

The City Council of the City of Charlotte, North Carolina convened for their Annual Retreat on Thursday, February 7, 2013 at the Whitehead Manor Conference Center, 5901 Sardis Road, Charlotte, North Carolina with Mayor Anthony Foxx presiding. Councilmembers present were John Autry, Michael Barnes, Patrick Cannon, Warren Cooksey, Andy Dulin, Claire Fallon, David Howard, Patsy Kinsey, LaWana Mayfield, and Beth Pickering.

**Absent Until Noted:** Councilmember James Mitchell

Staff present: Interim City Manager, Julie Burch, Deputy City Manager, Ron Kimble, Assistant City Managers Eric Campbell and Ruffin Hall, Budget Director Randy Harrington, City Engineer, Jeb Blackwell, Chief of Police, Rodney Monroe, Fire Chief Jon Hannah, CATS CEO Carolyn Flowers, Director of Transportation, Danny Pleasant, Planning Director Debra Campbell, City Attorney Bob Hagemann, City Clerk Stephanie Kelly, Carol Jennings, Tracy Montrose, Kim Oliver and Alban Burney.

Mayor Foxx called the meeting to order at 8:51 a.m. and welcomed everyone to their Annual Planning Conference.

Councilmember Dulin welcomed everyone to District 6.

Mayor Foxx said we've got a really incredible agenda today led by our Facilitator Barbara Riley. We have Michael Gallis who is going to address in a little while. We've got a wonderful panel by our City staff, excited that we are going to have the MTC with us for lunch along with a good friend, Mayor Reed from Atlanta who is going to talk about some the challenges of infrastructure and growth that they've dealt with in Atlanta and I think you will find that conversation very enlightening. I love to get the Budget and Finance Reports after lunch so Randy you and Greg have a tough job because you might be talking to some folks that are blinking. Later on we will have dinner. Today is going to be kind of an information day. Tomorrow we will have an opportunity to take a look at Focus Area Plans and do some policy planning in the morning. I am looking forward to the opportunity to talk about some of the most pressing issues facing the City. We will have a little fun in between as I have a couple of surprises that I'm going to kind of sparse through the day just to kind of keep us going. Let's have a good time, do some good work and what we always endeavor to do, which is to do the best job we can in representing the people of Charlotte. I will turn it over to Barbara who is going to talk to us about rules and engagement and get us on the right path.

**Barbara Riley, Facilitator** said I am your Cruise Director for the next two days. I am going to have the boat pretty much balanced, with your help it should be a good two days. There is a lot of information that we have in order for you to continue to make informed decisions about some very difficult topics. As City Council Members you have the people in your hands and that is quite a responsibility. I am honored to be here with you and also the staff that are here and I want to thank you for the time that I have with you and get to know a little bit about the City Council, and also to hear each person talk about their intent around serving the people of Charlotte, serving their community, going post service for that reason. What I heard from each one of you was strong commitment to that and I also heard each one of you agreed that each of the others of you had that commitment. I talk to a lot of organizations and often times I can get one person to talk about it, but I can't get everybody to agree that everyone else has the same intent. All I can say to you is that is a tremendous foundation to build on, having good conversations in difficult times about difficult issues.

The Mayor has already walked you through the agenda, it is a taxing agenda, we will be moving it through so you will find me during the day pushing you a little bit around cutting off some conversations, moving some others to later in the day so we can get all the information in and give staff the concentrated time to have questions and answers and also to establish and collect some key learning that you want to have going down the pike for the rest of your work. I would like to have you think about, as we do in any arena, what are some really good effective rules of engagement for you to work ethically through these difficult conversations. This started in our history of the nation, it is something called We The People that are our rules of engagement. We've been working with those for a very long time and every now and then we have amendments. So during the day as we get into more intense conversation that we may want to

amend our rules of engagement or add to it in a way that helps us keep working together effectively. We need to identify it and put it up. Our rules of engagement are working effectively together. A list is never solid and locked in. It has movements, it has flow and if you join with me today I will assist you in creating that flow so this meeting can get going and you get what you need out of it, which are the things you talk about around good information, around being able to talk to each other and identify those things that are going to help you make informed and good decisions later. With that in mind I would like for you to just sit there for a minute and think about what are the thing that we need to work effectively together, to get what it is you want done, to individually engage and have all of us engage with civility and with energy and come to the end outcomes that we all want. Both for myself and for Council, both for myself and my group that I have to make some difficult decisions with. What are some of those things that are going to help us do that today, to keep things flowing, to keep things moving?

Councilmember Dulin said short input, no speeches.

Councilmember Autry said active listening.

Councilmember Mayfield said be honest.

Councilmember Cannon said open to opinions of others.

Mr. Dulin said check your ego.

Councilmember Howard said no show voting.

Ms. Mayfield said one conversation at a time.

**Councilmember Mitchell arrived at 9:00 a.m.**

Ms. Riley can I hear any guidelines regarding cell phones?

Councilmember Barnes said only answer it if it is your mother or your wife or your children.

Ms. Riley said if something does come up please inform staff so they will know. This will be our starting list and as the day goes on if we need more we will create those. Can I get a thumbs up that we can all agree with this? Now I would like to introduce Julie Burch.

**Interim City Manager, Julie Burch** said speaking on behalf of the City staff that are here as well as the 6,622 other people out there delivering services today I want to let you know that it is certainly our privilege to be here with the Mayor and the Council as we embark upon your Annual Retreat, your Planning Conference. I was struck on the way over here this morning, thinking about how circumstances happen where a group of people get together in a room and you think about it, I look out over this group, I know some of your personal stories and I know some of your professional stories and here we are from different walks of life in many ways, different geographies from all over the country and parts of Charlotte and here we are in this room today hoping to figure out where this community is and where we want to take it in the future. I am kind of awe struck by that when I think about that in terms of everything, all the collective brain power and stories that are in this room. We of all people in the world get the opportunity to talk about this great city today and as I say I find that a bit humbling in many ways and I look forward to the next day and a half as we embark on this journey together.

First of all and in particular I want to thank the Mayor and the Council Manager Relations Committee for guiding the staff in developing this time together and this agenda. In addition to the Mayor who serves as Chair, that is Vice Chair Warren Cooksey, James Mitchell, David Howard and Patsy Kinsey. I want to thank them for working with staff, and I certainly want to thank Barbara for being here with us today. Traditionally, the Council Annual Retreats have been a time for several things, reflection on accomplishments, recognition and celebration of successes, discussions of lessons learned, discussion of opportunities and challenges that we have ahead of us, studying budget and program priorities, developing strategies for success for  
mpl

the coming years and the years beyond, and finally providing direction and guidance to staff in carrying out what your priorities are as a governing body and what your expectations are. I say all of that and I also will say to you and also Mayor and Council whatever you want this day and a half to be. You are not constrained by just what I outlined, but certainly this day and a half ultimately is yours.

Staff is here to present some information to you over this time that we hope won't not only inform you, but hopefully stimulate and engage you in discussion and hopefully you will find that discussion meaningful and productive. After the presentation of the various materials over this time and the staff is here to listen primarily to you and to understand what is important to you as individuals and as a governing body. We are here as your resources to answer your questions, to share additional perspective if you would like us to and certainly we will be taking notes throughout this time and obviously taking note of any staff follow-up assignments, additional information or other things that you might need after the Retreat is over.

As Barbara has reviewed the agenda, you will see it is very business oriented. That was very purposeful on the part of the Retreat Committee in terms of knowing that we have a lot in front of us and so today you are going to be looking at Charlotte, first of all through an economic lens and of course later in the day we will be engaging the MTC around the topic of transit and financing and in the afternoon, as the Mayor mentioned, we will be doing an overview of budget and financial condition. Tomorrow morning Focus Area Plans and priorities and of course all of that is very serious business, but I too would echo that I would hope that we would have a little fun along the way because this is a great informal, more casual time than we normally have together and I think this is a great way to get to know each other in new and different ways.

All that to say the staff welcomes this opportunity to be with you and to be part of this great city that we all call home as we work with you as our governing body to shape the future. If there is anything staff can do to make this time more productive or more comfortable please let us know and certainly the Whitehead Center staff is very gracious in their support and want to do the same. Please let any of the staff know if there is something we can do to make the day and a half a little more comfortable for you. With that what I would like to do is take away right into the first segment of the Retreat unless there are any comments or questions at this point. Next up on the agenda we have our key note speaker, Michael Gallis. I think many of you know who Michael is and he is going to be up in front of you in about a minute. He is going to speak to us on the topic of Charlotte's Economic Health within the Context of the Global Market. Michael has his Strategic and Design Firm and advises local, state and national governments in the US and Canada in the development of intergraded strategies. I think you are going to enjoy and be challenged by his presentation. We have been using Michael to look at a Demand Impact Analysis Report related to the Capital Improvement Plan. He has been working with an inner departmental team to look at the projects in a very comprehensive way to describe the social, economic, infrastructure and environmental benefits and this I believe is in direct response to interest and direction from the Council to provide more meat, if you will, on the bones around the CIP. We are using Michael and his expertise in that regard and you will be hearing more about that through each of the Council Committees as you review those CIP projects. Michael has a presentation that he will be going through. He can take questions as he goes through it, however in the interest of time and in order to be able to get through the entire presentation we may need to hold some questions to the very end and then take those at that point. Barbara will help guide us that through that time keeping process.

