confirmed that the project was in line with other incentive requests for UDIGs.

Discussion took place regarding other UDIG projects.

Mayor Vaughan spoke to the seating capacity; and the need to compare the project with similar ones.

Councilmember Abuzaiter spoke to the number of jobs that would result from the project for events taking place; and spoke to the need to look at the big picture.

Councilmember Hightower spoke to projects that met the UDIG criteria; and asked what the jobs would pay.

Ms. Dubel explained what the jobs would pay; and verified they would need to meet the performance benefit.

City Manager Westmoreland outlined the two different incentive policies for the City; referenced the Haeco request Council would be hearing about; and verified that the request was consistent with other grants the City had awarded Downtown.

Councilmember Outling spoke to more activity Downtown; voiced concern with the standard being set; and stated it would be pure lunacy if a developer did not come and make an ask under these guidelines.

Councilmember Wilkins voiced concern with a 40 year payback on the property tax.

President and CEO of Downtown Greensboro, Incorporated Zack Matheny emphasized Mr. Young could only speak to what was known about the project; spoke to the sales tax that would be generated; referenced personal property that would be placed into the property; stated that more jobs would be added; and spoke to the requirements of UDIG requests.

Councilmember Wilkins asked if the UDIG requirements were that much different from the economic development requirements.

City Manager Westmoreland provided clarification regarding requirements for economic incentives; and spoke to the policy developed for UDIG projects.

Mr. Matheny emphasized that the project was the renovation of a historic building; referenced the amount of historic structures remaining in Greensboro; verified that restoration was different from new construction; added that the project would provide a gateway between East Greensboro and Downtown; that the developer was following the M/WBE guidelines; spoke to the individual investment in the project; and referenced the work of staff when assisting with the facilitation of economic development projects throughout the City.

Councilmember Outling reiterated that his concern was the details in terms of the numbers versus what was being provided to the City; and the request setting precedent for similar requests going forward.

Councilmember Hoffmann voiced that would be a good thing for requests to come in that met the guidelines.

Mayor Vaughan referenced the work done on the Lotus building; spoke to assistance provided to developers throughout the City; and added that the City provided approximately \$475,000 for the Cascade project.

Mack Simms of East Market Street Development Company emphasized that the project was a major entry between East Greensboro and Downtown; stated the City was looking to making East Greensboro more attractive; that this would generate other development and jobs; and bring more traffic into Downtown seven days a week.

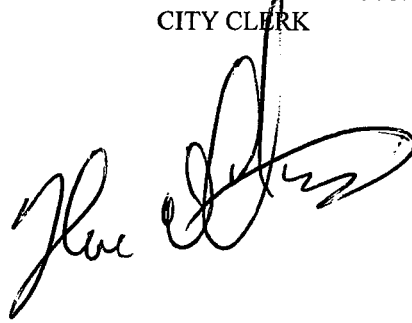
Moved by Mayor Pro-Tem Johnson, seconded by Councilmember Hightower to move the item for consideration at a public hearing at the July 19th meeting of Council and do the incentive. The motion carried by a voice vote 7-1 with Councilmember Wilkins voting 'no'.

Councilmember Fox stated he would not be at the July 19th meeting but supported the item.

THE CLOSED SESSION WAS ADJOURNED AT 5:40 P.M. BY CONSENSUS OF THE MEMBERS OF THE GREENSBORO CITY COUNCIL. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ELIZABETH H. RICHARDSON
CITY CLERK

A handwritten signature in black ink, appearing to read "Elizabeth H. Richardson", written in a cursive style.

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
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CLOSED SESSION

20 SEPTEMBER 2016

Pursuant to a motion made at the regular meeting held on the above date, the City Council of the City of Greensboro met in Closed Session at 5:10 p.m. in the Council Office located in the Melvin Municipal Office to preserve the attorney-client privilege and to consider and give instructions to legal counsel concerning the handling or settlement of the case of LaMonte Burton Armstrong v. City of Greensboro, et al., pursuant to G.S. 143-318.11(a) (3); to prevent the disclosure of personnel information that is privileged or confidential under G.S. 160A-168 but which is necessary and essential to the proper function of Council to inspect and which is not considered a public record within the meaning of Chapter 132 of the General Statutes pursuant to G.S. 143-318.11(a) (1) because it is also a criminal investigative record under G.S. 132-1.4; and to consider the qualifications, competence, performance, character and fitness of public officer or an employee pursuant to N.C.G.S. Sections 143-318.11(a) (6).

