

Agenda

Greensboro City Council

Economic Development Committee

Monday, July 22, 2013

10:30 a.m.

Plaza Level Conference Room

1. Call to Order – Chairperson Matheny
2. Gerbing Headquarters Project Update – Kathi Dubel
3. 2/3 Bonds – Rick Lusk (Attachment #3)
4. Shovel Ready Sites: Review RFP – John Shoffner (Attachment #4)
5. Good Repair Ordinance: Review Ordinance – John Shoffner (Attachment #5)
6. E-Cycling – David Parrish, Dale Wyrick
7. GEDA Up-Date - Cyndi Dancy
8. Next Meeting - Set Date

MEMBERS OF COUNCIL

ROBBIE PERKINS, Mayor
YVONNE J. JOHNSON, Mayor Pro Tem
NANCY VAUGHAN, At Large
MARIKAY ABUZUAITER, At Large

T. DIANNE BELLAMY-SMALL, District One
JIM KEE, District Two
ZACK MATHENY, District Three
NANCY HOFFMANN, District Four
TONY G. WILKINS, District Five

TWO-THIRDS GENERAL OBLIGATION BONDS

The State Constitution includes a requirement for voter approval of General Obligation (GO) bonds issued by the state or by local governments, whereby the full faith, credit and taxing power is pledged as security for repayment of any GO debt. *However, the Constitution also provides an exception to this requirement via the Two-Thirds Rule.* If GO debt outstanding is reduced in a given year (net of new bond issues and bond repayments), two-thirds of the net amount reduced may be issued in the subsequent fiscal year without a referendum. While the exception allows for the issuance of additional debt, it prevents an increase in a local government's total outstanding general obligation indebtedness without voter approval.

In reality, this provision effectively allows the City to issue about "one-third" of the original amount of a voted bond issue in the form of two-thirds bonds. Because the exception is based on the net amount of outstanding debt reduced, the amount of two-thirds borrowing capacity varies from year to year after taking into account new debt issued and outstanding debt retired. [See attached example.]

For most local governments, the two-thirds borrowing capacity is too small to make a bond issue cost-effective, given the associated issuance and transaction costs. From a practical standpoint, this borrowing authority is primarily beneficial to larger N.C. cities and counties, which have substantially larger amounts of general obligation debt outstanding.

Two-thirds bonds may only be issued for certain purposes authorized by the General Assembly, which are not as broad as the purposes that require voter approval. Examples of excluded purposes are auditoriums, arenas, museums and public transportation systems. *Purposes included are basic services of streets and bridges, public safety, parks and recreation facilities and public buildings. Also, solid waste disposal, water and sewer systems, storm sewer/flood control facilities, housing and economic development.* These are the types of projects that citizens have overwhelmingly supported in voter referendums. Greensboro has used its authority to issue two-thirds debt sparingly, using it five times since 1986, in amounts ranging from \$2.3 million to \$6.0 million, for a total of \$18.42 million in two-thirds bonds. During this same period, the City has issued \$403.07 million in voter-approved debt. The two-thirds bonds issued to date represent 4.6% of the original bond authorizations and were issued for the following purposes:

Parks & Recreation	\$ 7.42 million
Fire Stations	1.78 "
Communications Center	1.82 "
Service Center – Patton Ave.	4.90 "
Other Public Buildings*	2.50 "
Total	\$18.42 million

***[2007 - War Memorial Stadium & MMOB - Only 2/3 bond issue since 1998]**

The issuance of two-thirds bonds has and can benefit the City by funding relatively small capital projects or by providing funding for land acquisition and start-up costs, as well as funding enhancements to capital projects previously approved by voters. Examples of how bonds have been used in this way include Barber Park and Bryan Park improvements, Leonard Recreation Center and the construction of several Fire Stations.

7-1-13

Illustration of two-thirds borrowing capacity:

I. Calculation of Two-thirds Borrowing Capacity at June 30, 2013:

Outstanding GO Debt, July 1, 2012	<u>\$176,590,000</u>
Debt Issued FY 12-13 (BANs)	5,458,524
Debt Retired FY 12-13	<u>(13,920,000)</u>
Net Debt Reduction = 2/3 capacity of \$5,640,984 in FY 13-14	<u>(8,461,476)</u>
Outstanding GO Debt, June 30, 2013	\$168,128,524

II. Calculation of Two-thirds Borrowing Capacity at June 30, 2014:

Outstanding GO Debt, July 1, 2013	<u>\$176,590,000</u>
Debt Issued FY 13-14	80,000,000
Debt Retired FY 13-14	<u>(19,433,524)</u>
Net Debt Increase = No 2/3 capacity in FY 14-15	<u>60,566,476</u>
Outstanding GO Debt, June 30, 2014	\$228,695,000

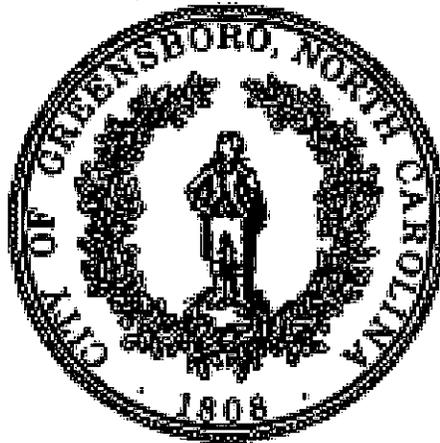
III. Future two-thirds borrowing capacity:

Based on the net debt reduction in FY12-13, we have determined that the available capacity for which 2/3 bonds could be issued in FY 13-14 is \$5,600,000. Future capacity will be determined on a year-by-year basis subject to the actual net amount of new debt issues (bonds/notes) and debt retired in the preceding fiscal year ended June 30.

Economic Development Projects Under Consideration - 2013

Project	Activity	Cost	CDBG	ED Bonds	NR Bonds	Trans Bonds	W/S Capital	W/S ED	ED Fund 12/13	ED Fund 13/14	ED Fund 14/15	ED Fund 15/16	Paid/ing LOB's	2/3 Bonds	Street Imprv.
	water/sewer upgrade	376,000					376,000								
	streets/streetscape	1,250,000													1,250,000
	GHA Building	750,000													750,000
	Univ. District/Lee St study	75,000		75,000											
	project delivery	175,000													175,000
	Debt issuance	300,000													300,000
	Total	\$14,828,000													
	Total Cost	\$46,663,620													
	Total Authorized	\$50,000	\$300,000	\$234,600	\$8,100,000	\$4,376,000	\$300,000	\$222,500	\$924,756	\$684,756	\$212,500				
	Total Proposed Available	\$50,000	\$4,075,000	\$4,400,000			\$600,000						\$12,475,000	\$9,200,000	
													FY13/14	FY 15/16	
														\$8,000,000	

CITY OF GREENSBORO,
NORTH CAROLINA



REQUEST FOR PROPOSALS

Shovel-Ready Industrial Development Site Grading
City Loan Requests

July 10, 2013

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List of Attachments

- Attachment A: City of Greensboro Personal Financial Statement
- Attachment B: Items to be included with application
- Attachment C: Minority and Women Business Enterprise Appendix Forms to be submitted by Developer

I. INTRODUCTION

The City of Greensboro's Office of Economic Development and Business Support (City) is seeking proposals from qualified and experienced Development Teams (Developers) interested in grading industrial land that they own by means of a grading loan from the City of Greensboro of up to \$1,000,000.00.

Sites selected for grading loans from the City must be included in the State of NC's Access NC inventory of available development sites. The loans will bear interest at a fixed rate equivalent to the 10 year treasury bond + 50 basis points (currently 2.14%) annually compounded quarterly. The interest rate will be set at the date of closing of the loan. No principal or interest payments will be due until the earlier of: (1) the date of the sale of the land, or (2) 5 years after the date of the loan's closing if the developer elects to not hold the land for sale or lease at a pre-negotiated price. In all cases, the loan and accrued interest is required to be paid in full at the time of the sale of the property. In cases where the property is leased, the loan will be termed out and required to be repaid over a 5 year period.

Any industrial sites not currently in City limits must be able to be annexed by the closing date of the loan or a revenue sharing agreement acceptable to the City, County, and Developer must be negotiated and included with your submission package.

The City of Greensboro does not discriminate on the basis of race, color, national origin, sex, religion, age, or disability in employment or the provision of or contracting for goods or services. We promote equal opportunity through the Greensboro Minority and Women Business Enterprise Program and encourage Minority and Women Business Enterprises (M/WBEs) to participate in City contracting and sub-contracting opportunities through the North Carolina Historically Underutilized Business (HUB) Certification Program. Developers are encouraged to include M/WBE firms in the development of sites graded with the City's loan funds.

Firms may read about the HUB Certification program at the [HUB Certification web site](#). To become HUB certified, vendor firms must register in the on-line [Interactive Purchasing System Electronic Vendor Registration](#) system. An email address is required to register.

Completion of the [HUB Statewide Uniform Certification Application](#) is required to become a HUB Certified Business. The on-line application must be printed out, completed and submitted by postal mail to the HUB office with additional required documents. For assistance with the HUB Certification process, please contact the NC HUB Office at 919-807-2330.

II. SUBMISSION OF BIDDER'S PROPOSAL

A. General Requirements

All responses to the requested information should be answered thoroughly, but be as succinct as possible. Additional or bulky information may be included as an appendix, but the responses to information requested in the Specific Requirements below should be

fully contained within the body of the proposal. No Bidder may submit more than one response.

B. Specific Requirements

The Bidder shall submit the following information in the order listed below and clearly identified in separate sections of the proposal.

1. Concise Letter of Interest

- a) The name and address of the Developer and the states in which incorporated and chiefly located.
- b) The name, address, telephone number, and e-mail address of the designated contact and principals authorized to conduct negotiations for the Developer.
- c) A brief description of the Developer's site and how the City's loan will accelerate attracting a business that will bring new jobs to the community.
- d) An acknowledgment of all addenda to the RFP document.

2. Statement of Qualifications

- a) Developer must describe their qualifications and experience including direct experience with developing and marketing industrial sites.
- b) A summary of all key staff persons shall be included in this section. Full resumes shall be provided and may be included as an appendix. All relevant experience should be highlighted on each resume.
- c) Proposed contractors and subcontractors who will be assigned direct work in grading and developing the site must be identified.

3. Project Overview and Development/Marketing Plan

The proposal should demonstrate the Developer's commitment to providing a shovel-ready industrial site available for sale or lease and their marketing plan for the site.

The development plan shall include:

- a) Site location and layout – map or plan showing site location, public accessibility, infrastructure already in place, etc.
- b) Plan for developing and financing any remaining infrastructure items needed to make the site shovel-ready in addition to the grading to be funded by the City's loan.
- c) Projected type of industry targeted for the site and potential employment impact expected to be generated upon development of the site.
 1. Future development on the site will be required to create at least 1 full-time equivalent position for every \$50,000 borrowed.
- d) Detailed schedule of all outstanding liens on the property and detail on outstanding loans to include date of origination, terms, original and current balance, etc.

1. Bank must be willing to subordinate their loan to the City providing the City with a first lien position on the property.
- e) Development team must be agreeable to personally guaranteeing the City's loan.
- f) Permits – Has development already been permitted? Any special permits required to develop the site?
- g) Developable acreage (Site must be at least 30 developable acres to be considered).
- h) Is site in the City of Greensboro? If not, the site must be located in an area that can be annexed by the City by the time the loan closes OR a revenue sharing agreement must be agreed on by the City and County.
- i) Please include an appraisal no more than 6 months old.
- j) Amount of equity Development team has in the property. Must be at least 10% of the appraised value to be acceptable.
- k) Site must have a Phase I Environmental assessment that is acceptable to the City no more than 1 year old.
- l) Please list your maximum cost per acre that the land will be sold for and maximum lease rate. Please note that the maximum price per acre may not exceed the current appraised value of the land to include the improvements to be funded by the City and additional investment by the Developer.
 1. Exceptions to this requirement will be allowed provided the Developer agrees to begin repaying the loan and capitalized interest after 5 years has elapsed from the date of disbursement.

Litigation - statement indicating any judgments against the Developer within the last five (5) years or pending litigation related to professional conduct or services.

III. SUBMITTAL PROCESS

Proposals shall be received in the City's Office of Economic Development & Business Support no later than 4:00 p.m. (EST) on Friday, August 30, 2013. There will be no exceptions. Submittals received after the scheduled receipt time stated above will not be accepted. Proposals received shall become the property of the City and will not be returned. Proposals submitted by facsimile or e-mail will not be accepted or considered in the selection process.

The submittals shall include one signed original paper version of the proposal and an electronic copy on CD or flash drive. Submissions must be sent certified mail or hand delivered to the address below:

Office of Economic Development & Business Support
 City of Greensboro
 300 W. Washington Street, Suite UG-36
 Greensboro, North Carolina 27402-3136

A. Questions

Questions must be submitted by e-mail and will not be accepted outside of the scheduled Question and Answer Period. Submitted questions and the City's responses, and any other addendums to this RFP will be posted on the City web site at <http://www.greensboro-nc.gov/index.aspx?page=576>. The City will not respond to verbal inquiries. Please e-mail questions regarding the RFP to the City's Office of Economic Development & Business Support contact below:

John Shoffner
john.shoffner@greensboro-nc.gov

or

Kathi Dubel
Kathi.dubel@greensboro-nc.gov

B. Rules of Contact

All inquiries from interested Developers about the content of this Request for Proposals must be submitted by e-mail to the contact listed above. Oral, in person, or faxed inquiries on the content of this Request for Proposals will not be accepted. Any attempt to contact or influence outside of this channel may, at the sole discretion of the City of Greensboro, result in immediate disqualification from this RFP process.