## **CHARLOTTE'S ECONOMIC HEALTH WITHIN THE CONTEXT OF THE GLOBAL MARKET**

Michael Gallis, said I would like to start by thanking John Autry for being such a gentlemen. I got caught by a reporter on a rather hot topic and I knew the guy for years, we'd talked for a long, long time and the next day talking seriously about this and suddenly the next day I got into the office and my staff said, did you see your quotes in the paper? I said no, you know I don't read the paper, if you start reading your own press you start taking yourself seriously. I try to avoid that and they said you better read this. I go over and I'm reading this and I said I talked to the guy for half an hour and this is what he puts in the paper. I sympathize with you in politics where you take one slipped statement, one slipped statement and that is the headline, right, not  
mpl

the half hour you spent talking seriously. Thanks John, he was very nice, no offense with that I trust. Since it was in the press I thought I ought to say this publicly instead of just on the side. It was a little embarrassing to be honest with you.

Cities are living things and they need constant attention to maintain their health, vitality and their dynamos. Those of us that study the history of cities find a remarkable phenomenon. Some cities have lasted for thousands of years and are still great cities. Think of Rome, the Capital of the Roman Empire, still a great city, thousands of years. Think of a City like London, Berlin, Paris, they are ancient cities are still dynamic centers of commerce in our world cities. But other cities rise and they disappear, they still exists but nobody things of them. Dayton, Ohio think around in the Carolinas, where is Columbia today? Where is Greensboro and Winston. When I first came to Charlotte somebody asked me is that somewhere near Winston Salem? Who would ask that question today? The question we have is that cities constant need attention and really the staff and the elected representatives are the people who have been entrusted to guide the future. Will Charlotte be, it is a new city, but will it be 500 years from now a great city in America or will we have passed our moment in time and be thought of one of those cities that had the high point and then history passed us by.

When I typically do these kinds of discussions or presentations I say it is amazing to think that we are actually living in the greatest revolution in human history. Never before have we seen the shift in wealth and power around the world in the short amount of time that it has taken. The rise of China really begins in year 2000. Who can believe that rise of China from a country in 1990 that did not have one Fortune 500 Company, that was 7<sup>th</sup> or 10<sup>th</sup> in the list of size of economies to be the second largest economy and to have something on the order of 37 or 40 of the world's Fortune 500 Companies. In year 2000 they only had 11, but in ten years they got 11 and now they have almost 40, so you are seeing this shift and the numbers are out there by which we can register it. As we look at the future of Charlotte we look at Charlotte and we have to understand that the Mayor of Atlanta coming is great because it shares some real similarities to Charlotte and the issues we are going to face. Charlotte is now a metropolitan area. New York became a metropolitan area and London in the mid-19<sup>th</sup> century, L.A. in the early 20<sup>th</sup> century, Atlanta, and Houston in the 1960's. We became a metropolitan area really at the end of the 80's. We are one of the last areas in the US to form what was called a metropolitan area. Within that the role of the central city becomes extremely important. I don't mean the Center City, I mean the central city which is all of Charlotte. When you think of Charlotte our pattern of metropolitan growth, we call it radial and concentric, is very much like Atlanta or Houston. It is not like Raleigh/Durham or Dallas/Fort Worth where you have two cities that compete with each of other to be the center and then growth takes place in between them and around them and sometimes you get a third like Chapel Hill or down in Greenville/Spartanburg, you get Anderson down there. We are not like San Francisco or Tampa or Seattle where you have a bay city where the central city is not in the geographic center, it is somewhere in this kind of network. We are clearly in the center with the cross roads and we have some very interesting parallels with Atlanta because the biggest University is inside the city, the Airport in Atlanta I'm not sure it is in the city, but here it is in the city. Our central city of course is our largest concentration of business activity and office space, so we have all the major assets of the metropolitan area all converged in the city. Understanding that how do you manage this center of a metropolitan area? Early on when we are developing the centers and corridors concept with the Planning Commission, we did call Atlanta because we recognized that they were in an advanced state of where we were going. One of the things they talked about was the relationship to neighboring cities and counties and how important that was and how they had not managed that well. It was because it then set up all kinds conflicts in expanding everything from the transit system to all kinds of relationships. So this issue of building relationships became very important in our minds in terms of how do you create the right partnerships to all succeed.

As we look at cities in a global economy that raises a different issue because really it is an economic region. Fifteen counties and the center is a metropolitan area and the center of that is the City of Charlotte. What are economic regions in a global economy? They are first of all concentrations of people, but in the economic sense they are concentrations of production and consumption. What do you produce in Charlotte? What do you consume in Charlotte. Part of that is related to what you produce. The second one is their intersections of trade flow. We talked about points in a supplied chain, global supply chains, where do you fit into that. Some

cities lie along the great rivers, others are just the end of a little stream somewhere. Where does Charlotte fit in that trade flow pattern? The other one is does what resources do we bring to the table. You have cities like Boston, the same as for the universities and that attracts certain kind of business. You have Raleigh/Durham with its research triangle, it is not a center trade flows, it is not a large metropolitan area, but it has intellectual capital so we have culture, we talk about sports, we talk about universities, we talk about medical centers because what other resources you have in the city that also make it a place that is attractive. New York becomes as famous for Broadway as it does for Wall Street, and those become important competitive assets. Charlotte has been building these across the voyage, a very successful city with investments across the board.

When we talked about a market based approach to looking at investments and looking at cities we see them as markets. In other words, the entire economic region is a market. The City is a market within that and then it is divided into sub-markets. What are those markets about? Why does Charlotte as market attract somebody versus Raleigh, versus Atlanta, versus New York? What is our strength and how do you invest in a way where you could actually say this investment is strengthening our market? In that sense there are two different issues that we will talk about. One, is the investment going to strengthen us in a global sense? Does that investment actually register outside Charlotte where someone says, oh, that is going to attract me to Charlotte, I didn't notice the people. For instance, we talk about integrated systems, people talk about the rail yard at the Airport, but it is really all the systems coming together. In a global sense Charlotte now becomes a place where people are going to want to do business from around the world because surprisingly the east coast still has more balanced trade with every major trading block than the west coast, which is mainly Asia. We get trade from Latin America, Africa, mainly the Middle East, India, China and Europe all flow to the east coast. By strengthening that we increase our demand in a global sense. As UNCC invest in becoming a major University and developing research, they develop a demand globally because they are trading innovation in a very specific area, but that creates a global demand, people begin to notice this is a place where we can invest, they have the intellectual capital.

When our banks merged and because national banking centers they then created a global demand so it can come from multiple sources and other ones are issues that are very critical to cities, our internal demand. Do people want to be in the City of Charlotte or do they want to be in the suburbs? Do they want to be on this side of town or do they want to be on that side of town? But for the City as a whole, the question is do we retain our desirability as a place to live and do business within the metropolitan context? Some cities have been very successful with this. San Francisco, New York, Boston, Chicago have been very successful in terms of maintaining the vitality of the center, and even Atlanta, the ability to maintain the central city as a vital place to do business, to live and to want to be. As we discuss this we want to look at demand and market activity in two ways. Are we increasing global demand or are we increasing the desirability of the city as a place to live and do business.

I put together some slides for us to kind of take us through. The World is Changing – that is not big news is it, but how dramatically and how fast it is changing is what I think continues to surprise us. Now we ask ourselves, is the city on a path to grow or decline as a component of the global economy? If we understand the forces of change then we can align our strategies and investments with what is going on in the world or are we off on our trip and we are not really connecting to what is taking place in the world around us. What does the world want from global cities today? To begin with I would say we have to look at jurisdictional space, cities, counties, state lines that defines political edges. I represent this, you represent that, you don't me what to do, I don't tell you what to do, I govern here, you govern there. Those lines are very clear. We know where the edge is, but what we call economic space doesn't obey boundaries. Weirdly enough I was once called by Stamford, Connecticut, Greenwich, Connecticut actually to do a planning project. I said what is wrong and they said well quality of life. I said what is the problem with quality of life in Greenwich, Connecticut and they said well there are too many people coming into town to shop. I said what is wrong with that, they said well we don't have enough parking. I said well I'll tell you a lot of money, build a parking garage. They said but we don't want them here, we just want our people here. I said oh, has it come to that? You probably need someone else, I'm not sure I can help with that problem. Economic space does not look at boundaries. Economic space is defined by market areas, concentration of people,

disposable income, access, so those two are two different spaces and so the issue of being a government is we govern a part of a market, but we don't govern the whole market. There are two different things, how do we understand our piece of that and so I say the two are different. If we look at jurisdictional space, the white line is the state line and then you see the county lines and then the City of Charlotte is the light color within that map and that is what we mean about metropolitan formation. All those cities are now cheek to jaw and we are coming to realize we are the edge. We're done in many direction, there is a small area of annexation left but we are up against the wall on many sides and that growth is going outside those lines. A funny story – that white line, did anybody in the room ever wonder why it has that weird shape? We did some research trying to figure that out because it shows you the logic of political jurisdictions which is there is no logic. So you are stuck managing these weird shapes. It turns out that the British surveyors started at the coast, they came in and hit the river right there. That one line where that strange thing was the last Catawba Indian Reservation so the story was that when they hit the river and the Reservation up there they go so drunk they got lost and they wound their way around the reservation and kept on going thinking they were on the same line. That is where the logic of what we are left with in terms of jurisdiction. Look at Mecklenburg where we talk about even the light rail system, you've got 20 miles going north, but 10 miles in every other direction. Now you've got to invest in something going 20 miles in one direction and only 10 miles in every other direction, so we are stuck with weird political shape that we are supposed to govern.