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmembers Marikay Abuzuaiter, Mike Barber, Jamal T. Fox, Sharon Hightower, Nancy Hoffmann, Justin Outling, and Tony Wilkins.

Also present: Jim Westmorland, City Manager, Tom Carruthers, City Attorney, Police Chief Wayne Scott, Andrea Harrell, Assistant City Attorney, Polly Sizemore, Assistant City Attorney and Elizabeth H. Richardson, City Clerk.

City Manager Westmoreland stated that the evaluation packets for City Attorney Carruthers had been provided for Council; and provided the timeframe for when the evaluations were due back to Mayor Vaughan and/or City Clerk Betsey Richardson.

Attorney Alan Duncan entered the meeting at 5:12 p.m.

City Manager Westmoreland stated Council would receive an update on the Lamont Armstrong case and recognized Attorney Alan Duncan to speak to the issue.

Attorney Duncan reminded Council that the mediation was scheduled to take place on October 20th and 21st; provided an overview of the key depositions taking place this week; outlined the depositions that had taken place to date; spoke to the palm print issue; to the dismissal of parts of the case for the City; explained problems that had occurred during the case; and to the work of the Special Bureau of Investigation (SBI).

Councilmember Wilkins inquired about the palm print from the door jam; if the person identified through the palm print had admitted being in the house; and if there was any blood in the print.

Attorney Duncan stated that Mr. Caviness had died before the identification of the palm print; verified the City was responsible for the investigation; stated that he believed there was fault with the SBI; that there were questions about the prosecutor's actions; and spoke to conduct of the defense attorney.

Discussion took place regarding the City's position; testimony by Detective Whitt; monetary awards for similar cases; and the rights of Mr. Armstrong to recover money from the City.

Attorney Duncan stated awards had been as high as \$100 million in areas other than North Carolina; that Judge Osteen was deferring any decision until the summary judgment stage; referenced previous settlement conversations that had taken place among the parties; spoke to a change in the insurance policy limits; and explained the process for recovering monies from the City and excess coverage from the insurance policies.

Additional discussion took place regarding if there was case law defining the event; the case law not being completely black and white; possible settlement up to \$2 million with the remainder to be covered by the insurance carrier; and whether the City needed the insurance carrier's consent.

Attorney Duncan confirmed Mr. Armstrong's attorney would not make a demand until the City said it was serious about putting a retention amount of up to \$2 million on the table; explained the process for the letter of demand; emphasized this was a dangerous case with regard to exposure and expenses; and stated that the carrier was following the case and might try to settle.

Moved by Mayor Pro-Tem Johnson, seconded by Councilmember Fox to offer an amount up to \$2 million.

City Attorney Carruthers explained the different levels of funding through the Risk Retention fund to be used; confirmed no funds would come out of the General Fund; and stated that money had been deposited for these types of settlements.

Councilmember Wilkins confirmed that the funds had originally come out of the City's General fund.

Attorney Duncan confirmed that Council would be voting on giving indication back to the plaintiff's attorney that if the demand was made the City, would in fact, be willing to make a payment up to \$2 million, probably a little less because of attorney's fees to reach the excess insurance coverage to allow them to negotiate with the excess insurance carrier to see if it could be settled within those policy limits, and for that, the City would be completely released including the individual release. Attorney Duncan stated the City would need to send a demand letter asking the insurance carrier to settle the case; and stated he would ask Council for authorization to do so.

Discussion ensued regarding if the insurance carrier chose not to settle; authorization for the City to send a demand letter to the insurance carrier; the City's policy limits; subrogation rights; spoke to what would be put on the table during mediation; and the settlement process.

The motion carried 8-1 by a show of hands with Councilmember Wilkins voting "no".

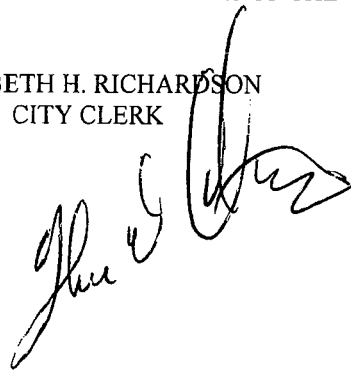
Attorney Duncan left the meeting at 5:35 p.m.

City Manager Westmoreland stated that the final item was an update sharing personnel information regarding former Police Officer Travis Cole; stated it was important for Council to understand what occurred; and recognized Police Chief Scott to speak to the item.