C. Submission Schedule

RFP Issuance	July 26, 2013
Question and Answer Period begins	July 26, 2013
Question and Answer Period ends	August 9, 2013
Addendum issued, if required	August 23, 2013
Proposals due (Submission period ends)	August 30, 2013 at 4:00 p.m. (EST)

Bidders are strongly encouraged to submit proposals at least 24 hours before the Request for Proposals Event closing time as the City cannot be responsible for any mail delays that may occur. **Proposals will be received up to, but not later than, 4:00 p.m. (EST) on Friday, August 30, 2013.**

IV. LEGAL DISCLAIMER

A. Proprietary Ownership

Any reservations on the use of information contained in a proposal must be clearly stated in the proposal itself. The City assumes that, unless otherwise stated, information submitted in response to this Request for Proposals may be used by the City as public information after a Developer(s) has been selected and all other Developers have been notified.

B. Legal Relationship

This RFP does not constitute an offer by the City of Greensboro to enter into a contract and make a loan to any Developer. The City, at its sole discretion, reserves the right to accept or reject any proposal for any reason. The City further reserves the right to negotiate with any responder following an evaluation of all submittals.

V. BACKGROUND

In light of improving economic conditions, the City of Greensboro seeks to proactively address a critical lack of large shovel-ready industrial development sites. The City's approach has been and remains to develop public-private partnerships with private developers where the private sector owns and develops the land and the City assists in bringing infrastructure to the site. Due to current underwriting requirements, it is currently not possible for developers to obtain private sector financing to grade speculative industrial sites.

Please note that the City is requiring that loans made under this program be secured by a first lien position. Thus, it is important to make sure that your banking partner is agreeable to this before requesting financing under this program. The new funds being invested by the City in improving the site are expected to greatly increase the likelihood of landing new businesses and selling or leasing the site thereby enhancing the value of past equity and debt financing already in-place on the property.

City Council will have final authority to approve staff recommendations regarding recipients of City funded grading loans under this program.

VI. OTHER INFORMATION

A. Regulatory Requirements

It shall be the Developer's responsibility to comply with all codes, rules, regulations, laws, and ordinances applicable to the project and the development of the site.

B. Modification of Proposal Content

Developers may not make changes or revisions to their proposals after the submission deadline. It is expected that all of the principals, agents, representatives and professional staff named as assigned to the project in the proposal will perform the work as specified in scope, terms and conditions per this request for proposals.

The City may request additional information or clarification from any or all Developers as necessary. The City reserves the right to include as contractual obligations any additional requirements that arise or result from contract negotiations between the City and the successful Developer.

C. Contractual Relationships

1. The City shall enter into a contract for the work to be performed on this project with the selected Developer. The loan will be secured by a note and deed of trust. The contract and all other applicable closing documents are subject to review and approval by the City Manager, City Attorney, and Assistant City Manager for Economic Development.
2. The City will not be a party to agreements between the Developer and any contractors or sub-contractors employed by the Developer that may be selected to carry out the grading and development of the industrial site; however, the Developer will execute fair and reasonable agreements with its contractors and sub-contractors and will provide the City with copies of such agreements prior to execution of any contract with the City.
 - a) To assure equal opportunity, Contractor shall document good faith efforts to provide equal opportunity for certified Historically Underutilized Businesses, who are M/WBEs, to participate in significant material supplier and sub-contracting opportunities available under this prime contract.
 - i. In accordance with the current Greensboro M/WBE Program Plan, aspirational “goals” for this project are as follows:

Minority Owned	Women Owned	Hispanic/Asian Owned
10%	10%	2%

- b) Developer shall solicit bids and quotes from M/WBEs with reasonable advance notice to ensure that M/WBEs will have an adequate opportunity to respond. In soliciting sub-bids and quotes, the developer shall furnish at least the following information:
 - i. Developer’s name, address and telephone number;
 - ii. Project location and description;
 - iii. Work to be subcontracted or materials purchased, including a specific description of the work involved;
 - iv. Location and availability of plans, drawings and specifications for review;
 - v. The identity and contact information of the developer’s contracting representative; and
 - vi. Location, date and time when sub-bids and quotes must be received by the developer.
- c) The Developer will consider all sub-bids and quotes received from M/WBEs, not rejecting M/WBEs as unqualified without sound reasons based on a thorough understanding of their capabilities. If a subcontract is not awarded to a M/WBE, the contractor must document why. This requirement also applies to contractors and subcontractors, regardless of tier, who are themselves, certified by the North Carolina Secretary of Administration as a M/WBE or joint venture at least 51% owned and controlled by M/WBEs. A contractor at

any tier shall include this requirement and all other requirements of this plan in any subcontract it may use to fulfill contractual obligations with the City.

- d) Developer shall at time of selection of Suppliers and Subcontractors notify the City in writing of selected vendors who are material suppliers or service providers by submitting the following documentation provided in RFP Attachment C:
 - i. Form Appendix C, Minority and Women Business Utilization Commitment listing HUB certified M/WBE firms the Contractor intends to utilize.
 - ii. Form Appendix D, Letter(s) of Intent to Perform as Subcontractor, which shall be completed by each HUB certified M/WBE firm the contractor plans to utilize.
 - iii. Form Appendix E, Letter(s) of intent to provide materials or supplies, which shall be completed by each HUB certified M/WBE firm the Contractor plans to utilize.
 - iv. Form Appendix F, Statement of Intent to Perform Work Without Subcontracting, in lieu of Appendix D, if applicable.
 - v. Form Appendix G, Statement of Subcontract Opportunities Offered
 - vi. Form Appendix H, City of Greensboro Contract M/WBE Utilization Report
 - vii. Verification from NC Department of Administration HUB Web Site, documenting that all subcontractors and material suppliers Contractor plans to utilize are currently certified M/WBE firms.
- d) Contractor may submit Appendix F, Statement of Intent to Perform Work Without Subcontracting, in lieu of Appendix D; provided that it is a normal business practice of the Contractor to perform all elements of this type of contract with its own work forces without use of subcontractors. If Contractor is HUB certified, Contractor shall submit evidence of certification as an M/WBE firm.
- e) Contractor agrees to maintain complete records of HUB searches, outreach efforts, and payments to certified HUB firms. Records shall be subject to review by the City for a minimum period of three years.

D. Proposal Preparation Expense

The City of Greensboro will not be responsible for any costs incurred by any Developer in the generation of their submittal.

VII. SELECTION AND AWARD PROCESS

The City's grading loan contracts are competitively negotiated. The City reserves the right to accept any proposal deemed to be in the best interest of City, to waive any irregularities in any proposal, to reject any or all proposals, and to re-advertise for new proposals. The City intends to

proceed with the proposal review, selection process, and enter into contract negotiation expeditiously and with due diligence. Any and all dates are subject to change.

A. Duration of Confidentiality

Submitted proposals shall remain confidential until the contract is awarded.

B. Terms of Request for Proposals Submission

Proposals must be submitted to and received by the City's Office of Economic Development & Business Support as specified in this RFP document. All documents included in this Request for Proposals and Developer's submittal shall be binding and made a part of the final contract awarded. No additional information will be accepted after the time and date of the deadline unless requested by the City.

C. Selection Process and Selection Notification

The City of Greensboro's Office of Economic Development & Business Support will evaluate all proposals. All proposals properly submitted and received will be evaluated against the criteria outlined below. The absence of required information may result in exclusion of the proposal from further analysis or evaluation. The City may request one or more Developer(s) to submit additional information and/or participate in interviews. The City's Assistant City Manager for Economic Development will make a recommendation to the City Manager for their concurrence to forward a recommendation to City Council on which contractor, if any, should be awarded the grading loans. The City maintains the right to reject any and all proposals and to waive minor irregularities.

D. Evaluation Criteria

The selection process will include a combination of qualification factors. The proposals must meet the following minimum qualifications in order to be considered for selection:

1. Complete and accurate response to RFP
2. Evidence the Developer is committed to providing a shovel-ready site that will attract new employment to Greensboro
3. Satisfactory qualifications and experience of the Developer's staff assigned to this project
4. Demonstrable track record of executing similar projects
5. Developer's ability to respond to the City's requests, e.g. shovel ready industrial site location within City limits, in an area to be annexed, or provide the framework of a revenue sharing agreement acceptable to the City and County.

Proposals from developers with projects determined to be in compliance will then be evaluated on the following factors in order to select the top candidate:

1. Quality of the Contractor's approach to the project, e.g. quality of development and likelihood of successfully marketing the site to an end user in a reasonable amount of time.

2. Previous track record.

E. Anticipated Schedule of Award

Selection Process	Estimated Completion Date
Review and rank proposals	September 27, 2013
Approve or reject any proposed changes to RFP terms and conditions	October 4, 2013
EDBS Recommends Loan Recipients	October 11, 2013
Note and Contract authorization and execution	October 25, 2013
Executed note and contract provided to developer	November 8, 2013
Grading project begins	November, 2013

Attachment A: Personal Financial Statement
To be completed and submitted for each principal investor.

Attachment B: Items to Be Included with Submission

- 1) Personal Financial Statement for each principal investor in the site.**
- 2) Detailed Contractor Estimates for all costs to be incurred to grade and implement any other site improvements proposed at this time.**
- 3) Detailed sources and uses of funds schedule to include all costs necessary to make all contemplated improvements to the site that are being proposed at this time.**
- 4) Marketing plan and budget for the site.**
- 5) Appraisal of the site.**
- 6) Phase I Environmental Assessment.**
- 7) M/WBE Participation Information.**



EDBS

Economic Development and Business Support

City of Greensboro

Office of Economic Development & Business Support

Good Repair Ordinance Economic Assistance Grant Program

The Good Repair Ordinance Economic Assistance Grant Program is intended to encourage property owner's within the central business zoning district to proactively take steps to preserve the character, integrity, and viability of downtown by maintaining the existing building stock. Funds can be used to address code violations and make vacant space "vanilla box" ready to attract new tenants.

Property owners ready to move forward with improvements to their downtown buildings may apply for a grant of 20% of the total cost of the qualifying improvements up to \$100,000 (total project cost) which can be used for the rehabilitation of building exteriors, to make ground floor vacant space vanilla box ready, or to make other exterior improvements. The City's grant may not exceed \$20,000 per project. The property owner will be required to match the City's grant on a 1 to 1 basis. Carolina Bank has agreed to work with downtown property owners on financing the remaining improvement costs provided the applicant credit qualifies.

The property must be located in downtown Greensboro's central business district (see attached map). The applicant must provide renderings of the proposed design and contractor estimates for the total cost of the project. Any renovations to a historic property must maintain its historic character and must conform to guidelines established in the "Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings".

Review and Approval Process

1. Applications can be submitted at any point after July 1, 2013 to John Shoffner in the Office of Economic Development & Business Support and they will be reviewed by staff for program compliance. John can be reached at 336-373-2293 or john.shoffner@greensboro-nc.gov.

The grant program has been allocated \$200,000 for the fiscal year ending June 30, 2014. If multiple project applications are received, the City will rank them. Projects essential to correct code violations will receive priority. Additional funds will be allocated towards projects based on their overall impact on downtown Greensboro.

2. Applications for projects impacting historical structures will be shared with the Greensboro Historic Preservation Commission. The Commission will review only projects impacting historic buildings to prevent adverse impact on the structure. Their review and recommendation in support of the project must be completed prior to a historic building project being considered for funding.
3. Applications for projects within the boundaries of the Downtown Design Overlay District must comply with the Downtown Design and Compatibility Manual.
4. EDBS staff will consider the following criteria to qualify and rank applications:

Required items for a project to be considered:

- Project is consistent with published downtown plans (Downtown Design and Compatibility Manual, Downtown Strategic Plan, etc.).
- Project must be ready to move forward within 3 months of approval.
- Project must be adjacent to a public street or publicly accessible parking area.
 - a. Each side of the building facing a public street or publicly accessible parking area can be considered a separate project for the purposes of this program.
- Private funds invested in the project must at least cover the remaining 80% of the total cost of the project.
- Building owner must complete an IRS 1099 form for the City.
 - a. Projects that are able to leverage greater private funds in addition to the City's grant will rank higher.