If we look at economic space what we see is the metropolitan area and that is that purple, and you see the City of Charlotte in the center and you see why we call it radical and central, all those lines coming out, just like Atlanta, just like Houston. They have more and they have more rings because they are developed in larger populations, but we are headed that same way and around us all the way out to Hickory and Salisbury, Albemarle and down to Chester, up to Shelby, it is our market region where people come to Charlotte for medical services, education, transportation, jobs and that really defines us as an economic space. Then the market space, translating that, these are real estate markets and you can see outside of Mecklenburg there are generally counties because there is not much activity, but if you are in real estate and you are looking at Charlotte or you are looking at Charlotte market, you get this map and inside Mecklenburg you see those divisions are the sub-markets. This is the industrial map, there is a separate map for retail, there is a separate map for office, but these are called sub-markets. They don't line up even with districts and they don't line up with the city. They are sub-divisions of Mecklenburg County so for people looking to invest in real estate or invest in business and find location they look at maps like this.

What do we mean by competing in the global network? When we developed this map years ago to show the airline routes, the sea routes, roads, rails and how they connect. The little dots are in fact the connection points. The bright yellow dots are primary global centers. On the east coast you have New York, Atlanta, Miami and you get to the med-west with Chicago and down at the south end Houston, then you get up to L.A. and San Francisco and within that are the secondary dots We are a rising dot. You don't see nations compete, what you see is metropolitan areas because you can reach anywhere in the world from there. Each new announcement about an international flight tells you we are strengthening those connections. The issue is we had passenger connections. This will be the first time transformational when we are going to have trade flows, trade and people moving through Charlotte. It is going to be a huge transformation for the city, a huge opportunity and it is coming in 2014. The widening of the Panama Cannel, the opening of the Intermodal Yards, changing world trade flows, changing our position within this global network. Huge opportunity for the city, amazing global opportunity.

If you look at the US every one of those dots and that is the top 100 metropolitan economies. You've heard of gross domestic product, well they also do something called gross metropolitan product and the circle is the size of the gross metropolitan product. You can see Charlotte and you see the little dots around this. You see Atlanta down there and you see the little dots around us that are Columbia, Greenville, Greensboro and Raleigh and even Raleigh look at how small, but they do Raleigh and Durham as two circles. We are the center of that, but we were under the influence of Atlanta and look at the northeast. You know they call that the rust belt, look at the northeast and the upper mid-west, the economic power in that part of the US and look in the southeast, but look after Atlanta and then there is us. You have to go out to Texas, Houston and Dallas before you get those big dots again.

When you compared markets, this is the relative size of the office markets and we compare the size and the growth rate of these markets. That becomes an indicator of business activity because the reason you build buildings is because you are doing business. One of the key measures to understand how we are doing is to use real estate as a barometer of business activity. That reflects also in rent rates and vacancy rates and other things, but that gives you your basic inventory. In industrial you begin to see the difference in the industrial size where we fit in in those markets. That kind of gives you your two basic employment categories and then with retail, but we won't do that.

When you compare Charlotte on the east coast, we have at the top New York, size, gross metropolitan product and then gross metropolitan product per person. At the bottom you see Atlanta to our south and Charlotte is green in the center and then we had the Carolina cities to the north of us, Raleigh, Greensboro and you see Columbia and Greenville. Now go down, the gross metropolitan product per person, the third column over, and look at us. It is an amazing statement of success and this is metropolitan, look at us \$64,000 per person only behind New York. Way ahead of all the other Carolina cities, way ahead of Atlanta. So we have been a very successful economic center and so the issue is how do we sustain that and how do we grow that? I did a project in the State of Connecticut and I was looking at number and I said Connecticut has got the highest per capital income in the country. So I asked them why are you do a strategic project, you are already on top. They said because we want to stay on top. The issue is we've done great as an economy because of our big banks, because of the Headquarters here it gives us those numbers. How do we sustain that? That is really your challenge.

Councilmember Howard said are people moving to Atlanta because there is more jobs and all that office space you talk about? They can more money here is what you are saying.

Mr. Gallis said that is not income, that is gross metropolitan product. In other words the total product so that would include all the banks, their profitability, that would include all the headquarters in Charlotte and so relative to that, why they go to Atlanta, Atlanta is what you call a first year city, global gateway city, more international flights. They are at the next step although they are so speculative they drop into second tier because they lose so much money down there too and when that bubble burst they really got hit. It is back and forth with Atlanta, but you can see the success of what we produce in this city is a very wealthy quote.

When we think of economic development people sometimes get all confused, it is complicated. In one way it is not complicated. There are only three ways you grow an economy. What have you got, 80% of economic development comes from growing what you've got because what is there is there because it likes it or grew up there so paying attention existing industry is huge. Who do you track? Why do they come there? Did everybody see the movie The Social Network? Remember that, it starts in Harvard in Boston, but it is headquartered in San Francisco because this guy says you've got to go to San Francisco if you are going to sell this because they have the money, they have the expertise, they have the technology, they have the stuff you need to build a business so guess what, it starts in Boston. You would think Boston has got fidelity, they've got all this money management, but they didn't have what Face Book needed to become the company it was. Who do you attract, what have we got that a company would say I want to be in Charlotte? Then the last one is new start-ups. Those are the three ways you grow it and that is why the innovation corridor we are talking about at UNCC all along North Tryon, that whole concept becomes very important to the future of the city.

Only three things you can do. You know you talk to these economic development guys, the old fashion ones, it is all about recruitment and what is recruitment. That is having dinner with somebody driving them around showing them land or business parks, etc. going to trade shows and that stuff. That doesn't work unless you have a marketing program, and telling them what Charlotte, and what you have in your marketing materials is the product. You are either going to sell them on what you have or what you are planning to have. The most important thing that people want to know is what are you planning to have. What is coming, do you know where you are going so product development becomes a key issue in economic development and it is where people, the economic developer sometimes gets lot in marketing and recruitment and forget what is the project and how do think about product improvements we are changing. I'll give you one simple one UNCC, the Chamber used to say when we started this in the 80's we can't get high  
mpl

tech because we only have masters programs at UNCC. Tech companies don't come here because we don't have the intellectual capital, we don't the Universities, but that has all changed. Developing that product has changed the attraction of Charlotte, we can do that today. Product development whether it be the city or a city's partnership and that is where it becomes very important. Partnership with the University, partnerships with the ports that are going to feed Charlotte, Charleston and even Miami is going to feed Charlotte, so the thinking of who is our partners and we'll benefit them you think, but oh their trade will come here. No they like that. They have no space left, they are looking for an inland port destination. They are our partners. So in product development is not only internally, but externally. Who do we relate to, who should be talking to. I just put this up because typically people think economic development is existing and attracting and it is the recruitment and market, they forget product development and they forget new start-ups.

What is the competitive advantage as we think of investing? I put it in three basic categories – First Position, and that is how do we fit into the global trade pattern, passengers and freight? We have a great asset with that and we are strengthening that position by the investments being made in that. So strengthening our position, that is why Atlanta got Hearts Field, got the Airport away from Birmingham, moved it to Atlanta, famous story. Atlanta had been their rail center, but they were not content to the rail center, they wanted to be the air center, they wanted to be the highway center. They saw in each new generation that they were going to invest and grow that asset and they were going to maintain that position. New York has done that, L. A. is doing that. They understand that investing in that kind of infrastructure major global infrastructure and then getting around town like Carolyn is doing, like DOT is doing, what engineering is doing, to put together the infrastructure so if you are a global center, how do you move it around the region.

Secondly Economy, what is our economy? It has been textiles, it has been banking, it is diversified today. What do we need to know about our economy to help facilitate its growth and then competitive resources, education? Medicine, research, culture, sports, the housing stock, quality of life, all these things to say these are also issues that attract people to Charlotte.

So looking at our growth back in '85 we weren't a metropolitan area. That is a map of the City limits. Look at Charlotte, the only cities that were co-terminus with us were Matthews and Mint Hill. Mint Hill wasn't even a city in those days. Remember they un-incorporated and then re-incorporated. Mint Hill gave its tax base to Matthews because they didn't want Independence Boulevard, they just wanted to be residential until they realized that residential was paying all the tax and we have no commercial so Matthews ends up 90% commercial tax base and practically have no residential tax requirements and Mint Hill is the other way. They are 90% residential and have no commercial. I even got here in the days when Pineville was in the country side. The Pineville Dinner Theatre. Take a ride in the country.