THE CLOSED SESSION WAS ADJOURNED AT 7:04 P.M. BY CONSENSUS OF THE MEMBERS OF THE GREENSBORO CITY COUNCIL. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ELIZABETH H. RICHARDSON
CITY CLERK

A handwritten signature in black ink, appearing to read "Elizabeth H. Richardson", written in a cursive style.

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
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CITY OF GREENSBORO

CLOSED SESSION

4 OCTOBER 2016

Pursuant to a motion made at the work session held on the above date, the City Council of the City of Greensboro met in Closed Session at 3:38 p.m. in the Council Office located in the Melvin Municipal Office to preserve the attorney-client privilege and to consider and give instructions to legal counsel concerning the handling or settlement of a claim and of the case of LaMonte Burton Armstrong v. City of Greensboro, et al., pursuant to G.S. 143-318.11(a) (3); to prevent the disclosure of personnel information that is privileged or confidential under G.S. 160A-168 but which is necessary and essential to the proper function of Council to inspect and which is not considered a public record within the meaning of Chapter 132 of the General Statutes pursuant to G.S. 143-318.11(a) (1) because it is also a criminal investigative record under G.S. 132—1.4.

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmembers Marikay Abuzwaiter, Mike Barber, Jamal T. Fox, Sharon Hightower, Nancy Hoffmann, Justin Outling, and Tony Wilkins.

Also present: Jim Westmorland, City Manager, Tom Carruthers, City Attorney, Wayne Scott, Police Chief, Andrea Harrell, Assistant City Attorney, Polly Sizemore, Assistant City Attorney, Jamiyah Waterman, Assistant City Attorney, Brian James, Deputy Chief, James Hinson, Deputy Chief and Elizabeth H. Richardson, City Clerk.

City Attorney Carruthers provided an update on the Armstrong case; an overview of the settlement; spoke to what the City would need to pay in retention; to what would be covered by the insurance carrier; spoke to the upcoming mediation; and stated Attorney Duncan was requesting authority to respond to this and say that the City was willing to offer the original \$1.7 million, make a demand on the carrier to pay up to its limits and hold in reserve an additional \$300,000 because the technical demand from Rudolph was \$2 million from the City.

Moved by Councilmember Barber; seconded by Councilmember Outling to authorize. The motion carried 8-1 by a show of hands with Councilmember Wilkins voting 'no'.

City Attorney Carruthers stated that Bill Davis had reached out to him; stated he had been invited to the next public defenders committee on racial equity meeting scheduled for October 19th; spoke to the defense of body worn camera footage; that he had identified four videos of concern; and that they could not report who the clients were at this time. City Attorney Carruthers verified they were police videos; spoke to the content in the videos; stated that staff would review them; and that Internal Affairs would begin to investigate.

Mayor Vaughan reminded Council that they would take speakers from the floor this evening but that no report would be made tonight.

Councilmember Hightower stated this would get worse; and that an independent review needed to be done.

(The attached PowerPoint Presentation and handouts are hereby made a part of these minutes.)

THE CLOSED SESSION WAS ADJOURNED AT 5:24 P.M. BY CONSENSUS OF THE MEMBERS OF THE GREENSBORO CITY COUNCIL. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ELIZABETH H. RICHARDSON
CITY CLERK

A handwritten signature in black ink, appearing to read 'Elizabeth H. Richardson', written in a cursive style.

CONFIDENTIAL
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CITY OF GREENSBORO

CLOSED SESSION

18 OCTOBER 2016

Pursuant to a motion made at the work session held on the above date, the City Council of the City of Greensboro met in Closed Session at 4:40 p.m. in the Council Office located in the Melvin Municipal Office Building to preserve the attorney-client privilege and to consider and give instructions to legal counsel concerning the handling or settlement of a claim and of the case of LaMonte Burton Armstrong v. City of Greensboro, et al. , pursuant to G.S. 143-318.11(a) (3); to consider the qualifications, competence, performance, character and fitness of a public officer or employee pursuant to G.S. 143-318.11(a) (6); and to prevent the disclosure of personnel information that is privileged or confidential under G.S. 160A-168, but which is necessary and essential to the proper function of Council to inspect, and which is not considered a public record within the meaning of Chapter 132 of the General Statutes pursuant to G.S. 143-318.11(a) (1), because it is also a criminal investigative record under G.S. 132—1.4.

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmembers Marikay Abuzaiter, Mike Barber, Jamal T. Fox, Sharon Hightower, Nancy Hoffmann, Justin Outling, and Tony Wilkins.