Additional items that enhance ranking of the project:

- Catalyst nature of the project and/or property.
- Comprehensive renovation project that will eliminate all signs of blight and code violations from the subject property.
- Ability to leverage other funds such as new market tax credits, federal and state historic tax credits, etc.
- Inclusion of M/WBE contractors in the improvements.
- LEED Designation

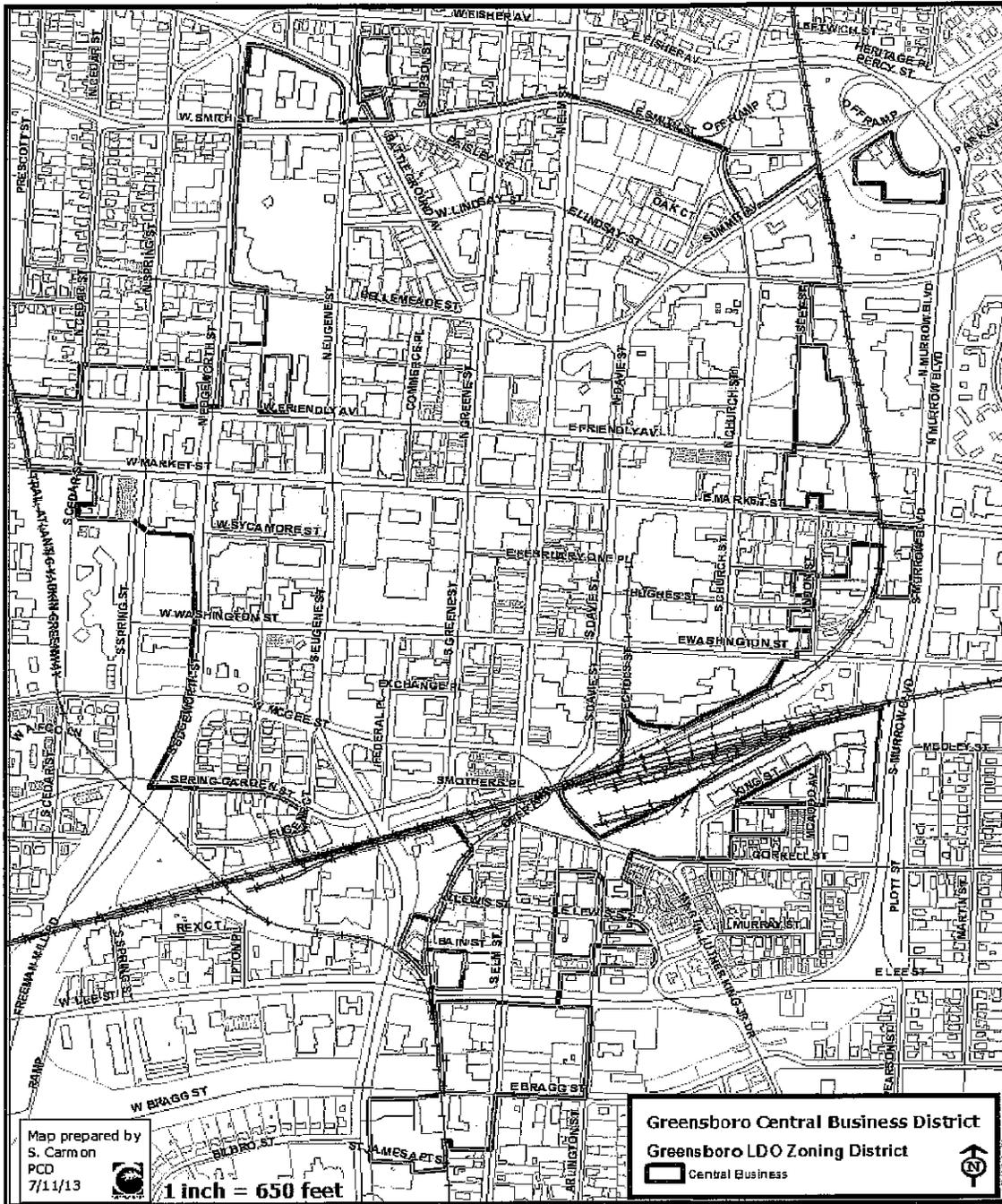
5. Carolina Bank is committed to working with downtown property owners to fund renovation projects of \$20,000 (minimum) to \$100,000. The program is based on the owner funding 20%, the city funding 20% and the bank funding the remaining 60% of the total project cost. Loan applicants will have to meet the bank's underwriting criteria. Improvement loans will be priced at 4.95% based on meeting the qualifying criteria. Projects requesting financing through Carolina Bank should contact ?? and will need to provide:

- Completed Application
- 2 Years of year-end financial statements
- Interim company prepared financial statements
- 2 years of tax returns on the guarantors.
- Current personal financial statement

Project Administration upon Approval

Once the City has approved your application, the City and applicant will sign an Economic Assistance Grant Program agreement. When the project is complete, City staff will inspect the project and review receipts for work completed. Upon completion of the review, your incentive grant will be paid within 30 days.

Boundary of Central Business Zoning District (Eligible Area)



**CITY OF GREENSBORO
ECONOMIC DEVELOPMENT AND BUSINESS SUPPORT OFFICE
GOOD REPAIR ORDINANCE ECONOMIC ASSISTANCE GRANT INCENTIVE
PROGRAM**

PROPERTY OWNER: _____

BUSINESS NAME: _____

TAX ID# _____

ADDRESS: _____

CONTACT NUMBER: _____

DESCRIPTION OF PROJECT:

TOTAL ESTIMATED COST: \$ _____

RENDERINGS AND CONTRACTOR ESTIMATES MUST BE PROVIDED.

M/WBE PARTICIPATION AMOUNT:

APPLICANT AGREES:

- 1) The Good Repair Ordinance Economic Assistance Grant is paid to the building owner on a reimbursable basis only upon completion of the entire project.
- 2) Renderings, Detailed Project Description, and Licensed Contractor Estimates must be reviewed before any work begins.
- 3) Provide a detailed Sources and Uses of Funds Schedule for total project cost.
- 4) City approval must be received in writing before work begins.

5) Upon completion, City staff will review the finished project and contractor invoices to confirm that the project has been completed and total cost.

6) Projects must begin within 3 months of approval and must be complete by June 30, 2014.

SIGNATURE: _____ **DATE:** _____

Thoughts on 2 Items to be Reviewed at the ED Committee on Monday

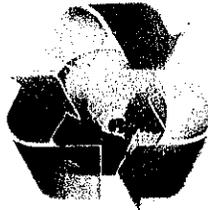
1) Good Repair ordinance Economic Assistance Grant Program

- a. Is Council ok with counting each side of the building facing a public street or publicly accessible parking area as a separate project?
- b. Thoughts on including a representative from DGI on the project ranking committee?
 - i. Other representatives should include someone from PCD, EDBS, CMO?
- c. Does Council want to see the staff recommendations before final selections are made and applicants are notified of the approval or rejection of their application?
- d. Will program be fully administered and handled by EDBS?
- e. Projects addressing code violations are first priority, scoring methodology suggested to rank other projects should funds remain.

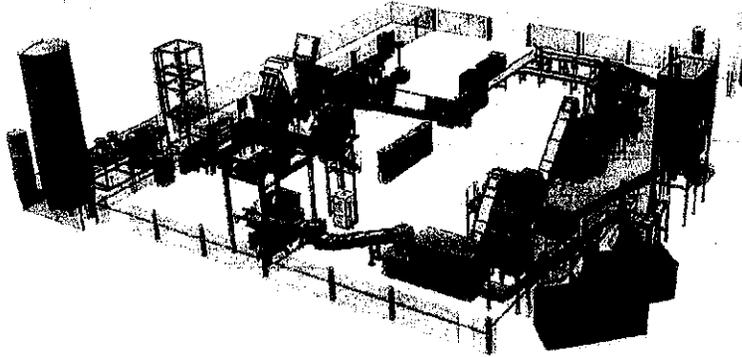
2) Shovel Ready Industrial Development Site Grading City Loan Request

- a. Thoughts on the timing from release of the RFP to selection of the final recipients?
- b. Does Council want a representative on the application evaluation committee?
- c. Other Committee members could include a representative from EDBS, a representative from GEDA.
- d. Per Council discussion, we have a requirement that any existing financing must be subordinate to the City such that we have a first lien on the property. This may pose a problem with the banks even though City funds are improving the value and marketability of their collateral.
- e. Per previous discussion, we also have a requirement that any sites not in City limits or able to be annexed before the loan closes, must work out a revenue sharing agreement with the City and County to be included with their application for the loan.

JO BENOMICS



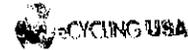
eCYCLING USA



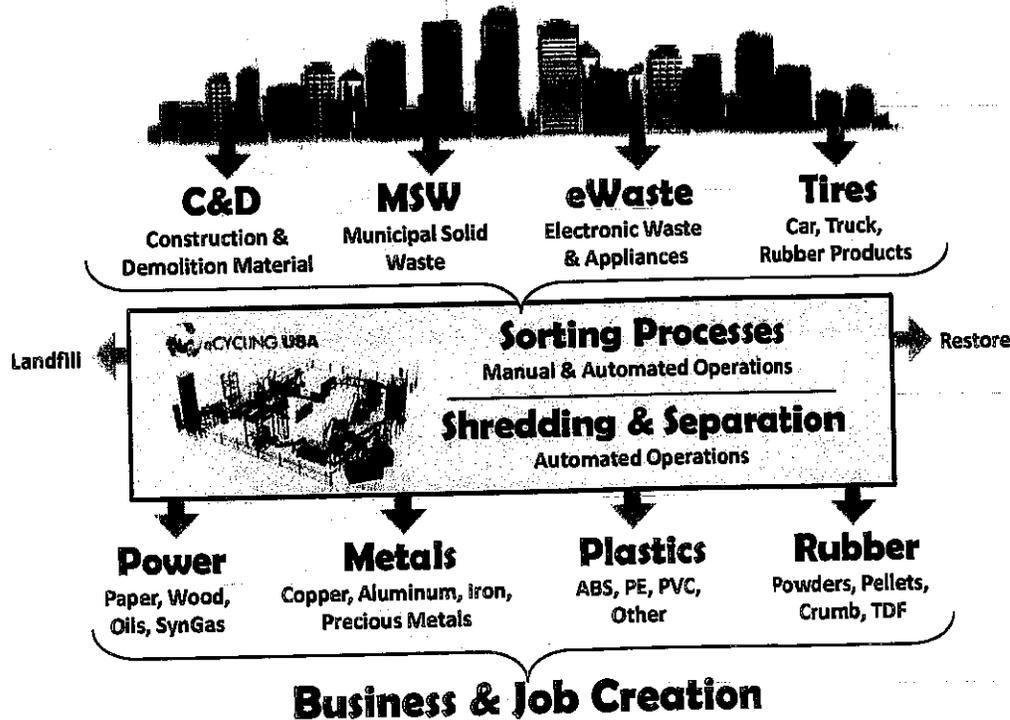
A new approach to urban mining, landfill conversion, and business/job creation.

By: Chuck Vollmer (CEO) & Peter Soriano (President)
31 May 2013

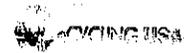
Urban Mining



Goal: Monetize Urban Waste Streams



eCycling USA

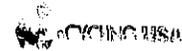


- Jobenomics established eCycling USA in partnership agreement with CHEMA (Germany) for turnkey e-waste US plants.
- CHEMA has 60 sophisticated e-waste plants that are highly profitable and produce up to 500 jobs each.
- Potential arrangements: (1) locally-owned, (2) joint venture, or (3) eCycling USA owned.
- If owned, eCycling USA will donate 10% of profits to the local Jobenomics business generator that can generate hundreds of small businesses annually.

Jobenomics established eCyclingUSA as a source of capital for community-based business/job creation.

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Types of Reclamation Processes



Electronic Waste & CRTs



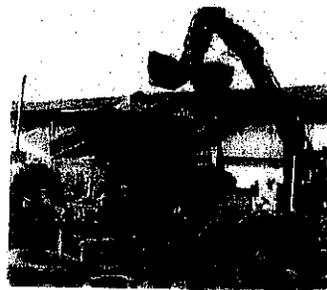
White Ware (Refrigeration)



Municipal Solid Waste

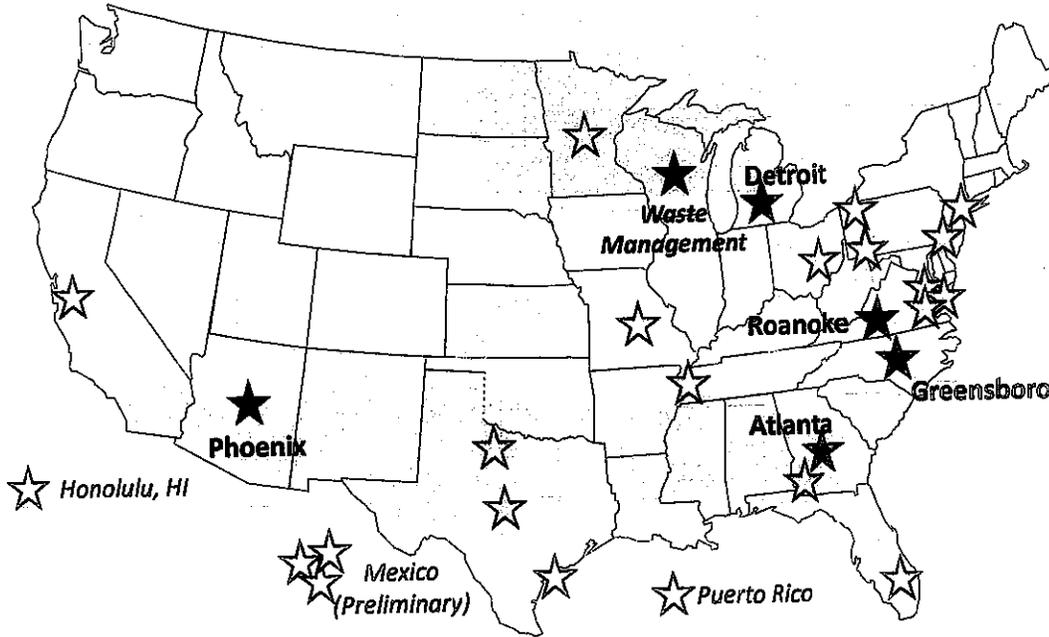


Tires (Rubber & Steel)