This is Charlotte today. As we showed you the metropolitan area. Once someone said I said how far is Concord from Charlotte, they said 20 miles and I said no, it is less than a mile. It is next door. It used to be 20 miles away. This growth map projected of what is coming is very interesting, the dark areas are the high growth areas and the lighter colors are of course stable, they are built up areas but look at that, all the high growth areas projected between 2000 and 2015 are outside Mecklenburg County. This issue of how do you maintain the vitality of the city, how do you continually renew a city becomes an important new challenge because the attractiveness of the new is very strong. People say oh, I want to go up to the new areas, new houses, new suburbs, etc. They don't have all the problems of the old areas so now we have this very interesting dynamic entering into an entirely new phase of history.

Mr. Howard said with the light areas can you talk about what other cities have done in their core. We are not the first city to have that number of people and on the world stage what have cities done to reverse that or at least to have it happen both ways?

Mr. Gallis said maintain the vitality. The most important thing at that scale, it becomes neighborhoods and it becomes by neighborhoods becoming cool and in and fun. Take Plaza/Midwood, it is the commercial revitalization, that little core, that leads to people wanting to live in that neighborhood just like it does in NoDa etc. So in neighborhood investments you can't under estimate the importance of the background of facts of neighborhoods and interest that



is created by the city retaining its desirability as a place to live. So this issue of neighborhood revitalization becomes a very key concept in this whole process. Letting neighborhoods slide is very dangerous. It may seem cost effective at the time but in the long run you pay heavy price for that. So maintaining the vitality, looking for growth points, and often they are not city, like NoDa was actually Ruth and Paul Sirus decided to put a gallery in there and getting it going,. Later investments were made in the area to kind of support it and make it more desirable. The same thing with Plaza/Midwood so we want to look around the city and look for those opportunities where we can create growth points of stability and interest because it is the young to come in without the kids who are willing to be urban pioneers and who will move into districts and then later they create stability that others are attracted to etc. I'm old enough to remember when Dilworth was pretty new and Dilworth was on its way down. Andy, you remember those days. It has been done in Charlotte and it is doable.

Now, what are the transformational, if I was looking at the big ones, in terms of our position, going from an Airport to a global trade hub, a huge issue. Going from just radial freeways to building the beltway and the transit system. I'm a big advocate of both roads and transit. I don't know why some of my planning friends gets stuck on roads or transit, it makes no sense. You've got to have roads and transit, why are we arguing about it? The second one is the size of the economy. We went from a city to a metropolitan economy. We went from textiles to diversified economy. We had local businesses to a national headquarters so there has been a lot of transformations in competitive resources. At the top of the list is really UNCC because of the big PHD University that is going to set off that innovation corridor. Huge importance. Central Piedmont is now is a regional system. The hospitals are now regional systems. The city green networks and our sports and cultural facilities, hugely important. Look at the downtown today in terms of culture and arts, hugely transformed.

If you look at investments today the City is not the only one investing in Charlotte. The Feds are investing, the state is investing, the private sector is investing, the University is investing. Look at those numbers. UNCC for instance at the top there, since 2000 have invested \$800 million in the campus. Through 2020 they want to invest another \$500 million. That sounds like \$1.3 billion right there at the campus. You go down to Blue Line Extension \$1.2 billion, the completion of the outer belt segment \$400 million, another \$130 million at the lower end. There has been a billion dollars put in if you add up all the museums, what the hospitals have been building in the center let alone the office buildings, a billion here, a billion at the Airport. Independence, so one is how do we use our money to leverage other people's money. For instance the area west of the Airport, in the CIP there are new roads going in. Roads by themselves would not pay off. It is C-MUD putting in the sewer and water with the roads that leverage those roads and makes that area going to explode in development as the investments in the Airport. It is not just looking at are we spending the money, but who else is spending the money that makes that money spent worth more than just the dollars it represents. To realize if you total this whole thing up where have recently spend and are about to spend something on the order of \$3 billion to \$4 billion being spend across the city, not by the city, but by others and other money being spent, so the question is how much do we spend and how do we effectively maximize those opportunities? If the University is putting in a little over a billion dollars in that, how do we capture that value between Center City and the University? How does that become a leverage for us looking at all those neighborhoods, how do we turn this into a dynamic place? We are really leveraging investments with other investments. In looking at our position, I did this for a transportation of Presidential Commission on US Infrastructure to look at trade flows across the US. You know they wanted to turn all this over to the state and cities, but the problem is that goods move across the US and there are key junctions points. You see Atlanta down there, you see Chicago up there, you see the emergent of Memphis within that network. We weren't in this pattern. We are not in this big trade flow pattern coming out of L. a. the big corridor. Dallas is in it, Atlanta is in and then you saw the growth that is going to take place on those east coast ports. Strengthening our position if you look at you will see where we are going to connect to it all the way to Miami. I didn't even know that. That wasn't in the plan and I read that in a report from The Port of Miami talking about talking about we are going to ship to Charlotte. These guys are thinking of us and they are already taking notice of that pattern. Norfolk, Charleston, that whole southeast port structure flowing through Charlotte, we are changing our position in this network. How do we capture and maximize the value of that change?

In economic development it is a metropolitan economy, it is largely strung out along the corridors. There are some edge cities at the Airport, Ballantyne area, University City truly becoming edge cities with office, medical, residential, growing up that can literally compete with the center city, but they are all in the City of Charlotte. Each one of those, the perimeter of Highway 51, the Airport area, University City, those three big concentrations all in the city, a huge benefit.

If you look at Fortune 500 – look at Charlotte, we've 9 and Atlanta has got 12. On a population basis we are way ahead of them. Of those 6 are in the City of Charlotte, only 2 in the downtown. The interesting thing is we show up on this map. I will show you another curious one, San Francisco has more than L. A. You wouldn't have thought it and Houston has more than Dallas. It is very interesting the way Fortune 500's are being distributed. When we talk about as market what we like to do, this is the industrial market and to give you a number and it is the only category where you have a number, but 50% of the region's industrial is in Mecklenburg, 50% is outside Mecklenburg. Over time we should watch that number to see are we losing or gaining and what kind of industry are we getting, what kind is going into the region. These give you the pattern of sub-markets, tells you how big they are, tell you what the rent rates are, tells you what vacancy rates are and you will quickly see that half of the industrial is on the west side of Charlotte. If you threw in the central area 65% of the industrial is all on the west side. That means all the way from the southern border up through the north.

This is the office market and this is the same kind of map but it shows a different pattern. Over 65% of the office market is center city going due south. A smaller portion up by the University and north, etc., so it has its own patterns its own rent rates and its own relationships. This is retail and these maps don't coincide with districts and that is where understanding relationship of my district to that market requires guys across district lines to begin to talk about how do we strengthen this area since it is part you, part me and how do we begin to think about how to make that pattern work? When we looked at what we called competitive resources, hospitals, medical, university, sports, etc. again a large concentration in the city, but everything from the Speedway, which is in Cabarrus, it is a regional system, but the main ones are all in the downtown or in the city. In real estate they talk about asset management, there is a huge asset management issue here because you've got so many assets and how to build on those assets and strengthen them, work with those partnerships. When I was a student at University of California at Berkeley, the University and its city were always at war with each other. The City of Berkeley was at war with the rest of the metropolitan area and they used to call it the Independent State of Berkeley. The reason the freeway got so jammed up was because the City of Berkeley wouldn't allow them to widen the freeway, which to even the most radical seemed a little stupid, like what issue was that all about. It gets that crazy in metropolitan areas. Managing this amazing array of assets, but when you look at where we were in research, this is medical, federal dollars put into medical research. The white circle is Charlotte. We are practically nothing. CMC gets a little chunk of money, Rock Hill gets a little chunk of money. Up in Iredell you get a little chunk of money, but that is just kind of a handout to the hospitals. We are not really a research center. In science and engineering we are just barely, we are not on the map of the top 100. So that is where the partnership with UNCC and innovation becomes so important. We are really not on these research maps.

These are the concluding slides and the important news is this. Despite the turndown the world economy has continued to grow. If you think it took 2000 years to get to \$31 trillion and imagine it got to \$40 trillion. Part of the meltdown was the fact that nobody knew what to do with this massive amount of global capital and the banks were dumping it off in all directions and nobody had seen anything like this before. The tools they created were so high risk it turned out the whole thing collapsed on their heads, but the growths we are going to see in the future is going to be greater. The question is what share does Charlotte get of that? I got involved with the Naval War College and went up there for a Security Summit and this guy make this quote, "How you're doing depends on where you want to be." So the question is where do we want to be? How are we doing, I don't know, where do we want to be. In New York in 1933, the height of the depression they had created a regional plan in 1929, it was published in the summer of 1929. You would think they would say that is the end, but instead New York did better through the entire depression because they were building the plan they had created, and this is the height of the depression. They published a book called "From Plan to Reality" it is the first report and

it was four years progress on the plan. You would have thought in a depression they would have said we can't spend anything, we can't do anything, we're stuck, but they didn't, and look what they wrote in the book. "Broad new conceptions which have gripped the imagination of the people may have more influence over the future development of the community than the completion of numerous specific projects." It wasn't the projects, it was the conception. What is your vision? It has captured the people to say we are a global city, we are on the move and we are doing this. People bought into it and it wasn't just arguing about projects, it was about a vision where the projects were seen as part of completing a vision of where we are going. New York by all standards over built its infrastructure but at the end of WW II the capacity gave them the power to grow, it was in place. That is the power of thinking ahead. So who is in the competition today. I love to show this when I do talks in New York, and before I show it I said does New York have a vision statement and they go, come on Mike, we are big boys we know what we are doing here. These are the other guys in the world and they are vision driven and who is going to win that one. Do those words sound like what you are doing? 2001, this is what is going on in the world today. There are vision driven people so I often talk about short-term and long-term. In the US you go around and people are talking about budgets, they are cutting it. Who is out buying in the world? Is the Chinese, they are buying resources. They see this as the bargain opportunity of a life time, buy as much as we can while it is down. They are thinking where we are going 20 years from now. They are not looking at how much we have to spend today, they are asking where are we going to be 20 years from now, what do we have to do. Downturn in the world economy, great that is the best opportunity we've had. They are looking at the very same thing we are looking at and they are seeing something very different then we are seeing.