Mayor Pro-Tem Johnson participated via telephone.

Also present: Jim Westmorland, City Manager, Tom Carruthers, City Attorney, and Elizabeth H. Richardson, City Clerk

City Attorney Tom Carruthers recognized attorneys Alan Duncan and Steve Russell to discuss the Armstrong case.

Attorney Duncan explained that the Armstrong mediation was scheduled for Thursday and Friday of this week; spoke to documentation that had been provided to the parties and the mediator; coverage disputes with the City's insurance carrier; who would be negotiating; to what was covered by the insurance coverage; to the reshaping of the claims; to what the insurance carrier was willing to pay and felt was covered; and stated that the City may need to put additional money beyond the retention amount to resolve the case. Attorney Duncan outlined the possible settlement figures; stated he felt that the right number would close the case; that he was seeking additional authority from Council; voiced the need to get a sense of what they insurance carrier would pay; spoke to the retention number for the City; emphasized it was not clear how the case would come out; that the case had a risk for a high number; spoke to the percentage of coverage by the insurance carrier would cover; and voiced that the City may want to try to end the case.

Mayor Pro-Tem Johnson inquired as to the amount of insurance coverage; and who the insurance carrier was.

Attorney Duncan stated that the insurance carrier was questioning the coverage; explained the difference of opinion between the carrier and the City as to the date coverage began; and confirmed that Genesis, an affiliate of AIG, was the carrier.

Councilmember Wilkins inquired what the amount was that Armstrong had collected from the state; and asked for justification in the difference in the amounts between the City and the state.

Councilmember Outling asked about the strength of the insurance claim; the City's defenses; if they had a sense of what a jury award would be based on other cases; and what Council needed to consider at this time.

Attorneys Duncan and Russell stated they had received \$750,000 from the state; added that the state had a statutory cap; spoke to the work of the SBI; stated that this was unchartered territory in North Carolina; spoke to cases in other states; confirmed there was no intentionality on the part of the police; and explained that the case was a risk as the jury would be sympathetic. Attorney Duncan confirmed that the settlement range could be \$5 to \$10 million; and added that the percentage or risk was outside the norm of a regular case.

Councilmember Hightower inquired if the figure that would be presented at mediation was based on what the carrier would put in; and if they felt Armstrong would accept less.

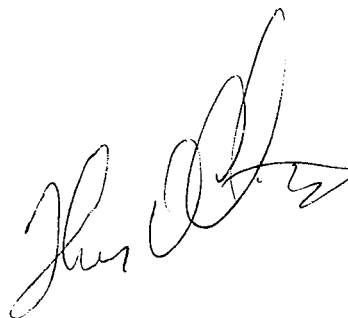
Attorney Duncan reviewed the proposed figures to settle the case; verified he did not know exactly what the carrier would contribute; reminded Council what their previous directive had been; and spoke to the information he had received regarding managing the expectations of Mr. Armstrong. Attorney Duncan further stated that mediation would begin on Thursday; spoke to the proposal counsel would make; stated he would like consensus on the direction Council wanted him to move in; and spoke to the additional amount from the City that would be required to settle the case.

Mayor Vaughan stated she did not think anyone was opposed to additional discussion on the issue.

Councilmember Wilkins voiced opposition to the increase as he opposed the original settlement figure.

Attorney Duncan stated he had a starting point to negotiate the lowest possible number; spoke to contacting the insurance carrier; stated that Attorney Carruthers would attend the mediation; and confirmed it was the sense of Council to resolve the case.

City Manager Westmoreland and Attorneys Duncan and Russell left the closed session at 5:06 p.m.

A handwritten signature in black ink, appearing to read "John Armstrong", is located in the lower right quadrant of the page. The signature is written in a cursive, flowing style.

OCTOBER 18, 2016

#294

**THE FOLLOWING PORTION OF THE CLOSED SESSION IS PERSONNEL AND IS
PERMANENTLY SEALED**

Nancy Vaughn

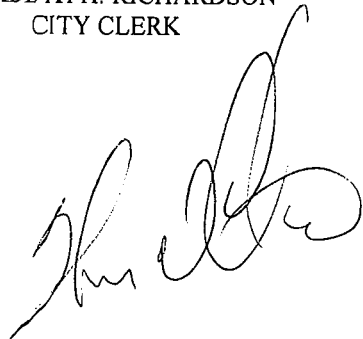
OCTOBER 18, 2016

#294

**THE FOLLOWING DISCUSSION WAS A CONTINUATION OF THE CLOSED SESSION ON
OCTOBER 18, 2016**

NANCY VAUGHAN
MAYOR

ELIZABETH H. RICHARDSON
CITY CLERK

A handwritten signature in black ink, appearing to read "Elizabeth H. Richardson", written in a cursive style.