6 months to build, 2 months to ship, 2 months to initial operation

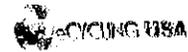
eCyclingUSA Site Locations



☆ Contract ★ Site selected, negotiations underway ☆ In discussion

5

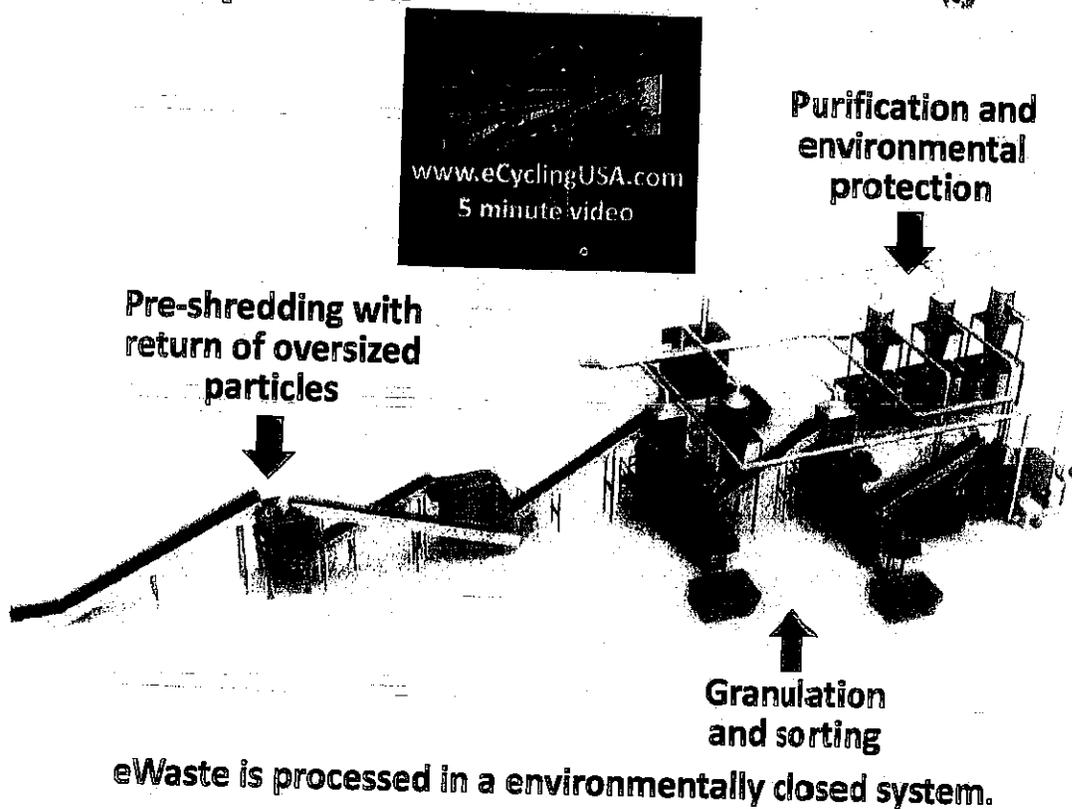
Typical Plant & Equipment



Plant facilities are unobtrusive and environmentally-friendly.

6

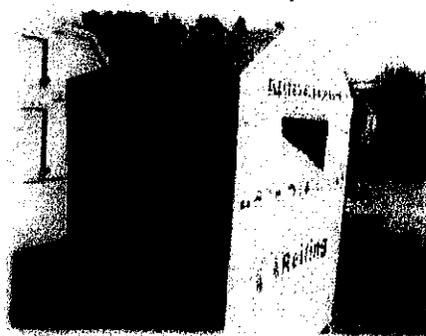
Basic Operation



Sources of eWaste (USA)

- US will soon produce 10 million tons/year of e-waste with only 20% being recycled.
- 25 states currently restrict e-waste in landfills. Obama Administration is restricting shipping e-waste overseas.
- Sources of e-waste feedstock:
 - Homes & businesses (750m items stockpiled per EPA)
 - Original equipment manufacturers (e.g., GE, HP, IBM...)
 - Major Retailers (e.g., Home Depot, Best Buy, Sears...)
 - Government Agencies (federal, state and local)
 - Landfills (100s of millions of tons)
 - Exports from other states (like New York)

European eWaste Collection Bin (Small Items)



Most communities have significant untapped sources of e-waste.

Typical eCyclingUSA Income Streams



Income from Materials after Processing (Commodity Exchange Prices per Ton)				
Material	\$/ton	%		Total
Iron (Fe)	\$ 325	20%		\$ 65
Copper (Cu)	\$8,080	10%	70% eCycling	\$ 566
Aluminium (Al)	\$2,056	20%		\$ 411
Plastic	\$ 200	50%	ABS, PS, PP, PE, PV	\$ 100
Total		100%		\$ 1,142
Tipping Fees				
Type	\$/ton	%		Total
Cooling appliances	\$ 500	10%	100 each @ \$5 per item	\$ 50
Big home appliances	\$1,200	20%	80 each @ \$15 per item	\$ 240
Small home appliances	\$ 100	10%	100 each @ \$1 each item	\$ 10
TV + Monitors	\$ 450	10%	150 each @ \$3 per item	\$ 45
eScrap (cellphones, printers, etc.)	\$ 250	50%	500 each @ \$0.5 each item	\$ 125
Total		100%		\$ 470

Total Per Ton **\$1,612**

Potential Annual Revenue = \$116M

(\$1,612/ton x 10 ton/hour x 3 shift operation x 300 days/year)

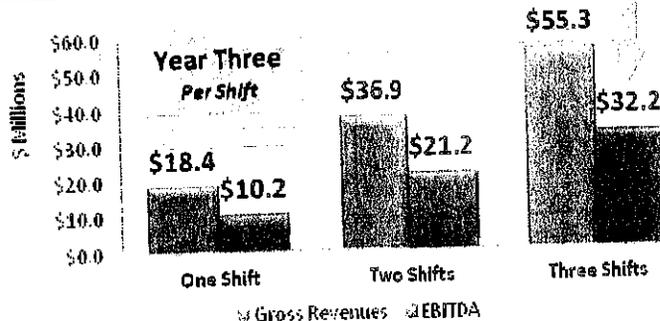
Income is derived from material, tipping fees, collection (not shown), grants (not shown) and carbon credits (not shown).

Financial eCyclingUSA Projections



10 Tons/Hour

	Year One	Year Two	Year Three
Revenues	\$10,752,560	\$46,082,400	\$55,298,880
Gross Profit	\$7,185,389	\$31,106,607	\$36,877,656
Operating Expenses	\$1,470,177	\$3,962,324	\$4,637,986
Operating Income	\$5,715,212	\$27,144,283	\$32,239,670
Gross Margin Pct (%)	0.67	0.68	0.67
Operating Income Pct (%)	0.53	0.59	0.58



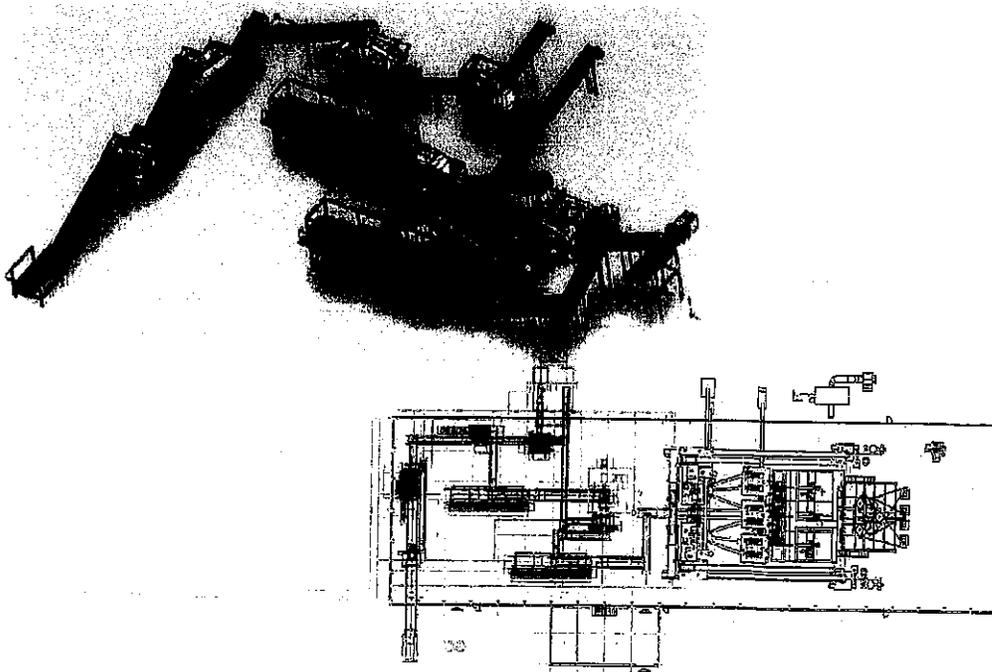
Projections based on European operations.

- **196 Direct Jobs** to operate a 10 tons/hour plant (3 shifts per day, approx 316 days/yr): 4 executives, 5 managers, 6 sales, 14 administrative, 144 general labor on lines, 5 shipping/receiving, 5 maintenance, and 13 vacation cover.
- **300 Indirect E-Waste Related Logistics Jobs** (collection, transportation, delivery).
 - Use an existing collection service.
 - Start new collection and transportation small businesses in the local community.
- **Other Indirect Non E-Waste Related Jobs.** The number of direct and indirect jobs will generate additional support services jobs.
- **Business Generator.** The Jobenomics Community-Based Business Generator will create numerous small and self-employed business in the local community.

500 direct and indirect e-waste related jobs.

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Tire Plant Layout & Schematic



Our tire plant can process 3 million tires annually.

Tire Plant Cost/Price Considerations



- Typical Land Fill Tipping Fees: **\$230/ton**

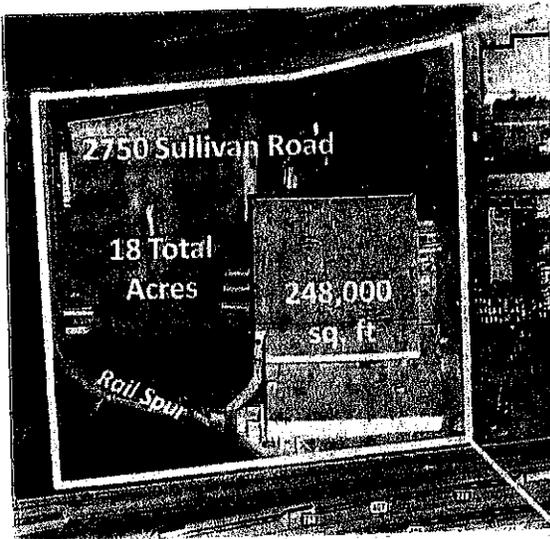
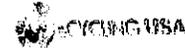
Waste	Per Ton	Per Item
MSW	\$ 57.28	-
CND	\$ 68.38	-
Tires	\$ 231.90	-
Auto Tire		\$ 2.00
Truck Tire		\$ 5.00

- Tire Chips/Shreds: **\$50/ton**
- Ground Rubber:
 - Rubber Mulch **\$350/ton**
 - Pellets **\$750/ton**
 - Powders (60-400 mesh) **\$5000/ton**
- Steel: **\$350/ton**

Note: commodities prices are subject to change.

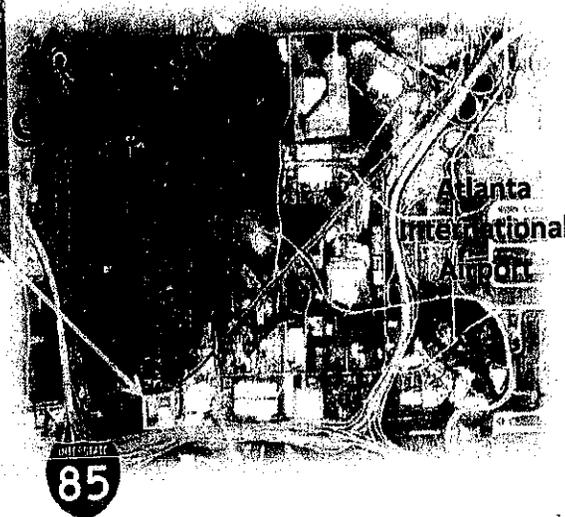
Cost of a eCycling/CHEMA 30,000 ton per year system (about 3 million used tires) is in the \$30 million range.