So I leave this and you have a couple of days. Do we have the vision, strategy, leadership to gain a competitive advantage in the world economy? That is really the question on the table. It is going to grow, we've got enormous assets, we're the city that people are coming to see where people do things right. You've got a great challenge and a huge opportunity and I'm so happy to have been able to come here and speak with you. My congratulations and good luck in the next two days.

Councilmember Dulin said of the global cities we glanced over during the presentation, with the exception of an Atlanta and there might be some other cities, all of those cities have a port and we are capturing that by building our own port at the Airport. Can we ever be the global hub that we would like to see Charlotte in 50 years without a water related port?

Mr. Gallis said yes because the way it works is, what has happened is that all the ports, the land is built out. You don't just load and unload containers, you have to do something that a process is on board. Charleston, Savannah, Norfolk have no land left anywhere near the port. A big real estate group in Charleston, they purchased the first big piece of land that was 60 miles inland. If you are going to truck in 60 miles why not put it on a railroad car and send to Charlotte and in Charlotte you can then distribute it out. When I first started working back in the 90's, we started looking at what went on in Miami, Atlanta, New York and here is what we found. In the world of trade movements you have something called a drag and a drag is where you take goods from a port or an airport and you drag it to a warehouse of a manufacturing plant where you process it and then you send it back to continue the shipping. At that point you move it around between the modes or if it is on its way somewhere you are getting it off the ship and you are going to put it on a railroad or you are going to put it on a truck. Because of the history of the US transportation these things are scattered all over. Even in New Jersey where you have Newark Airport and you have the Port Elizabeth and you have rail yards, they have a project that is called Port Way which is how to figure out where the trucks go because they are going all over, they are jammed up and they are polluting like crazy because they are idling. L.A. has got the same problem so we conceived that if you put everything in one location we could out compete Atlanta, we could out compete the northeast because trucks wouldn't have to go anywhere. They just could move goods back and forth between modes and if you are going to the seaport you put it back on the railroad and they will take it to the port. Essentially our seaports are Norfolk, Charleston, Savannah and Miami so we actually have four ports for us instead of just being at one. By being more efficient, guess what, all weather you can transfer. It doesn't matter if it is snowing, raining, ice, boiling hot those containers don't have to go any distance at all. Crashes on the freeway system doesn't interrupt it, it is going to transfer it back and forth. So we can

offer to the world a greater liability and a lower cost than anybody on the east coast of the US. We will out compete all of them so the question is how to put together a global vision by which we out compete the others. That is where transit and the Airport connection for people becomes important and you fly in and you are a passenger, how do you get out. Freight comes in, how do you get out, so we are going to out think them is my feeling. That is where these great assets we have offer us a great opportunity to out think our competitors. What is the problem that they have because they are old, they built it up a certain way, what do we have that is a huge advantage? Those are the things I would look at and we have some great advantages.

Mr. Dulin said I'm glad to hear you say that.

Mr. Gallis said somebody asked me about the Mint Museum's exhibit about the Panama 2014, a huge marketing event opportunity for Charlotte. I would love to see us create a global birthday event for us on the global stage, 2014. The Airport the Panama Canal widening all happening at the same time. The Mint is doing a big exhibit of the Panama Canal as an art work, gives us a huge opportunity to invite the world to Charlotte. A couple of things that are happening that could be great for us.

Mayor Foxx said can you tell me about the role of taxes compared to the vision that you are talking about relative benefit versus costs of making these types of events?

Mr. Gallis said let's put the tax discussion in the context of the way we look at our economic growth. In different parts of the US I've experienced that there is a focus on one of those three categories, existing, attractions or start-ups. In the mid-west it was about existing, industry, agriculture, this is what we have, this is what we concentrate on. We don't attract a lot of people, it is kind of stable kind of economy. You got into the southeast, it is all about attraction. We want to attract, we are attracting, are we attractive, it is a beauty contest. You got up into New England or you go out to San Francisco it is all about start-up. We are start-ups, we don't care about existing, we don't care about attracting, we are start-up people, a huge value. Now the tax discussion in every one of those context is totally different. California has some of the highest taxes there are. Boston, the highest taxes. Do they care, yes they care and nobody likes to pay tax but was it a barrier to Face Book to go to San Francisco and pall with the high taxes of California, no because there were other assets that were much more important. The tax is a background issue. For us, because we are concentrated on attraction tax for us becomes a big issue. We are not looking at how you create economic development in other ways and how is that tax used. So Berkeley, Stamford, that makes the San Francisco Bay area the same way that Harvard and MIT make Boston. Is it worth it to pay for the things they are paying for? Well Jerry Brown is not having an easy time out there. Schwarzenegger didn't do very well and he had a bigger deficit than Gray Davis. I would say the tax discussion has to be put in the context of how we are going to create economic development. The high value is start-ups. Now start-ups include a hair salon and a travel agent, but it also is Google and it is Face Book at the other end. We were never in that game. We ought to be thinking how to use UNCC and get in that game. We've got to relate those two things. I think it is too much concentration on attraction. For me we are just too concentrated on attraction, we are not focused on building an economic power. We are looking for someone else to come here whose already got started versus what is the dynamic. Bank of America was created by people here creating it. They didn't attract it here they went out and bought it and made it happen. So making things happen is extremely important to my point of view.

Councilmember Cooksey said regarding that New York 1933 slide, it is good to try to learn lessons from other people successfully, what other examples are there in that New York '33 vision so that there was a city or an area did have a vision, did build up to it and what they hoped happened. I can think of one North Carolina example, but I was wondering where people had a vision and knew where they wanted to go and they started and the infrastructure just didn't come to pass and what was the missing element that caused it not to come to pass.

Mr. Gallis said there is the Global Transpark in Asheville. All the plans they made in Asheville to make it a great city and that shopping kind of thing in downtown was supposed to have a 20 or 30 story tower on top of it but it only a 2-story building today because the economy collapsed and it couldn't go anywhere. In terms of alignment when did your investments align with what

the world is doing? The world is looking for efficient trade flows. The world is consolidating business, the world is becoming what we call a new economy, a high tech economy that is based on research and the higher education so you've got to look at where is the world going and are we aligned with that. When you are not aligned with where the world is going you spend a lot of money. I went to Flint, Michigan because I'd done the work in Rock Hill originally and they were looking at how industrial towns renew themselves. In Flint, Michigan they had a theme park called Auto World. Auto World in Flint, Michigan and I said what in the world is this. Well General Motors closed their plant and there was mass unemployment so they came back and said well, we'll build a theme park here. What in the world gave them the idea of a theme park? Now it was an empty auto plant and an empty theme park. You wonder the misallocation. Hickory, the guys up in Hickory building 321 as a freeway to Gastonia. I asked them what in the world are you building a freeway, almost \$100 million piece of transportation. I said why are you building it go Gastonia, and they said they wanted to go to Charlotte. I said why do you want to go through Gastonia to Charlotte, why don't you build Highway 16 if you want to go to Charlotte, why are you building 321? He said that is the way we always went. That is why Highway 16 is now being widened because if you go to Gastonia you don't even have a freeway interchange and now you drive up through truck traffic into Charlotte. I said where do you want to go in Charlotte? He said well, we want to go downtown, we want to go to the University, go to the Airport. These examples are all over the place and we've got plenty around here but it is stupid to waste that money, right. We've been very well and our investments have generally been well managed in the City of Charlotte and I think it is a great testimony to the kind of government we have established and have been able to maintain. The challenge now is the next generation. Businesses change leadership changes.

Ms. Riley said you have the slides in front of you. During the break write down the key learnings, takeaways that you want to remember from this.

**The meeting was recessed at 10:08 a.m. and reconvened at 10:21 a.m.**

Ms. Burch said we are moving to the next part of our program this morning which is called Creating a Foundation for Charlotte's Economic Health. In past times, past in town or retreats we've often got on a bus and went to various places around the city to see examples of some of the decisions and the outcomes of that decision that Council and past Councils have made. The Retreat Planning Committee this year decided rather doing that we would stay in the comfort of our chairs and in this room and take a virtual tour of the city. So we are going to be doing that here in the next few minutes. Debra Campbell, Danny Pleasants and Pat Mumford are going to be the tour guides, but before they start I want to give you a little brief overview of what this is about and the question we are going to pose to you at the conclusion of it.