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
OF THE
CITY OF GREENSBORO

CLOSED SESSION

21 OCTOBER 2016

Pursuant to a motion made at the regular meeting held on the above date, the City Council of the City of Greensboro met in Closed Session at 1:30 p.m. in the Council Office located in the Melvin Municipal Office Building to preserve the attorney-client privilege and to consider and give instructions to legal counsel concerning the handling or settlement of a claim and of the case of LaMonte Burton Armstrong v. City of Greensboro, et al., pursuant to G.S. 143-318.11(a) (3).

The following members of Council were present: Mayor Nancy Vaughan, Councilmembers Marikay Abuzaiter, Mike Barber, Jamal T. Fox, Sharon Hightower, Nancy Hoffmann, Justin Outling, and Tony Wilkins.

Absent: Mayor Pro-Tem Yvonne Johnson.

Councilmembers Barber and Fox participated via telephone.

Also present: Jim Westmorland, City Manager, Tom Carruthers, City Attorney, and Elizabeth H. Richardson, City Clerk

City Attorney Tom Carruthers recognized attorneys Alan Duncan and Steve Russell, Assistant City Attorney Andrea Harrell and Deputy Chief Brian James.

Attorney Alan Duncan spoke to the mediation that took place yesterday; made a PowerPoint Presentation (PPP) which outlined the proposed settlement; provided the breakdown and distribution of the City's and Genesis' settlement share; spoke to what the conditions would be for the settlement; and confirmed the total settlement amount would be \$6,420,000.

Discussion took place regarding the additional City contribution towards the settlement; source of the funding for said amount; the need to reduce dismay in the community; what could and could not remain confidential; concerns with division in the community; and public perception that the City did something bad due to the large amount.

City Attorney Carruthers explained that non-disparaging clauses could not be enforced; spoke to the City's legal interest; commended Attorney Duncan for his work on the case; and reminded Council that the City would not wish to reopen the negotiation.

Attorney Duncan spoke to his relationship with Mr. Armstrong's attorneys; and stated he could discuss the risks with them should Mr. Armstrong discuss the case in a negative light.

Attorney Russell stated he had spent time with Mr. Armstrong who was involved with presentations about wrongful actions; and that he did not feel Mr. Armstrong would communicate negative feelings regarding the issue.

Attorney Duncan verified he felt any type of agreement would be difficult to enforce; referenced comments made to him by Mr. Armstrong; that Mr. Armstrong was planning on donating some of his funds to the Duke project as they had helped him with his cause; and commended Detective Matthews for his work on the case.

City Manager Westmoreland reminded Council that the Police Department was forthcoming with information to assist with the case.

City Attorney Carruthers spoke to Mr. Armstrong's demeanor; voiced Mr. Armstrong was not seeking further division in the community; was dedicated to the Lord; and verified the City did not accept liability but participated in the settlement.

Moved by Councilmember Hightower, seconded by Councilmember Hoffmann to agree to the City's portion of the settlement in amount of \$3,153,333.33.

Councilmember Wilkins voiced that although Mr. Armstrong should be compensated, he could not justify the City paying out 850% more than the people that were at fault.

The motion carried by a 7-1 voice vote with Councilmember Wilkins voting 'no'.

Attorney Duncan stated the City may wish to reach out to the Legislature with regard to placing a cap on local government settlement amounts similar to the one imposed by the state.

(The attached PowerPoint Presentation is hereby made a part of these minutes.)

THE CLOSED SESSION WAS ADJOURNED AT 1:53 P.M. BY CONSENSUS OF THE MEMBERS OF THE GREENSBORO CITY COUNCIL. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ELIZABETH H. RICHARDSON
CITY CLERK

Handwritten signatures of Nancy Vaughan and Elizabeth H. Richardson.