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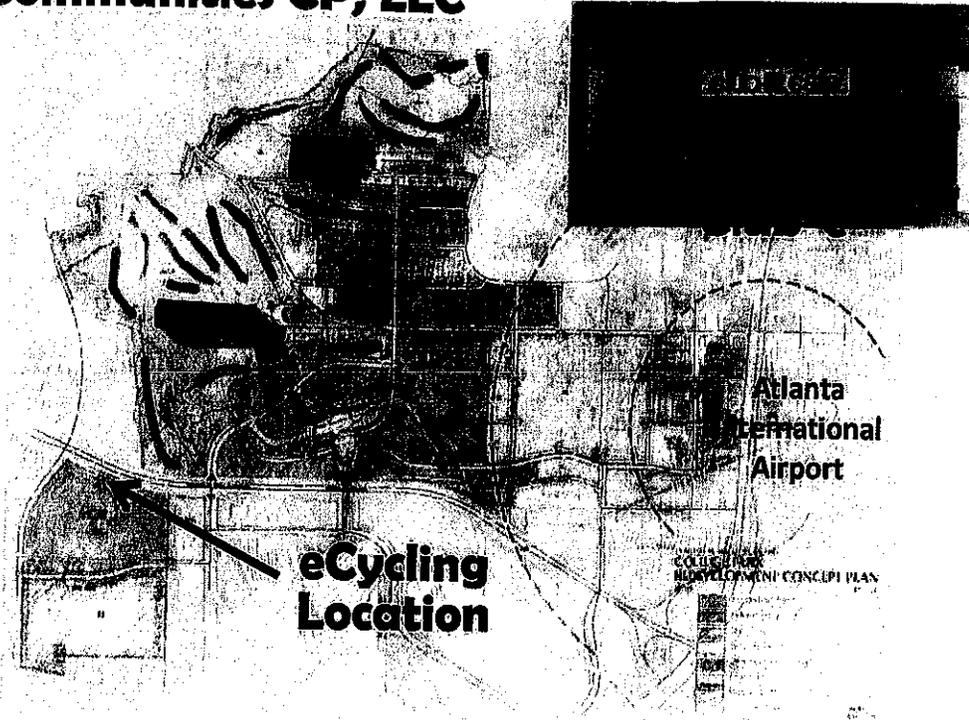
Atlanta, GA

E-waste, whiteware and CRT lines



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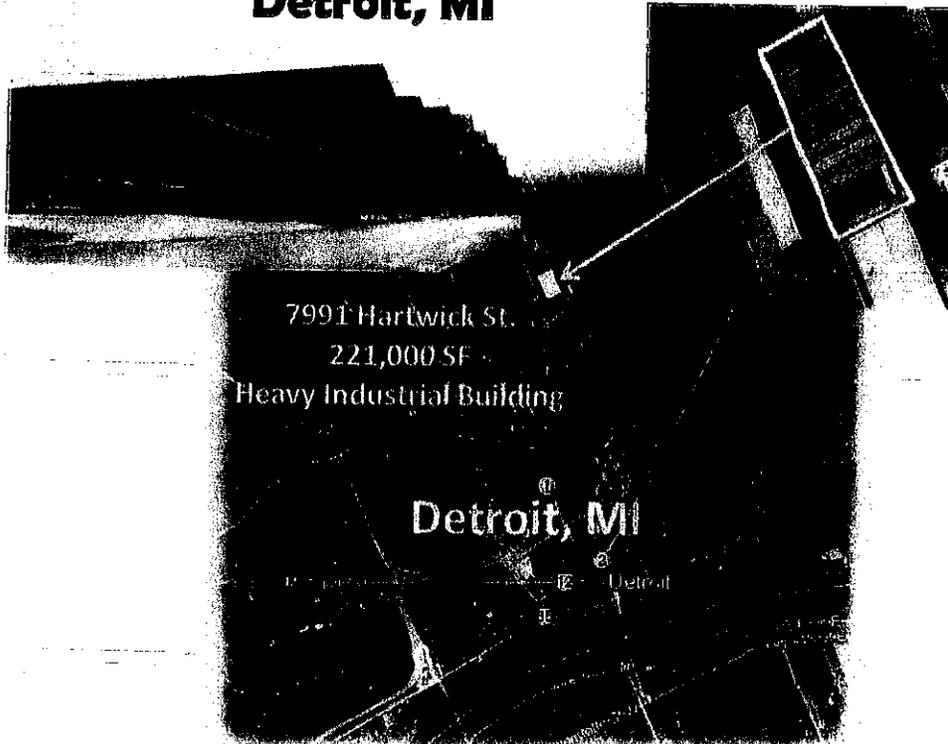
Atlanta Partner: Phoenix Communities CP, LLC



College Park Redevelopment Plan = \$335,000,000

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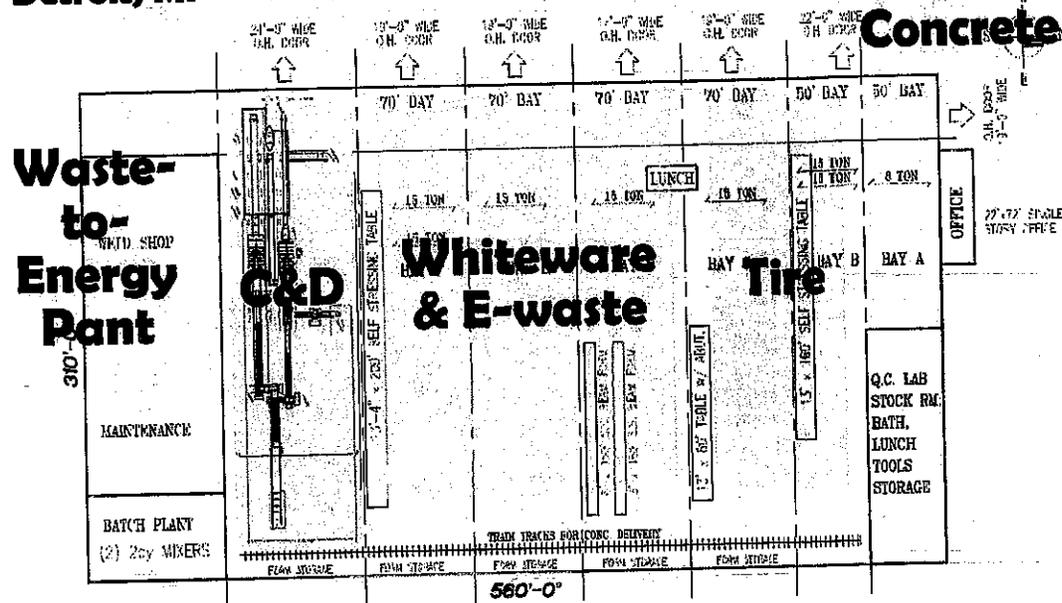
Detroit, MI



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Materials Reclamation Plant

Detroit, MI



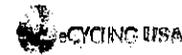
Construction & demolition (C&D), white ware & e-waste, electrical generation (plasma), tire and aggregates (concrete) facility (221,000 sq. ft.) in Detroit, Michigan

Jobenomics Detroit Business Generator

- The Jobenomics Detroit Business Generator is a program to create and provide financing one thousand (1,000) new startup businesses per year in Detroit with emphasis on small and self-employed businesses at the base of Detroit's economic pyramid.
- The Jobenomics-Detroit Business Generator (1) identifies and trains potential business leaders and business owners, (2) implements highly repeatable and scalable businesses with emphasis on service-providing businesses, and (3) establishes sources of start-up funding, recurring funding and contracts to provide a consistent source of revenue for new businesses.
- Initial sponsoring corporations: eCyclingUSA, Green Energy Renewable Solutions (a C&D contractor) and Detroit Edison.
- Types of new businesses: Demolition, Remediation, Logistics, Collection, Renovation, Construction, Rate-Recoverable (Energy Audit, Weatherization, Solar), and Urban Agriculture

Goal: 1,000 new startup businesses per year in Detroit.

Greensboro Landfill Conversion



Phase 1

15 acres, 100,000 sq. ft. Facility
10 Tons/Hour Electronic Waste Plant
10 Tons/Hour Refrigeration Processing Plant
≈\$30 Million Investment

1

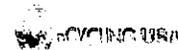
2

Phase 2

15 acres, 100,000 sq. ft. Facility
Tire & Rubber Processing Plant
≈ \$30 Million Investment

White Street Landfill is an ideal location to create an industrial park using materials from urban mining.

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Contact information:

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psoriano@eCyclingUSA.com

www.eCyclingUSA.com

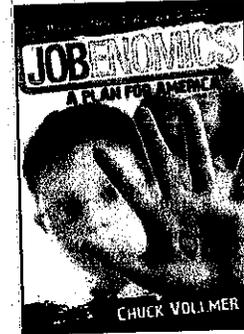
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Jobenomics-Detroit Business Generator

December 9, 2012

Jobenomics (www.Jobenomics.com) deals with the economics of business, job, wealth, and tax revenue creation. Jobenomics, the national grassroots movement, has a following of several million people. The Jobenomics national grassroots movement's 20 by 20 goal is to create 20 million new private sector jobs this decade. In order to achieve this goal, Jobenomics Proof of Principle projects and initiatives emphasize "highly scalable" start-up businesses.



Jobenomics is establishing community-based business generators that will mass produce small and self-employed businesses that focus on four demographics: inner city groups (service-providing businesses that focus on journeyman skill sets), women-owned businesses (direct-care, direct-sales and education/training businesses), Generation Y (start-up businesses that focus on monetizing social networks and the internet) and veterans-owned businesses (businesses that specialize in defense industry related occupations). These demographics have the potential for 10s of millions of jobs and millions of new businesses that can be replicated across America.

Jobenomics founded eCyclingUSA™ (www.ecyclingUSA.com) as part of its green-jobs initiative and a way to fund community-based business generators in metropolitan areas. Each month, city managers give away millions of tons of electronic (e.g., computers) and white ware (e.g. refrigerators) waste that contain minerals that can be reclaimed and sold on the commodities market. eCyclingUSA plans to implement 100 sites across the US. eCyclingUSA is committed to donating a minimum of 10% of their annual profits (estimated over \$1 million per year per site) to Jobenomics community-based business generators.



eCyclingUSA is partnered with the leading European recycling/materials reclamation equipment manufacturer to implement "turnkey" electronic waste (e-waste) plants in the US. 60 state-of-the-art plants are in operation in Europe. There are no comparable US plants that shred both electronic and whiteware waste to the pellet and powder level, and segregates the raw materials by type (copper, aluminum, iron and plastics). eCyclingUSA systems can process an appliance as large as a refrigerator in minutes. Our processes are accomplished in a closed environment to prevent any leakage, like CFCs, into the environment. See a short website video showing the system in operation.

The Jobenomics Detroit Business Generator is a program to create and provide financing one thousand (1,000) new startup businesses per year in Detroit with emphasis on small and self-employed businesses at the base of Detroit's economic pyramid.

The Jobenomics-Detroit Business Generator (1) identifies and trains potential business leaders and business owners, (2) implements highly repeatable and scalable businesses with emphasis on service-providing businesses, and (3) establishes sources of start-up funding, recurring funding and contracts to provide a consistent source of revenue for new businesses.

Many metropolitan areas have business incubators that are oriented to emerging hi-tech and manufacturing businesses. These incubators are often located in affluent areas or hi-tech corridors. Jobenomics offers a complementary concept that focuses on business generators that are oriented towards trade-level, service-providing businesses in economically-depressed areas. Rather than incubating innovative business opportunities one-by-one, a Jobenomics business generator mass produces highly-scalable, start-up businesses. When fully operational, the Jobenomics-Detroit Business Generator will be capable of creating 1,000 new small businesses per year.

Funding for the Jobenomics Detroit Business Generator will come from (1) private sector businesses (initially Green Energy Renewable Solutions Inc. with other corporations coming on line as this initiative matures), (2) rate-recoverable businesses supported by DTE Energy/Detroit Edison, (3) government grants for training and certifications (initially Michigan Economic Development Corporation and federal small businesses and economic development organizations), and (4) micro-business loans from financial institutions (note: Jobenomics Harlem has secured a \$20 million micro-business loan from a New York City bank with individual business loans up to \$50,000 each).

The Jobenomics Detroit Business Generator will commence with startup businesses related to Green Energy Renewable Solutions' demolition, materials reclamation, and construction activities. In return, Green Energy Renewable Solutions will donate 10% of the profits from their electronic and white ware waste, which is estimated to be over \$1 million/year, to the Jobenomics-Detroit Business Generator. When other private sector sponsors are available, the scope of startup business opportunities will be expanded to meet the needs of the sponsoring corporation. Jobenomics believes that these corporate sponsors are essential to the long-term success of startup businesses.

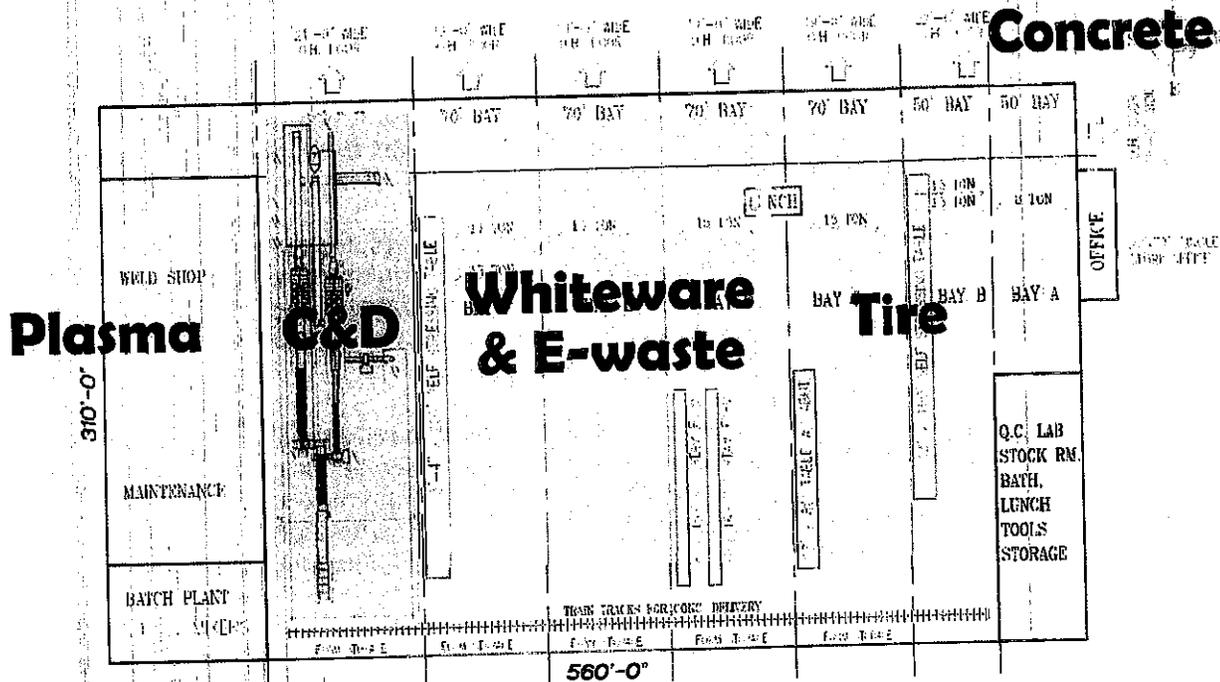
Green Energy Renewable Solutions Inc. The Jobenomics/eCycling USA team is partnered with Green Energy Renewable Solutions Inc. (OTCQB: EWRL, www.greenenergyrenewablesolutions.com), a waste conversion company, in Highland Park (a Detroit suburb) to establish a Materials Reclamation Plant and a Jobenomics-Detroit Community Based Business Generator.