We just heard from Michael about vision and strategy and leadership and how we can gain a competitive advantage in a global market place. It is exhilarating and sobering all at the same time to see who and what cities we are competing against. This virtual tour is going to highlight and celebrate some of the good things that are happening all over the city in all seven districts. Again, those good things are the result of decisions that this elected body and those before you have made. I think it is always important to step back and really think about those successes and those celebrations that we can pause and have those. Those things that have helped make this the high quality viable community that it is now. The tour is going to guide you through several points of interest in each of those seven districts. As part of that the District Councilmembers will be providing some recording commentary. You will hear that here momentarily for each of the districts and we thank you District Councilmembers for doing that and for taking time out of your busy schedule to do that. They will be talking in those comments about both opportunities and challenges in their respective geographic areas. After the recorded messages in this tour then Debra, Danny and Pat are going to continue it and again show how Council decisions have made a difference in each of those seven districts. At the end of the presentation, we want to pose to you the following question: What should we, the Mayor, the Council and City Staff do to build on these efforts and respond to future challenges? At that point we would really like to engage everyone and particularly our At-large Councilmembers along with District members to really come together around that question and have some robust conversation around it. As we take this virtual tour this morning and as we go through this presentation, continue to think about

what should we do to build on these efforts and respond to future challenges. With that I will turn it over to Debra who will begin the tour.

**Planning Director, Debra Campbell** said this is not like a Planning meeting. I don't usually get an applause. What we want to do is to really talk to you about some things that are happening from a District perspective, but we really don't want just for us to think about this from a District perspective. The districts, all seven of them make up a community and so we want to really start this discussion reminding ourselves what our vision is for our entire community and some of your corporate objectives. As you can see on the screen we've taken some editorial license with your Focus Area and corporate objectives in terms of Community Safety, Housing and Neighborhood Development, Environment, Transportation and Economic Development. Under Community Safety, Being America's Safest Community; Housing and Neighborhood – Communities of Choice; Environment – A National Leader; and we just heard that we are among the top ten communities in the country related to the tree canopy. Transportation – Premiere City for Intergrading Land Use and Transportation Choices; Economic Development – Being Prosperous a Livable City through Economic Quality Development. What you are going to hear from us is some information about a number of initiatives that as Julie said current Councils as well as former Council have made with regards to decisions related to capital investments, related to projects etc. The scope and scale of these projects are going to range from a simple façade, a grant, to multi-million dollar projects like Ballantyne and SouthPark, but each one of these investments have helped to advance a vision for that area and we think have truly strengthened the health and economic vitality of our entire community, so we will begin first with District 1.

Councilmember Kinsey (the first part of Ms. Kinsey's comments were not recorded) which was branded as a miracle mile back in the late 50's or early 60's before I knew what branding meant. Part of this district was ...in large part by believe it or not the Central Avenue Streetcar Line and it came ... the streetcar shopping center in Charlotte second only to the North Charlotte Shopping Center, which we know now as NoDa. First joining the area was the Long Grocery Store which was at the corner of Pecan and Central Avenue. A little bit later came Harris Food Store and the Harris Food Store became the Harris Teeter and moved to the corner of Plaza and Central in 1951. That old store has not been town down and a new one is being built and is supposed to open sometime in this spring. Also in the 1950's Reid Family took on the old dime store on Central Avenue and Family Dollar was born in that area. They only sold items that costs less than \$3.99. Of course we all know where Family Dollar has gone today. However the Levine Family, and you probably know Alvin, he is Pick and Pay; Leon is of course Family Dollar. Sherman Levine also opened a store on Central Avenue and it is called Sherman's and it is a credit store. A lot of kids from Myers Park and around came there to buy Bass Widgeons, Penny loafers, the round collared shirts and I had to save for a couple of three months to buy a pair of pants there. Also in the 1950's one of the huge old Victorian houses was torn down on Central and now another historically designated structure is in its place, the ... I grew up on the 1300 block of Central and while I passed all these buildings every school day for six years, going to Midwood Elementary. I remember when Fuel Plaza was actually a Pure Oil Station and we had at that time grocery stores ... A & P had gotten on board, ... Drug Store, the Plaza Theatre, Fox Hardware and Appliances, beauty salon, children's clothing store, ladies dress shop, variety and discount stores like the Family Dollar. We had our own Post Office, had several service stations. We even have our first Public Library Branch in Charlotte on the corner of Commonwealth and Thomas Avenue. Now of course is on the corner of The Plaza and Central. We had the Penguin where my daddy went to drink beer. We had the Family Restaurant and the Lutheran Church We had it all in the Central Avenue commercial district, the miracle mile which has been sustained over the years. In 1995 and 1996 the City put in \$1.5 million in street improvements, brick sidewalks and crosswalks. More recently, in fact just being wrapped up is the Commonwealth streetscape which is just being completed and thanks very much to Tom Lawson from Engineering who has seen that project to its completion and it is beautiful. We have PED Overlay Central Avenue and a grant for holiday lights along the tops of the buildings along Central Avenue and of course every year at Christmas time they have the tree lighting. I promise I will be inviting all of you to meet me on Central Avenue someday soon to do a little antique or boutique shopping, to have lunch in one of the new restaurants in the area or just soak in some of the atmosphere on this historic Miracle Mile.

Ms. Campbell said you just heard a wonderful and eloquent rendition of the history of the Plaza Central area and that is what I'm going to generally focus on in terms of the project for District I. You heard about the Miracle Mile and this area was a really, really historic commercial district, but there were also residential neighborhoods surrounding it like Sunnyside and Plaza/Midwood and Belmont and Chantilly. During the 1970's and 1980's those areas unfortunately experienced a lot of disinvestment and it also happened along the Plaza/Central Business Corridor as you heard from Ms. Kinsey. Looking at those neighborhoods, the city really decided if we really need to do something to reverse that decline. You can see here from this timeline that there has been a significant amount of investment and it starts literally from 1997 up until 2012. There have been investments that have ranged from a lot of policy decisions that were being done by adopted plans that Council acted upon, capital improvements. Ms. Kinsey mentioned about streetscape enhancements as well as PED overlay zoning and business investments. We are so fortunate and I'm fortunate as a Planning Director to really have the support of elected officials who truly I think believe in the power of a vision so planning has become a real fundamental underpinning of a strategic initiative for our city and I'm so proud of that. And that the community also believes in planning. In planning for and talking what should happen, how should we revitalize the Plaza/Central area, we started out with a vision. Again it started with a vision in 1987 of Plaza/Midwood being a pedestrian scale, pedestrian friendly, mixed use development area. Then you all adopted a number of other plans for other communities that surround the Plaza/Central District. What we saw and recognized is that the strength of the business corridor that abuts the residential area, there was a lot of synergy between the two and if the residential neighborhoods were to be healthy and successful, then the business corridor needed to be healthy and successful as well. A number of those plans also recommended a lot of capital improvements that will again help improve the physical appearance so the city literally led with some of its improvements in terms of streetscape enhancements, street lights, public art, changing the visual appearance of this area and this corridor. Another thing we think that we needed to give the community some confidence that literally the city was committed to this area and quite frankly cared about the area. You can see from some of the images that this is the business corridor improvements, some of the public art, but this picture is the image of a parking lot and it is at the corner of Thomas and Central. Having the first parking lot in the 1990's may not seem like a really big deal, but it was a big deal for this area because there was a tremendous need for additional parking and it has become increasingly a need as this area as evolved into one of Charlotte's most thriving entertainment districts. Here we see the Commonwealth Avenue Streetscape improvements, the project has recently been approved and completed and makes a linkage between the residential area and the business corridor. There have been a lot of improvements made in the surrounding communities through our Neighborhood and Public Improvement Program, which was Chantilly, Plaza/Midwood and investments in the Belmont Community.

One of my favorite subjects is zoning. We looked at the current zoning along Plaza/Central and it was really suburban in nature. Called for a lot of parking, called for buildings to be set back very far and if this was supposed to be a successful redevelopment initiative that could not happen with those standards. That is it could not happen in a way that the development would mirror and continue centrally the character that has already been established in the Plaza/Midwood area. The PED overlay allows for buildings to be set right back against the sidewalk in some areas and also to have additional enhancements and allow a Harris-Teeter as such to be built that would blend in with the existing character of the area. In terms of business development, revitalization projects, it takes a village, it takes not just public investment, but also private investments, neighborhoods, property owners, it takes a lot of people engaging and being engaged and committed in the process. The city started a number of loan programs, the business equity loan program, façade improvement program, which I will get to very shortly, to invest in and help provide the gap financing that a number of these business owners needed. You can see down below is the most recent investment and that is the International Cultural Center, the old Midwood School location. This was really important for us, not only to get the non-profits to locate together in this facility, but also to provide another option for public parking. Based on these two programs, the façade program and this is kind of some before and after and some of the business equity and the business corridor program there have been about \$700,000 invested from the City that has leveraged about \$6 million of private investment, and again you can see the before and after. We think about the results, why are we doing this? This area as evolved and you heard Michael Gallis talk about being able to preserve those really hip places for people

to come and that has a much broader economic strategy. We think we have done this in the Plaza/Central area, we don't want to say that things are completed or done. There is a lot more that needs to be done but we think we are making good progress. Just to give you an example of some of the progress, between 2003 and 2011 residential property values increased by 49% compared to 22% for the city as a whole. Non-residential values increased 85% compared to 50% for the city as a whole. We are not only making progress in terms of a visual change in the community and people's confidence in the area, but it is being seen in actual value. Lastly, just to again comment you all, current elected officials and past, for the types of decisions you've made from the perspective of your land use policy, your zoning, capital improvements as well as your economic development and loan programs. With that I will conclude with District I and turn it over to Pat for District 2.