Privileged and Confidential
Mullins Duncan Harrell & Russell PLLC

LaMonte Armstrong v. Whitt and Spagnola

Proposed Settlement

October 21, 2016

Privileged and Confidential
Mullins Duncan Harrell & Russell PLLC

Total Settlement: \$6,420,000

City's Share: \$3,153,333.33

Genesis' Share: \$3,266,666.67

Amount Beyond Prior Approval: \$1,153,333.33

Privileged and Confidential
Mullins Duncan Harrell & Russell PLLC

Total Settlement: \$6,420,000

First \$6,000,000 (\$6,000,000)

Split 50/50 with Genesis

City - \$3,000,000

Genesis - \$3,000,000

Next \$400,000 (\$6,400,000)

Split 1/3 – 2/3 with Genesis

City - \$133,333.33

Genesis - \$266,666.67

Last \$20,000 (\$6,420,000)

Paid by City, for some of Mr. Armstrong's expenses that
benefitted the City

Mediator Expense – Split 50/50 with Genesis

Privileged and Confidential
Mullins Duncan Harrell & Russell PLLC

No admission of liability or wrongdoing by Defendants

No admission by Genesis that its coverage was triggered

Plaintiff to release City, Whitt, Spagnola, Daughtry, Genesis

Genesis and the Insureds to mutually release claims

Requires affirmative vote of City Council

We recommend that Council approve this settlement

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
OF THE
CITY OF GREENSBORO

CLOSED SESSION

20 DECEMBER 2016

Pursuant to a motion made at the work session held on the above date, the City Council of the City of Greensboro met in Closed Session at 4:55 p.m. in the Council Office located in the Melvin Municipal Office Building to preserve the attorney-client privilege between the City Attorney and Council and to discuss matters relating to the relocation or expansion of industries or other businesses, including potential economic development incentives that may be offered in negotiations, and to instruct the City's staff concerning negotiations of the price and other material terms of a contract for acquisition by purchase of real property pursuant to N.C.G.S. 143-318.11(a) (3), (a)(4)&(a) (5).

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmembers Marikay Abuzaiter, Mike Barber, Jamal T. Fox, Sharon Hightower, Nancy Hoffmann, Justin Outling, and Tony Wilkins.

Also present: Jim Westmorland, City Manager, Tom Carruthers, City Attorney, David Parrish, Assistant City Manager, Terri Jones, Assistant City Attorney, Adam Fischer, Transportation Director, Rick Lusk, Finance Director and Elizabeth H. Richardson, City Clerk

Assistant City Manager David Parrish made a PowerPoint Presentation on the February 1 Hotel and City Parking Deck; provided an overview of the current space availability in the City decks; explained what the driving issue was; stated the decks were close to capacity; and provided renderings of the proposed hotel and parking deck. Assistant City Manager Parrish highlighted the proposed estimated tax revenue as a result of the seven story, 180 room hotel; spoke to the estimated \$30 million investment; funding for construction and maintenance of the proposed parking deck; explained the public private partnership for the project; and provided the expected timeline for the project. Assistant City Manager Parrish added that the private entity would act at the CEMAR for the project; and clarified the location of the project.

Councilmember Outling assured Council that although one of the members of the private entity worked at Brooks Pierce, he did not have a conflict of interest as the firm was not involved in the work.

City Attorney Tom Carruthers verified the parties that would be involved in the contract.

Discussion took place regarding leasing the land for \$1; retail space located on the street level of the deck; enabling statute language with regard to the project requirements; reimbursement by the City for the construction of the parking deck; and status of the land acquisition.

Assistant City Manager Parrish stated that a public hearing would take place at an upcoming Council meeting for the acquisition of the building and the land around it; spoke to the parties who owned the land; and the process for acquisition of said property.

Additional discussion occurred regarding appraised value of the property; placing a \$2 million limit on the purchase price for said property; funding for the project; the investment from the tax revenue of the hotel; and Council having final approval to move forward with the project.

Moved by Councilmember Hoffmann, seconded by Councilmember Barber to move forward with the project and property acquisition. The motion carried by voice vote.

Assistant City Manager Parrish confirmed staff would use the \$2 million limit as a general guideline for the acquisition.

Members of Elm Street Center LLC entered the meeting at 5:20 p.m.

Randall Kaplan provided an overview of the proposed 180 room upscale hotel that would create 100 new jobs; spoke to the investment that would be made; number of parking spaces that would be utilized by the hotel clientele; provided the history of the Starwood Chain; highlighted the ancillary benefits; voiced excitement for the project; and confirmed that the previous economic incentive grant would not be utilized.

Discussion ensued regarding if there was a time limit for the previous incentive; the hotel changing from a Wyndham to a Westin; changing the perception of Downtown Greensboro; and the proposed hotel structure.