Green Energy Renewable Solutions Inc. is a construction and demolition (C&D) contractor is working for the city of Detroit to demolish thousands of blighted structures, refurbish homes and businesses, and participate in the city's urban agriculture initiative. Green Energy Renewable Solutions will process approximately 1,000 tons per month of CND material in their planned Materials Reclamation Plant that will be operational in 2013.



The 221,000 sq. ft. Materials Reclamation Plant is located in a heavy industrial complex at 7991 Hartwick Street, Detroit. The plant consists of three core lines: C&D, whiteware & e-waste, and tires (planned). Debris from demolished buildings will be processed in bulk by the C&D system that will segregate the combustible from the non-combustible material. Combustibles will be burned in a plasma furnace to generate megawatts of electricity for use at the plant or sold to the local electrical utility. Aggregates (concrete, masonry, bricks, etc.) will be crushed and used as filler material in the concrete facility or used as landfill. E-waste material (appliances, ducting, electrical, HVAC, water heaters, etc.) will be processed via the eCycling USA system. A tire line for scrap tires is also being considered.

Green Energy Renewable Solutions/eCycling USA Materials Reclamation Plant



Construction & demolition (C&D), white ware & e-waste, electrical generation (plasma), tire and aggregates (concrete) facility (221,000 sq. ft.) in Detroit, Michigan

The Jobenomics-Detroit Business Generator will consist of the following entities:

- **Jobenomics Startup Center.** This center will identify potential individuals who want to establish startup businesses, help them through the start-up process, provide funding and post-startup support, mentoring and networking.

Jobenomics will establish a network of local non-profit and educational institutions to identify entrepreneurial talent. Once identified, the Jobenomics Startup Center will evaluate candidates via self-employment surveys (see initial self-employment survey at www.Jobenomics.com) and counseling to determine their suitability for business ownership and the type of business (self-employment, direct sales, franchising, consulting, etc.).

Following the evaluation phase, candidates will undergo a training, certification and implementation process. Classes will be taught by successful small business owners and entrepreneurs with expertise in startup business implementation. By the end of the program the clients will have:

- An Employer Identification Number (EIN), incorporation (S-Corp, C-Corp or Limited Liability Corporation), and the essentials to run a fully operating company (accounting systems, business plans, legal/regulatory, branding/marketing/sales, financing, etc.). All candidates

- will be supplied a computer with accounting, business planning and website/social networking systems. Training will be also provided including how to obtain appropriate accounting (e.g., book keeping and CPA), information technology, and sales/marketing/ advertizing/branding support after graduation from the center.
- Supplementary business systems (e.g., website, social networking, bank accounts, etc.) that will facilitate the promotion of the new business.
 - Understanding on how to access government grants and investment capital.
 - A network of entrepreneurial organizations and an on-going business support network.
- **Demolition Businesses.** The Detroit is demolishing tens of thousands of blighted homes and businesses. General contractors, like Green Energy Renewable Solutions; determine what structures to demolish and what structures to save. Those selected for demolition present numerous startup business opportunities.
 - **Demolition.** Jobenomics will create new demolition businesses to support Green Energy Renewable Solutions and other demolition contractors. These contractors would prefer to subcontract work to locally owned and operated small businesses as opposed to hiring direct W-2 employees. Jobenomics will also assist in arranging micro-business loans for the establishment of these new small businesses.
 - **Environmental Remediation.** Environmental remediation will be required for many of the sites. Jobenomics is partnered with ACTS Emergency Response Services (ACTS ERS), a logistics management company to insure smooth and proper implementation of all assets to accomplish environment remediation tasks in a timely and cost effective process. ACTS ERS will also work with Jobenomics to train, certify, implement and subcontract local small businesses.
 - **Logistics Businesses.** Green Energy Renewable Solutions/eCycling USA has a need for collection and warehousing services related to CND and recycling operations. Several hundred personnel are needed and the Jobenomics Business Generator will help candidates start their own businesses to service this opportunity. Jobenomics is partnered with a commercial driver's license training company. Jobenomics will also work with financial institutions to provide micro-business loans so that candidates will have the necessary logistical equipment (e.g., trucks and e-waste containers).
 - Jobenomics will work with local non-profit institutions and churches in candidate selection as well as collection stations. Numerous non-profit institutions and churches have indicated a willingness to host an e-waste collection station, such as a 40-foot container, for a fee.
 - Jobenomics is partnered with 888 TRASH-IT, a full service construction debris and junk removal company (www.888trashit.com), headquartered in Dearborn. TRASH-IT will help create small businesses to support Green Energy Renewable Solutions/eCycling USA operations.
 - **Renovation and Construction Businesses.** Jobenomics is partnered with several real estate investment firms that specialize on acquisition and renovation of distressed properties. The Detroit metro is replete with properties in poor condition. These properties often sell at a deep discount compared to their after renovation value. The Jobenomics Business Generator will prepare candidates with skills in trades (electrical, plumbing, dry walling, masonry, etc.) and real estate to start businesses that will, in turn, subcontract to the larger acquisition and renovation firms. Jobenomics will also work with local community colleges that provide education and training in the trades.



- **Rate-Recoverable Businesses.** Jobenomics has an agreement in principle with DTE Energy to pay for a number of energy conservation and renewable energy services. DTE Energy Co. (NYSE: DTE) is a diversified energy company involved in the development and management of energy-related businesses and services nationwide. DTE's largest operating subsidiaries are Detroit Edison and MichCon. Together, these regulated utility companies provide electric and/or gas services to more than three million residential, business and industrial customers throughout Michigan.
- **Energy Audit and Weatherization Businesses.** Jobenomics' is partnered with The Home Energy Team, Inc. (www.HomeEnergyTeam.com) to certify and implement energy audit and weatherization companies. Home Energy Team members are trained building performance professionals with certifications from the industry's most trusted and respected certification bodies, the Residential Energy Services Network (RESNET), and the Building Performance Institute (BPI). An energy audit certification takes about six weeks of training and involves inspections/ surveys of residential homes and businesses. These inspections often take two forms: a walk-through inspection or a technical evaluation using infrared cameras and pressurization devices to identify leaks that lead to higher energy costs. The weatherization training takes about four weeks and results in a certification that qualifies a business to insulate, repair/replace windows, and perform a wide range weatherization tasks (HVAC, plumbing, lighting efficiency, insulation, air sealing, mold remediation, electrical engineering and renewable energy applications) that could generate substantial savings on utility bills. The goal of the Jobenomics Business Generator is to create energy audit and weatherization small businesses to service Detroit, Michigan and surrounding states.
- **Solar Panel Installation.** Jobenomics is partnered with several major solar panel companies that are interested in residential and small business solar panel installation. The Jobenomics/US Solargy team is a leading US fabricator and installer of solar systems. This effort plans to certify several hundred personnel per year and create dozens businesses annually.
- **Urban Agriculture Businesses.** In Detroit, demolition crews are planning to tear down 10,000 residential buildings over the next four years that the city has deemed dangerous. An estimated 30% of the city's lots are now vacant, and there is a growing urban agriculture movement that community groups are using to reclaim the city. Emerald Planet (www.emerald-planet.org) is leading the Jobenomics Green Jobs initiative. Emerald Planet has a worldwide network of urban agriculture and hydroponics companies that will be engaged in the Jobenomics Detroit Business Generator. The goal is to create hundreds of micro-businesses related to urban agriculture. Jobenomics is also partnered with Deployable GeoShelters (www.deployablegeoshelters.com) that makes low-cost greenhouses.

In conclusion, the Jobenomics Detroit Business Generator's goal is to create and provide financing one thousand (1,000) new startup businesses per year in Detroit with emphasis on small and self-employed businesses at the base of Detroit's economic pyramid. The businesses listed above are related to C&D, e-waste and urban agriculture. As new corporate sponsors become available, the Jobenomics Business Generator will create new startup programs tailored to the needs of the sponsoring organization.

Charles D. Vollmer, "Chuck"

Mr. Vollmer is the CEO of eCycling USA, which is partnered with Jobenomics to recycle electronic waste and finance inner-city business generation efforts.

Mr. Vollmer is the author and founder of Jobenomics. *Jobenomics*, the book, deals with the economics of business, job, wealth, and tax revenue creation. Jobenomics, the national grassroots movement, has a goal of creating 20 million new US private sector jobs by 2020 (*20 by 20*). Jobenomics currently has a following of several million people. Jobenomics' Proof-of-Concept Projects & Initiatives are highly scalable business creation efforts that can generate tens of thousands of new small, emerging and self-employed US businesses. Jobenomics projects and initiatives involve: community-based business generators, electronic-waste recycling, women-owned, cloud computing, direct-care, veterans, direct sales, and foreign-owned US businesses. Chuck is a frequent lecturer on the economy and business creation.



Since 1996, Mr. Vollmer has operated VII Inc., a strategic planning, systems engineering and investment capital firm specializing in government and business initiatives. VII's clients include major domestic and international government agencies and corporations. VII also has helped innovators and entrepreneurs establish hundreds of small businesses. From 1991 to 1996, he was a Partner at Booz Allen & Hamilton. He organized and managed one of the largest US consortiums involved with industry privatization in the former Soviet Union. These consortiums accomplished the largest privatization effort in history, converting over 70% of state-owned industries to private enterprises. He was a co-founder of the Community Learning and Information Network, a distance-learning corporation that has installed several hundred sites across America. He was instrumental in establishing the National Automotive Center in Warren, Michigan. From 1985 to 1991, he founded and was the General Manager for General Dynamics (GD) new business and high-technology organization, called the Defense Initiatives Organization. He founded a dozen new organizations including a Nuclear Biological Chemical Reconnaissance System, a Strategic Defense Initiative (Star Wars) Division, and a Diamond Film Development Company. He also was the Director of Strategic Planning and Operations Analysis when GD was the world's 2nd largest aerospace corporation. From 1979 to 1985, he was a McDonnell Douglas senior engineer on the initial design teams of F-15E and Stealth aircraft. As marketing director, he was largely responsible for \$32 billion sale of the F-15E to the US Air Force.

Mr. Vollmer served 10 years in the USAF and 13 years with the Air National Guard. He accumulated over 3,000 hours in various fighter aircraft, flew 175 combat missions in Southeast Asia, and received 6 Distinguished Flying Crosses and 11 Air Medals. He received a B.S. degree in Engineering Management from the USAF Academy, a Masters of Arts Degree in Education from Northern Arizona University, and attended Massachusetts Institute of Technology's Sloan School for Senior Executives.

Procopio Soriano, Jr., "Peter/Pete"

Mr. Soriano is the President of eCycling USA, which was created to help solve the country's massive solid waste problem through de-manufacturing of electronic waste and material reclamation. In January 2011, he helped bring Mr. Vollmer to the company as CEO. This relationship added direction and the jobs component to the company's business model and mission.

Mr. Soriano founded and was partner in several start-up companies in the scientific, technology and consumer related industries, including through Initial Public Offerings/Company Sale. He helped create the collateral materials, including financial business plans, legal documentation, management and funding documents.

Mr. Soriano has over 30 years experience in contracting, marketing and selling in the US Government/ Federal marketplace and has held US Top Security Clearances. He is knowledgeable with the US General Services Administration's Federal Acquisition Service, and has helped numerous companies obtain government contract schedules for their products and services. Previously, he held Vice President and Regional Director for Marketing and Sales positions with several technology companies, and consistently was awarded International Club Awards for achievement and performance. He has held Technical Project Manager Positions for scientific related companies through his computer programming and applications technical experience. Mr. Soriano has been instrumental in the development of a number of USPTO patents, and holds a patent for a unique personal portable security product.

Steve Grueber

Steve Grueber, eCycling USA's VP Engineering & Development, has over 33 years experience in waste management field services to municipal, industrial, commercial and private sector complexes. His responsibilities include the validation of brown-fields for eCyclingUSA equipment installations.

Mr. Grueber, as Founder and Co-owner of ODYSSEY Environmental, LLC., provides professional industrial cleaning services and waste management field services to municipal, industrial, commercial and private sector clients. ODYSSEY provides quality field services, implementing cost effective solutions through state of the art technology.