**Neighborhood and Business Services Director, Pat Mumford** said here comes your dose of enthusiasm for the morning and I don't mean me.

Councilmember James Mitchell, District 2 – Mosaic Village is a prime example of public and private partnership among Johnson C. Smith University, the Griffith Brothers, and the City of Charlotte. This new development will begin transformation for the West Trade Street/Beatties Ford Road Corridor. I am so glad the City Council agreed with me to provide some gap financing to make this a reality. Now we have 77 units for students to reside here. We have over 16,000 square feet of retail, this is a prime example of the synergy between a university, the community and development in the City of Charlotte. This little place out here is where people will gather to talk about other unique opportunities that can occur in the corridor. Mosaic Village is the beginning of a bright future of the West Trade Street/Beatties Ford Road Corridor.

Mr. Mumford said I want to start first with acknowledging one of my Neighborhood and Business Services colleagues, Justine Gozola who under extreme pressure about 30 minutes ago resolved the volume issue. You are seeing a little bit of a different presentation today, there is some technology we introduced not too many days ago to do this and Justine has been a real driver on that and has done a fabulous job of pulling it together so thank you for your help.

The area that James described in this District has so much rich history in it. What I want to do is touch on a little bit of what Debra did and what Michael Gallis said that revitalization is so critical in the broad scheme of things. Revitalization of neighborhoods and commercial corridors for a thriving city. What is interesting is we talk about revitalization because neighborhoods and corridors have gone down from where they once were and they didn't go down rapidly. It is incremental and it takes time. The lesson there is that it takes time to bring things back up again. City building is organic and I know in Charlotte we like to wave a magic wand and makes things all better all of a sudden, but you are going to see that it is a mixture of slow growth, big projects and partnerships. You are going to hear that a lot and certainly this corridor is really big on that.

The first item here and this is the Five Points, sort of the main, the Trade and Tryon of this area. What you see is the gateway there to the main gate for Johnson C. Smith University. While there has been an awful lot of effort and planning in this corridor since it was by Council in 2007 made a priority corridor, I think really of late it has been a push by the University to getting engaged and to be really that impetus to move things forward. They have been a great partner for the City and they have allowed the historic neighborhoods around there to really band together. Basic infrastructure we see all over the city. You all approved this on a regular basis. It is important to maintain our infrastructure, but it is also important to understand the benefit that this gives to an area that has been in decline for a while. It does give you a sense of place, it shows that there is concern for the pedestrian, concern for the commercial development, access is important, pedestrian activity is important. It is not all about cars, so while we may think on any given night that when you approve something oh, that was just \$10 million for some sidewalks and roads. Really has a phenomenal difference in the appeal and the feel of a neighborhood and certainly that has been the case in this corridor.

The neighborhoods in this area came together and they really wanted to brand who they were. They wanted to emphasize the history of this area, they wanted to be known as something other than just some neighborhood off of Beatties Ford Road or West Trade Street. The city was able to help with that but this was really driven by the neighborhoods, having that sense of identity of



who they wanted to be. It has really allowed neighborhoods from Wesley Heights all the way out past I-85 to come together and know each other better and build a sense of community. Mr. Mitchell talked about Mosaic and you all know about Mosaic and it is a great example of a really big project that can be a driver in a corridor, but we are struggling to fill the retail space. So it really isn't always about the building. We will get there, it is about understanding the economic dynamics of mass and need and putting in place those things that are required to support services in the neighborhoods, but what a phenomenal difference that makes and what a message it sends to the market that this is real. This isn't just floundering, there is a reality here that has come from the vision of the public sector, the private sector and the University. The example of the under the bridge work along West Trade Street, it is a unique partnership of Arts and Science Council, City, State and University, but that bridge, while it was great up top for flow of traffic, it really served as a barrier. Maybe not technically a physical barrier, but in an emotional barrier and it is difficult to walk under that in the day time let alone at night and not have a strange feeling as you are under there. This is a great way to really take that work of those partnership on West Trade, bring that forward, connect to now the uptown activity. It makes it a part of the whole which has been so important. It has been such a blockade to that for so many years.

These last slides, I thought it would be important to show the market sees what is happening here. These are some pictures of some houses, either new houses or renovated houses in Smallwood and Biddleville, that area between Rozzells Ferry, West Trade Street and Beatties Ford Road. This tells us that people are gaining confidence in that corridor and when we see that happen, we know that we are going to have more disposable income in the neighborhood. That is going to be a sign to retailers to say okay, we can make it. It all builds on itself, but it had to start with basic infrastructure, neighborhoods caring about themselves, the University being a leader in that area. It is phenomenal to see the amount of residential work going on even in this time of economic decline. People are putting a lot of money into those homes and it is great to see.

Ms. Campbell said we will now go to District 3 and we will start with Ms. Mayfield.

Councilmember Mayfield, District 3 – Over the next decade Charlotte's west side has become the new frontier for development, both redevelopment and green field development. It is returning in the area. There are several projects and development areas that have had or will have an especially positive impact on District 3. As these projects continue to unfold a new west side or as I like to the other Westside is beginning to emerge. The \$90 million Norfolk/Southern Intermodal facility under construction not only will seamless link air, road and rail transport, it will connect the ports on the east coast, Jacksonville, Savannah, Charleston and Norfolk. This facility is being constructed between two runways at Charlotte Douglas International Airport and it is being paid for by Norfolk/Southern Corporation. When it is completed in late 2014, it will replace the existing 40-acre intermodal facility on North Tryon Street. Once in operation the facility is expected to spin off numerous distribution jobs in District 3 and the surrounding area.

Our SouthEnd, up until the 1990s SouthEnd was a challenged area dominated by small and struggling industrial uses. In the mid 90's new public investment, including the Charlotte Trolley and later light rail spurred new development and redevelopment. The neighborhood has made a dramatic comeback. SouthEnd is now one of Charlotte's most desirable neighborhoods, especially for young professionals. More than \$750 million in new private development including over 3,500 new residential units have been built since 2005, with another 2,000 units currently under construction.

Our Tanger Outlet development, the proposed Tanger Outlet is part of 82-acre development located on the west side of I-485. The overall development will have over half a million square feet of commercial development. The proposed development will result in perhaps the most unique outlet mall shopping experience on the west side of Charlotte. The Ayrley development located on the south side of I-485 and South Tryon Street. This 129-acre project which was started about 10 years ago includes office, retail, a theatre and residential. The Rivergate development is found at the intersection of South Tryon Street and Steele Creek Road. Development of this project began around 2000. It is a larger and less dense development with a total acreage of 525 acres. In addition to office and retail the development includes Steele Creek

Branch Library, Southwest Middle School and Carolinas Medical Center at Steele Creek. When fully developed this project will also include almost 1,800 housing units.

Ms. Campbell said I'm going to really focus a little bit on each one of the projects that Ms. Mayfield talked about and as you can see these projects are spread all around District 3, but for the most part these are major centers. These being mixed use centers as well as the South Transit Corridor, SouthEnd, the Airport being an employment and this is a proposed commercial center. What you see also is that District 3 is changing for the most part, and Mr. Cooksey was talking about this earlier with me that the majority of the industrial zoning and uses in Charlotte and in our county are located in generally the west side and a significant portion of it is located in District 3. We are seeing some changes and we think that District 3 will always remain as kind of the blue collar industrial base for our community, but there are additional things that are happening in this area here which shows where Rivergate is, where it was from 1966 and here it is now in terms of 2012 and you can see rural pasture area and now an emerging and kind of urban center that have been really strategically located.

The first one she talked about in terms of Rivergate was actually our first planned mixed use center for the west side. We literally did a plan in 1992 that elected officials adopted that planned for this area. There was a proposal in the 2005 Plan that called for development enterprise areas and Rivergate was the result of that planning initiative. If you literally look at the Plan and look at the development it almost mirrors what was in the Plan so this was a time where the Plan literally led and the resulting development happened almost exactly as planned. You can see some of the types of development, residential, commercial and the quality of that development.

The next one is Ayrley which is again another mixed use area. Believe it or not, even though we entitled Rivergate in 1998, did the plan in 1992, Ayrley was actually developed before Rivergate in 2003. Again having the mixture of uses and this was an instance where the Plan did not anticipate another major mixed use center, but because of the vision that the private sector had and the belief that this could be a successful mixed use area, the Council approved and staff supported the rezoning for this development and I don't think any of us are disappointed in terms of the development.