Moved by Mayor Pro-Tem Johnson, seconded by Councilmember Hightower to accept the proposal and move forward with a public hearing.

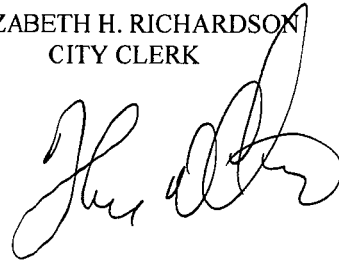
City Manager Westmoreland confirmed it was the consensus of Council to take the item to a public hearing; and asked that this not be discussed until acquisition of the land had been made.

(A copy of the PowerPoint Presentation is hereby referred to and made a part of these minutes).

THE CLOSED SESSION WAS ADJOURNED AT 5:34 P.M. BY CONSENSUS OF THE MEMBERS OF THE GREENSBORO CITY COUNCIL. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ELIZABETH H. RICHARDSON
CITY CLERK

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Parking Supply/Demand

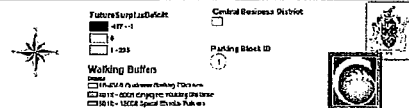
- Existing Supply
 - 3 out of 4 parking decks are full.
 - Less than 100 spaces available in Church Street
 - Surface Lots are near capacity
- Increase in Parking Demand
 - Lincoln Financial (300 to 500 spaces)
 - New Hotel (up to 180 spaces)
 - Elm Street Center/Other Downtown Attractions



Parking Deficit “Hot Spots”

- Greene Street (706 spaces), Full
- Davie Street (415 spaces), Full
- Bellemede Street (1276 sp.), Full
- Church St. (417 sp.), < 100 available

Downtown Parking Availability



Proposed Hotel

- 180 Rooms
- Approx. 7 story luxury hotel over top of 6 story parking deck
- Up to 180 Parking Spaces
- Est. Investment \$30M
- Est. Property Tax & Sales Tax \$250k to \$275k
- Est. Hotel/Motel Tax \$200k to \$225k



New Parking Deck

- 850 Spaces
- 6 Stories that will span across February 1 Place
- Est. Deck Cost \$26M to \$30M
- Finance over 30 years
- Est. Annual City Cost (Operating, Maintenance and Debt Service) \$2M to \$2.5M



Funding

Cost:

- Est. Deck Cost \$26M to \$30M
- Est. Annual City Cost (Operating, Maintenance and Debt Service) \$2M to \$2.5M

Revenue:

- Est. Annual Revenue \$2M to \$2.5M
 - New "February 1" Deck Revenues
 - Existing Parking Fund/Increased Rates
 - General Fund Revenues



Partnership

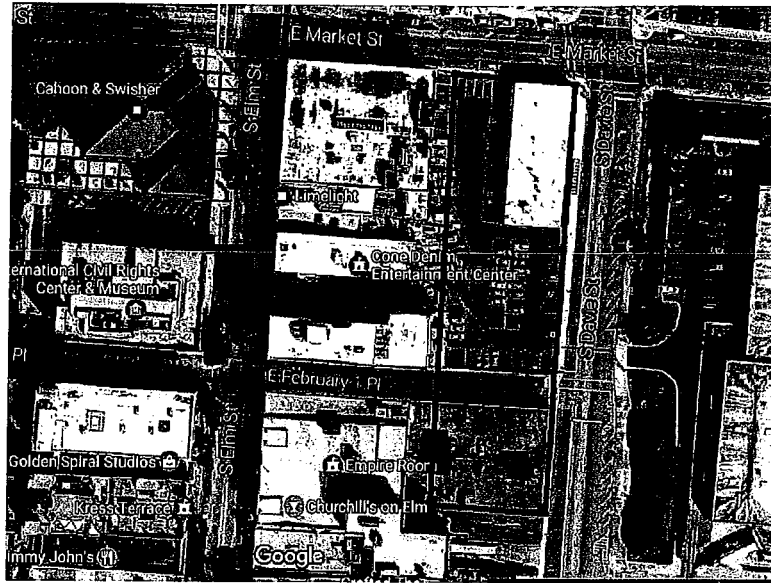
- Private entity will construct parking structure
- City will reimburse for agreed upon final construction cost
- City will lease land under the hotel for \$1/year
- Private entity will lease retail space for \$1/year
- City will own and operate the parking deck
- Hotel will lease up to 180 reserved spaces under the hotel each year at market rate
- Parking structure will be built in compliance with City policies