He has 35 years of project management in municipal, industrial and commercial construction including: site development, utility installation and rehab. He has extensive experience as a Project Manager. He has been active in all aspects of environmental services, including numerous recycling initiatives. He has worked with numerous companies on projects including: Equifax, Atlantic Electric, Cleveland Illuminating, Columbia Gas, Equitable Gas and Transmission, Peoples Gas, Philadelphia Power and Light, Consul Energy, Chesapeake Energy. Mr. Grueber is affiliated with the Pennsylvania Water Environment Association, PUCA Pennsylvania Utility Contractors Association as well as numerous local and multiple state and national organizations. He has designed and implemented recycling technologies for the steel industry as well as the scrap industry on sorting materials. Mr. Grueber has a B.A. in Business Administration and Industrial Arts., Graduated Summa Cum Laude.

Matthew P. Deutsch, CPA

Mr. Deutsch, eCycling USA's Chief Financial Officer, is a CPA with over 25 years experience in public accounting, including 14 years with one of the "Big 4" firms. He has assisted numerous business start-up operations and has worked with many manufacturing entities from single site facilities to Fortune 500 companies. His responsibilities include financial management, tax planning and accounting controls. Since 1996, Mr. Vollmer has operated VII Inc., a strategic planning, systems engineering and investment capital firm specializing in government and business initiatives. VII's clients include major domestic and international government agencies and corporations. VII also has helped innovators and entrepreneurs establish hundreds of small businesses. VII specializes in security (national, homeland, cyber and economic), investment capital, information technology, energy, and international business. VII Capital Partners specializes in business planning and financing emerging businesses. VII Enterprise Solutions specializes in emerging information and communications technology.



eCYCLING USA

Tire Recycling Business



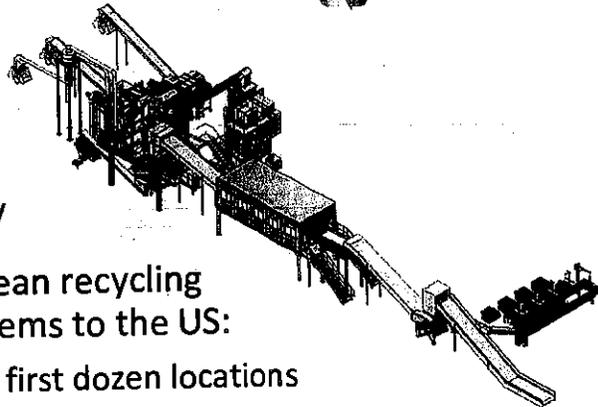
Chuck Vollmer & Peter Soriano

26 February 2013

eCycling USA



- Incorporated Oct 2010
- Partnered with CHEMA Environment GmbH, Germany
- Goal is to bring proven European recycling and mineral reclamation systems to the US:
 - ⊗ Currently negotiating for the first dozen locations
 - ⊗ Ultimate goal is 100 locations with manufacturing in US
- Potential arrangements
 - ⊗ Provide locally-owned turnkey operation (preferred)
 - ⊗ Joint venture
 - ⊗ eCycling USA owned and operated.



eCycling USA is part of the Jobenomics movement.

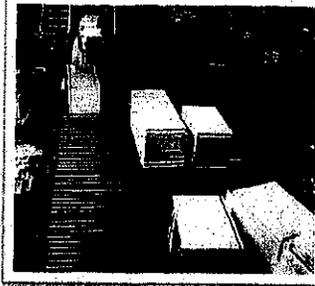
Types eCycling Systems



Electronic Waste



White Ware (Refrigeration)



Television (CRTs)



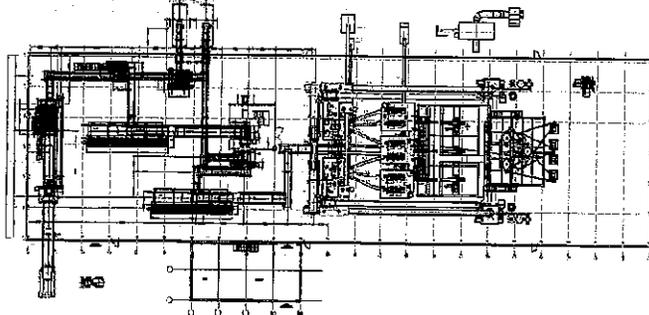
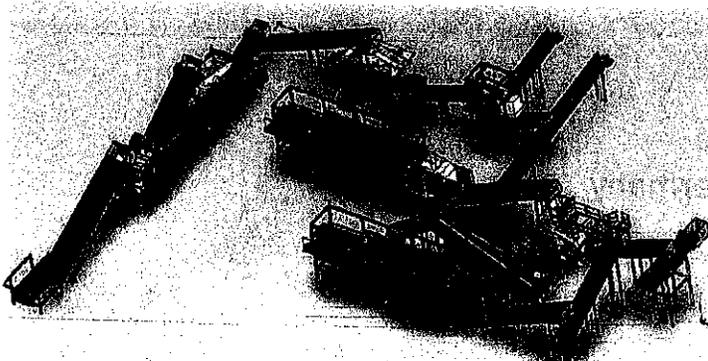
Tires (Rubber & Steel)



eCycling USA will tailor processes to community needs.

3

Tire Plant Layout & Schematic



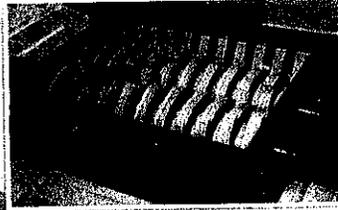
Plant foot print: 38,000 sq. ft. (100 x 380) with 40 foot ceiling.

4

Key Components



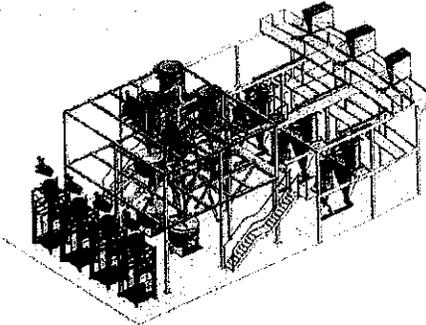
Shredder



Magnetic Steel Separation



Fine Processing,
Cryogenics &
Ultra-fine Processing



Capable of processing down to 200 mesh powder (99.99% pure). 5

US Scrap Tire Market Trends



- Approximately 300 million scrap tires were generated in 2011.
- Market has matured and is now dominated by larger companies.
- Demand, as opposed to reclamation, now drives market.
- Market has four major segments in 2012:
 - ⊙ Tire derived fuel (power utility plants): 153 million tires
 - ⊙ Ground rubber (mulch, pellets and powder): 34 million tires
 - ⊙ Exports (mainly Asia): 20 million tires
 - ⊙ Tire derived aggregates (roads): 18 million tires
- Online buying and selling has increased significantly. China's Alibaba.com is a major player. Demand for energy in Asia and specialized applications are growing. Increased exports to China, India, Korea and Vietnam are likely.

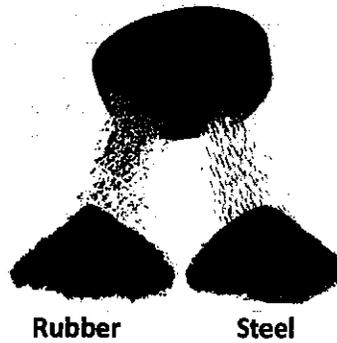
Mature and changing marketplace that will be dominated by those with access to tires and buyers.

Tire Recycling Businesses



■ Key business components:

- Tipping Fees
- Rubber Recycling
- Steel Recycling
- Biofuels (R&D)



■ The key factors for a long term economic success:

- Access to a consistent supply of scrap tires
- Judicious selection of the appropriate recycling technology
- Sound marketing for the recycled product
- Customers

There are essentially two businesses: scrap tire processors and end-user manufactures.

7

Cost/Price Considerations



■ Typical Land Fill Tipping Fees: \$233/ton

Waste	Per Ton	Per Item
MSW	\$ 57.28	-
CND	\$ 68.38	-
Tires	\$ 231.90	-
Auto Tire		\$ 2.00
Truck Tire		\$ 5.00

- Tire Chips/Shreds: \$19 to \$55/ton
- Ground Rubber:
 - Rubber Mulch \$380 to \$750/ton
 - Pellets/Powders \$715 to \$7,985/ton
- Steel: \$250 to \$550/ton

Note: commodities prices as of 18 Sep 12, subject to change.

Cost of a eCycling/CHEMA 30,000 ton per year system (about 3 million used tires) that produces 24,000 tons of fine powder is in the \$30 million range. 24,000 tons is about 3% of the annual ground rubber market.

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Revenue/EBITDA Estimates

Not Including Tipping Fees



30,000 Ton/Year Plant

Low Estimate	Steel	Rubber			Fluff
		Chips	Crumb	Powder	
Tons/Year	7,500	5,000	5,000	11,000	2,500
\$/Ton	\$250	\$19	\$380	\$715	\$0
Revenue	\$1,875,000	\$95,000	\$1,900,000	\$7,865,000	\$0
Total Revenue		\$11,735,000			
EBITDA (20%)		\$2,347,000			

High Estimate	Steel	Rubber			Fluff
		Chips	Crumb	Powder	
Tons/Year	7,500	0	5,000	16,000	2,500
\$/Ton	\$550	\$55	\$750	\$7,985	\$0
Revenue	\$4,125,000	\$0	\$3,750,000	\$127,760,000	\$0
Total Revenue		\$135,635,000			
EBITDA (30%)		\$40,690,500			

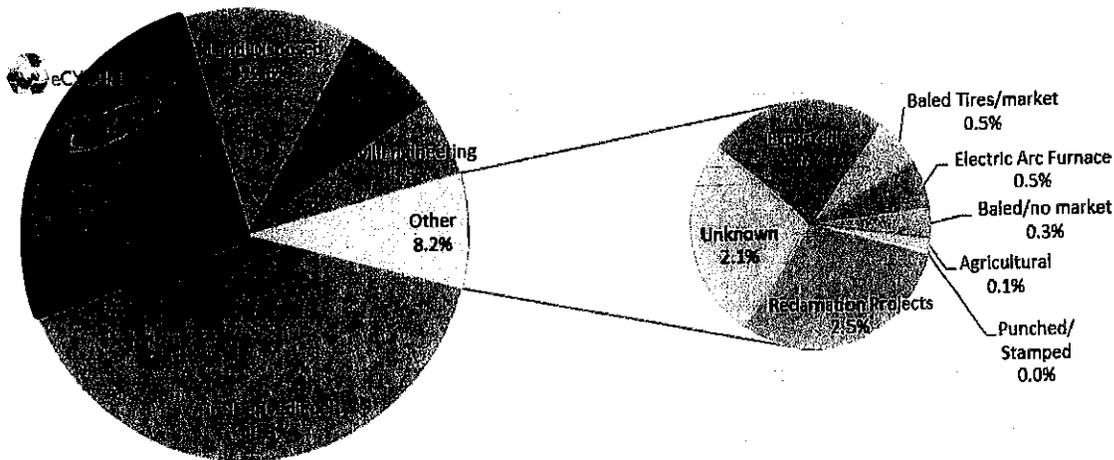
Detailed business plans will be tailored to each operation.

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US Scrap Tire Disposition



Source: 2011 Rubber Manufactures Association, Inc.



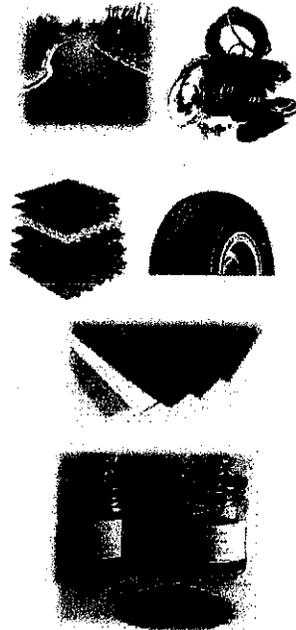
eCyclingUSA/CHEMA system specializes in high purity ground rubber processing and applications.

10

Ground Rubber Applications



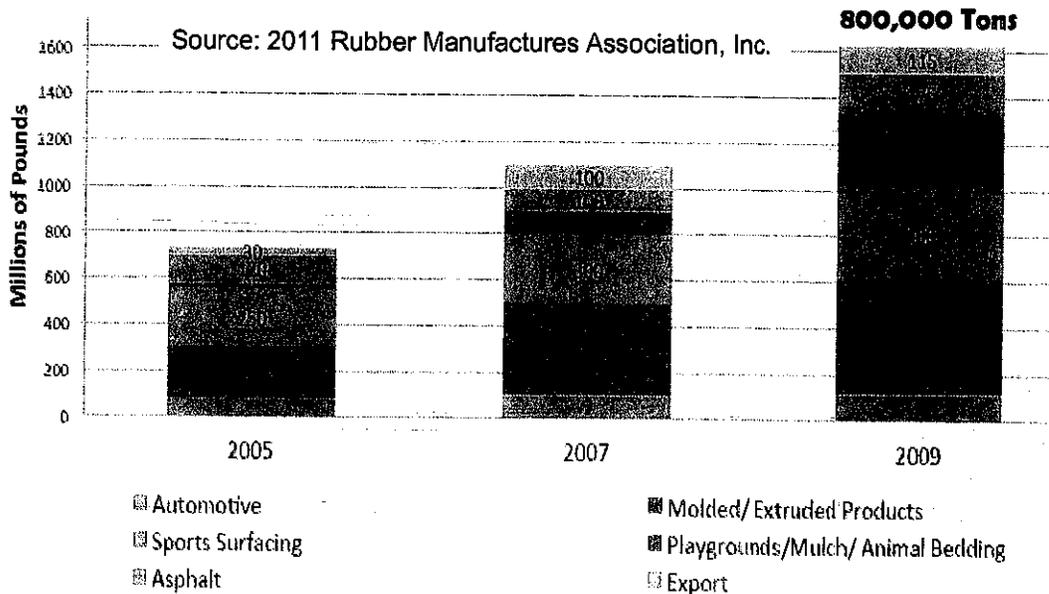
Mesh	Applications
4-40 mesh	Playground surface material, mulch, animal bedding, molds, surface materials (playgrounds, racetracks), carpet padding, rubber products, road enhancement material, manufacture of reclaimed rubber, matting, paste and sealing materials, modified rubber products, road pavement
40-120 mesh	Rubber plastic materials, rubber products (such as railway and subway ties), brake pads, modified asphalt, solid tire production
120-200+ mesh	Textile material coating, special paper coatings, painting materials and additives, special rubber products, medical devices, high level water proofing, materials for military uses



Ground rubber is the most lucrative part of the market.