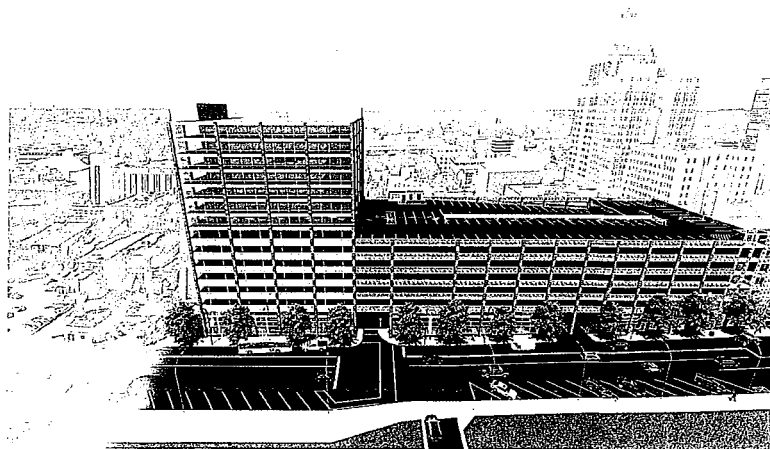
Timeline

- Purchase Property – by June 2017
- Complete Design – July 2017
- Construction Start – August 2017
- Construction Complete – by July 2019

Site



“February 1” Deck



DAVIE STREET PARKING DECK/HOTEL CONCEPT MASSING
GREENSBORO, NC

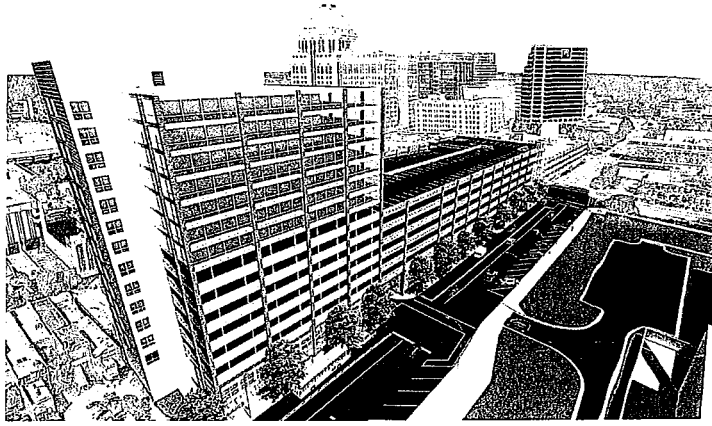
FEBRUARY 1ST ALIGNMENT
OCTOBER 10, 2014

Kimley-Horn
Associates, Inc.



GREENSBORO

“February 1” Deck



DAVIE STREET PARKING DECK/HOTEL CONCEPT MASSING
GREENSBORO, NC

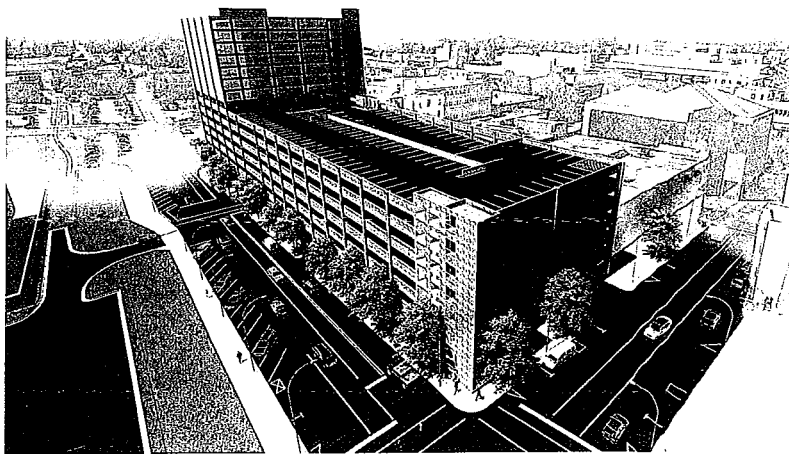
NORTHWEST PERSPECTIVE VIEW
OCTOBER 04, 2014

Kimley-Horn
ARCHITECTS



GREENSBORO

“February 1” Deck



DAVIE STREET PARKING DECK/HOTEL CONCEPT MASSING
GREENSBORO, NC

SOUTHWEST PERSPECTIVE VIEW
OCTOBER 04, 2014

Kimley-Horn
ARCHITECTS



GREENSBORO