11

US Ground Rubber Market



2005 to 2009 the market doubled and even grew during the Great Recession of 2008/09.

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Tire Derived Fuel (TDF)

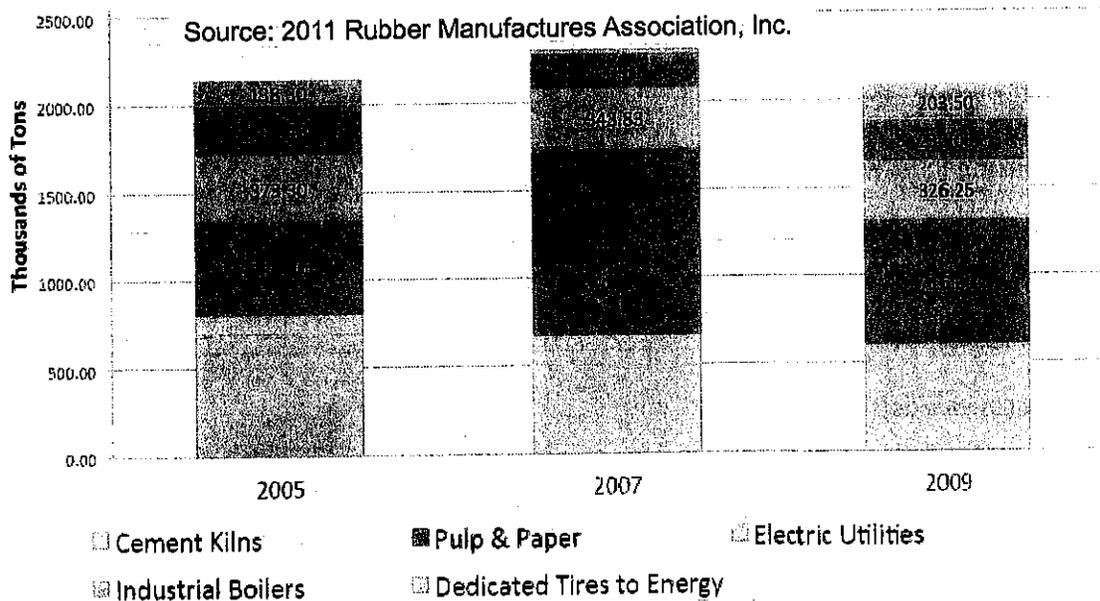


- Tire-derived fuel is composed of shredded tires (usually 1" and 2") with most of the metal wire from the tire's steel belts removed.
- TDF may be mixed with coal or other fuels used in cement kilns, pulp and paper mills, electrical utilities, industrial boilers as well as dedicated tires-to-energy plants.
- TDF has high energy content—about the same as petroleum.
- Key players in the TDF sector are: scrap tire suppliers, TDF producers (tire shredders), TDF users (burners) and government agencies (approvers).
- TDF market may have peaked due to the recession and availability of scrap tires, but it is still a very secure market and prices for high quality TDF products are strong.



TDF is a secure market with lots of low end processors.

Tire Derived Fuels Market



TDF market may have peaked.

Civil Engineering Applications



- Tire derived products, mostly 1" tire chips, are sometimes used to replace conventional construction material, (road fill, gravel, crushed rock or sand).
- Benefits of using tire chips instead of conventional materials include: reduced density, improved drainage properties, better thermal insulation.
- The following are examples of projects where scrap tire chips have been successfully used in civil engineering applications:
 - Leachate drainage material at municipal solid waste landfills
 - Alternative daily cover at municipal solid waste landfills
 - Lightweight fill for embankments and retaining walls
 - Insulating layer beneath roads and behind retaining walls
- Civil engineering applications of scrap tires are expected to become more widespread as more and more applications can be proven to be technically and economically viable.

Decreased federal, state and municipal government infrastructure spending will continue to impact this sector.

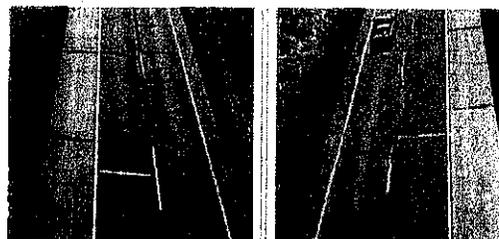
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Rubber Modified Asphalt (RMA)



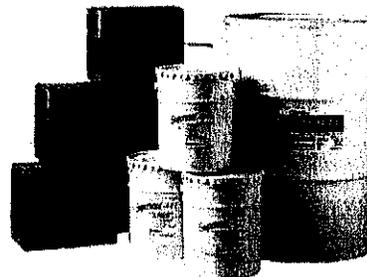
- Reduces reflective cracking in asphalt overlays
- Reduces maintenance costs
- Improves resistance to cracking in new pavements
- Improves resistance to rutting in new pavements
- Increases pavement life
- Improves skid resistance
- Decreases noise levels
- Uses 500-2000 scrap tires per lane mile

I-40 near Flagstaff, AZ
Paved in 1990



Without RMA

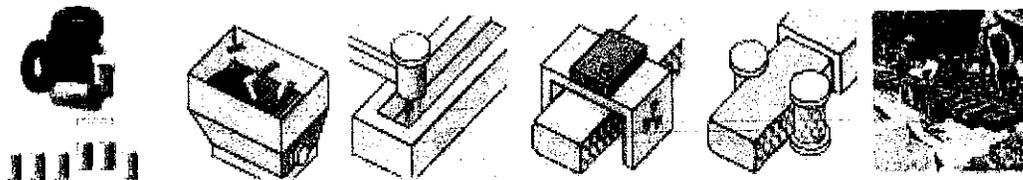
With RMA



A Rubber Asphalt Association was formed to work with DOTs.

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Innovative Railroad Application



- TieTek is producing 25,000 railroad ties per month made from recycled rubber and plastic.
- Many of the major railroad and mass transit authorities are experimenting with these ties.
- 40 year life span, versus 5-20 years from wood ties.



Wood Recycled rubber

The US is seeing a resurgence of railroads.

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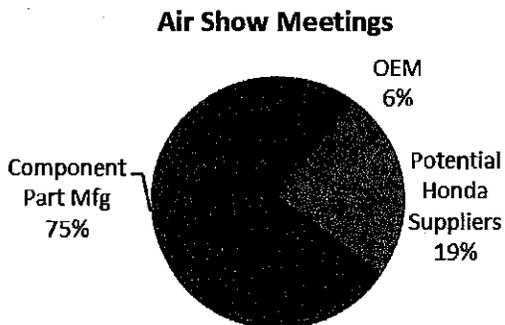
www.eCyclingUSA.com

Paris International Air Show

2013 Attendance Report

Representatives from **Piedmont Triad International Airport (PTIA)** and the **Greensboro Economic Development Alliance (GEDA)** attended the International Air Show June 17th through the 20th. Also represented from the Triad was the Davidson County Economic Development Commission. Our North Carolina State delegation was led by Lieutenant Governor Dan Forest along with representatives of the NC Department of Commerce. Several private aviation company and economic development organization from throughout the state also attended.

The overall mood among air show participants was upbeat and positive. We met with **13 companies** during the 4 day show, including three potential Honda Air Craft suppliers, 12 component parts manufacturers and

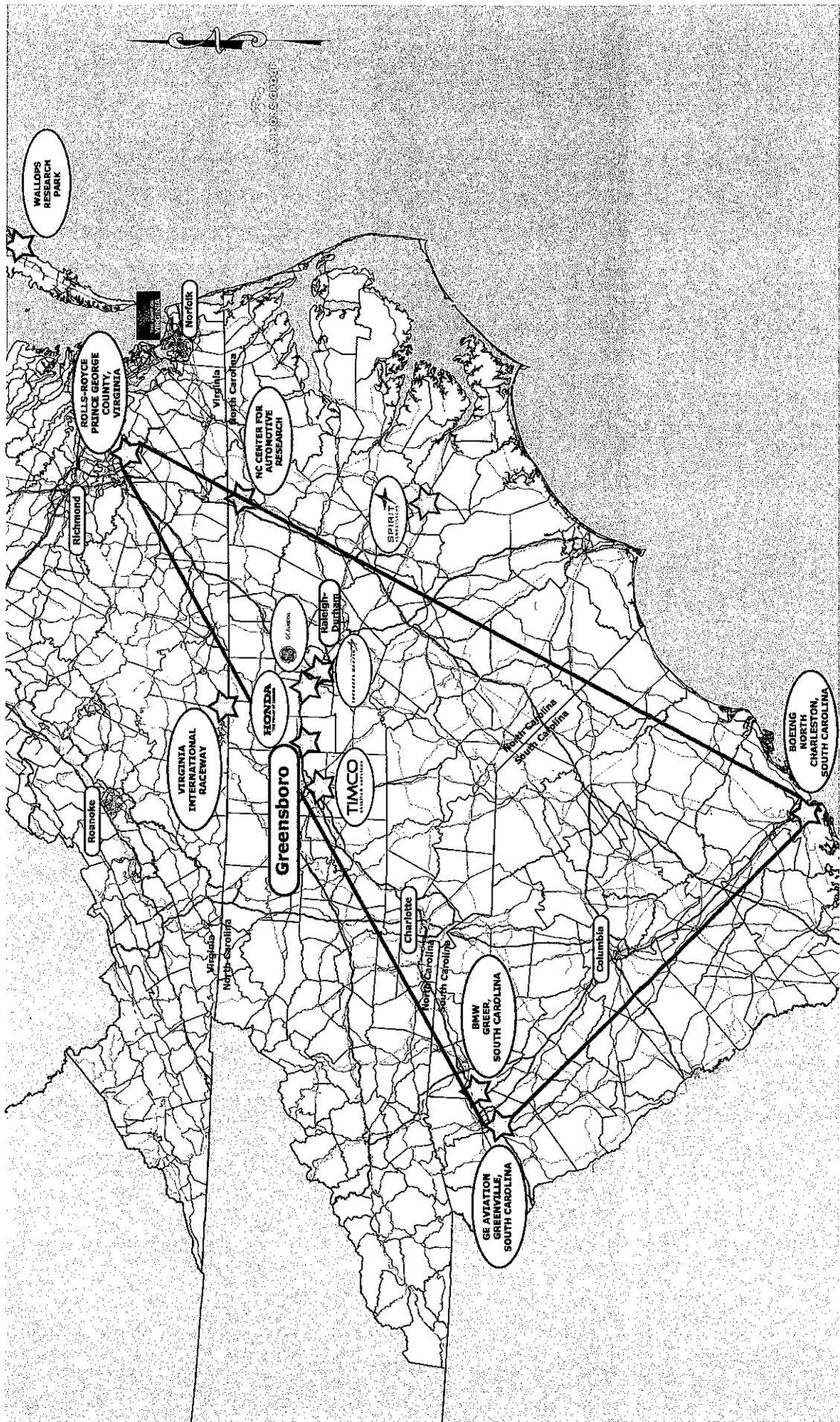


one OEM (original equipment manufacturer). Company representatives we met with were interested in learning more about our aviation cluster initiative and industry assets they might be able to leverage. We were supplied briefing papers from the companies prior to the meetings so we were able to prepare specific responses to their questions. Most discussions centered around workforce issues (including our right-to-work status), training, tax structure and general cost of doing business in North Carolina.

In addition to general aviation cluster information we discussed the fact that Greensboro is an **emerging aviation/aerospace community** and we have seen increased interest in our market as a result of some high-profile announcements by global OEM's, Boeing in Charleston, Sprite in Kinston (NC) and Airbus in Mobile. Locally we are home to startup OEM Honda Air Craft as well as TIMCO a large MRO, a Cessna MRO and BE Aerospace interior design/manufacturing facility and many other parts suppliers/vendors. When you consider Rolls Royce engines in Virginia, GE engines in Durham (NC) and Gulfstream in Savannah - Greensboro is in the center of the new (and growing) southeast aviation cluster. As part of our growth strategy we are out meeting with aviation companies to discuss our assets and why a company may want to take a closer look at Greensboro for future expansion options. Of particular interest might be our plans to open up an additional 1,000 acres of airport property with direct access to parallel 10,000 ft. and 9,000 ft. runways. We handed out a map that charts the location major aviation operations throughout the mid-Atlantic and southeast US that show Greensboro/Triad in the center of this emerging aviation/aerospace sector.

Since returning from the Air Show we have already scheduled **two follow up meetings with major aviation manufacturers**. Outreach is ongoing for meeting participants and show attendees where appropriate. Planning has begun for the **National Business Aviation Association 2013** annual convention for company meetings and marketing activity.





AEROSPACE TRIANGLE

Southeast United States



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