The proposed development of the Tanger Outlet is not necessarily about a land use consistency issue. It is more about how well is it designed. When we met with folks from the Tanger Outlet owners, when they were interested in coming to Charlotte, the first question I asked was why here? Why this specific location, not why Charlotte. I know why Charlotte, but why this specific location and what they said was actually access. With the construction of I-485, the improvements that the City and the State have done with Steele Creek and Dixie River, this area is just becoming more accessible. We are fortunate that we have adopted plans that say where these types of major facilities can go and additional infrastructure is also needed, but that is a conversation for another day. The issue we have is Tanger is not about land use consistency. It is about design. We truly think and this will be a rezoning that you will be discussing this month. We are going to talk about design and how we were able to work with these developers to really achieve the high quality that we think the west side and the lower Steele Creek area and Dixie Berryhill area deserves.

The Intermodal Facility, I think you all have heard quite a bit about the impact of this development. What I think is pretty unique or probably innovative is actually the location of the facility being between two runways which doesn't create a lot of disruption for development around it, but I also think it is innovative and unique in terms of the impact that it would have. There are very few projects in our community that is going to have an estimated \$9 billion economic impact.

Last but not least is the SouthEnd area. SouthEnd has gone through lots of iterations and rebirths and reinventing itself. It is one of the areas where we can truly say it has outperformed our expectations. I think it has done that because of the commitment of the City, the State and the Federal Government in light rail. There has been no other I think important transformative type of investment in this community than light rail. It has provided a number of different opportunities for different lifestyles, different types of development and with your additional  
mpl

investment in what we called South Corridor Infrastructure Improvements to open up that area, to make it more accessible for the neighborhoods that surround the SouthEnd, we think this anticipated \$1.4 billion investment in terms of economic return will make SouthEnd just the next place to be. We also think that even though it has outperformed our expectations and even though it is a really, really good place to develop, live and own a business, we think there is room for improvement and we are working with people in the SouthEnd area to look at some of the development regulations to see if we can have another rebirth of SouthEnd and bring it from good to great. With that I will turn it over to Danny.

**Transportation Director, Danny Pleasant** said the next step on our tour today is going to be District 4.

Councilmember Barnes. District 4 Representative – The improvements and investments that the city and state have made in the Prosperity Village area have been very much important to the long-term economic development and viability of the area. Back in the 1990's the community came together with bold leaderships to determine how they wanted to see that area developed and as a result the plan for the interchange at Prosperity Church Road and I-485 is a fairly innovative interchange system that will allow us to develop parcels of land for small retail uses or have small residential uses, but it will create a community atmosphere and lend itself to both a healthy environment as well as an attractive environment because it will provide for retail uses and greater road connectivity to allow people to get from point A to point B and hopefully result in the community atmosphere that is conducive to economic development, to the enjoyment of the area of good environment and high quality of living. My hope is that as we continue to work towards the completion of I-485 through that area that the leadership of the City will continue to be very much dedicated to making sure that the things that the community be expected to see in that do in fact exists. We don't want to allow large commercial boxes to develop for innovation of multifamily development. The community was very specific about what it wanted and hoped to see and it is our job to make sure that happens. Right now we have a very attractive community in that area and I think we can take advantage of what is already there and enhance it to make it a more attractive and viable area in northeast Charlotte.

Mr. Pleasant said you are certainly getting a theme out of this session that good planning, intentionality of purpose, moving ahead results in great things for our city and isn't it great to be in the position that you are in and that I am to build a city, and that is what we are doing each and every day when we go to work. The Prosperity Village Plan was adopted in 1995 with the South District Plan. Our of the plan it recognized that a unique opportunity is at hand to create a mixed use community that is sensitive to the natural environment, connected to a network of pedestrian oriented streets and open spaces designed for people, whether they are driving through, walking to a nearby store or riding their bicycle to a park. An urban village instead of a typical highway interchange type of environment and that is a big statement responding to the notion there an interstate highway would be going through that area. Instead of building what you might find as a typical interchange like you see on the left hand side of the image, there a diamond over/under a big interstate facility. The idea was to split that diamond apart, create what we call a split diamond interchange with frontage roads along there and a network of streets branching off of that smaller streets, but a robust network that would set a platform for creating this village center that was envisioned back in the 1990's. A 13-year, 14-year, 15-year old vision of good planning and good intentionality that is now coming to reality as NC-DOT goes about the business of building the interstate through that area. One option of note there is if you look at the map around the development, we were able to set aside development apart from where the highway went so when the highway came in we weren't relocating families, we weren't disrupting businesses, that corridor was clean and open to that. That was a part of again intentionality, planning moving ahead with the projects and with the land use at the same time. Now it is up to the city and the private development that comes into this area to build upon that plan and the street system that goes to support that transportation network that includes those thoroughfares, those two-lane streets, even greenways and the County's responsibility for greenways to weave that into this area to create that finer granular network of the infrastructure to create that walkable village center.

Back in the 1990's we had a lot of public input on what this village needed to be and again in the current times we are engaged in the Prosperity/Hucks Area Plan through the Planning  
mpl

Department and it is also reaching out to the residents and to the neighbors. Once again they have told us unconditionally, without restraint that they want that walkable village full of mixed uses, a place where the neighborhood can gather, a place where there can be nightlife, there can be shopping, there can be cultural activities in that. I find compelling this image from the 1990's plans they really sketched out what that vision should look like when it gets built and it gives us a great idea of that village center concept. You can see there is a connective street system and open space network to encourage bicycling and walking, there is some natural landscape that is retained in composite of undeveloped land connected to an open space network, maybe a trail system through there, retail, office and residential development just within blocks of each other with more traditional city block type structure or town block structure. A village square you can see right in the middle of composition the green spot is that sort of community gathering place and open space. The buildings would be designed to pedestrian scale, oriented to the street. The taller office buildings you can see in the distance of this rendering would be closer to the interstate where the shorter buildings would be closer to the neighborhoods. You can see that there is office built in there, some residential built in there and the idea is to create those great walking streets. We believe that every increment of development from here on out and really even from 8 to 10 years ago into the future is either going to move us toward this vision or move us way from that vision.

Some of the things we've seen happen in there have upheld that vision. Some of the things maybe have departed from it a bit when you get more of the standard grocery store with the big parking lot out front. Each time we come in and look at this as a staff, I'm sure we will be talking about how to maintain continuity with that village, the atmosphere that was envisioned back then and the residents there still want today and how we can move this vision forward into the future. This is a great image that was taken recently of the construction of I-485. You can see very clearly in the front of the image, but if you look toward the top of the image you can start to see how village center is already starting to reveal itself and develop in that area. You are starting to see more attention drawn to this area because of the infrastructure, more investment, more development will be coming. We believe this may be the next hot growth area within our City. We are going to be under a lot of demands here to look at that and to make sure it continues to development in the way. We think we've got a great opportunity to move this Prosperity Village forward into the next few years.

Mr. Mumford said the next is District 5 and we will hear from Mr. Autry.

Councilmember Autry, District 5 Representative – District 5 is a District in transition with lots of assets and many challenges, but I try to see those challenges as opportunities. As I have traveled around and listened to the community three themes have emerged. Public Safety seems to be everything. Residents across our community want to feel safe and District 5 is certainly no exception. A safe environment means positive, social and economic activity which is focused on and engaging the community in public safety ... Citizens Advisory Councils and education to collectively insure the area is safe. People desire a variety of goods and services close to home. Law firms must adequately reflect the uniqueness of the east side along with the basic services found in all areas of our community. Small business growth is paramount to our healthy economy and we want to make public investments to leverage any and all activity. Lastly, we must continue to invest in our transportation infrastructure in order to pace growth, increase congestion and the lack of transportation options will not serve us well in the future. We need to maintain our current offerings and insure future improvements, including mass transit, walkable areas and bike lanes as visible options to cars. We will revitalize the Albemarle/Central Corridor by partnering with residents, business owners, non-profits and government entities and together we can make this corridor a destination.

Mr. Mumford said as I listened to Mr. Autry's audio and I see all the images I'm reminded that while I acknowledged Justine, Wendy Bing did an awful lot of work coordinating this for you all, sometimes repeatedly, right John. It is interesting when we listened to Mr. Autry talk about the safety issues, the commercial and retail variety needs that we have in this area as well as throughout the community and the mobility, that speaks to the basis of the 2001 Strategy Plan for this area. What is really interesting in this part of town is there is such a solid housing stock out in that area and we can use that as a real asset to build on it. Clearly, the commercial component needs some support and what we are going to go through are some project based slides that I  
mpl

think you will see will speak to those three things. The importance of all of these seemingly district projects is to know that they all work together. This really is a system. Much like I described in District 2, each of these small projects together builds on each other and produces real viable area.

I will start with really directly Transportation clearly, the Council has supported that in this area with the Transit Center out at Eastland, purchasing that not long ago, making sure that is maintained for the one of the strongest ridership routes that we have. Regarding streetscape, I want to continue on the same line of conversation with Transportation. We think about transportation and our community's mass transit a lot because we put so much emphasis on that and it does move a lot of people, but as we urbanize as a community we need to continue to think of transportation as cycling, walking, those types and forms that most people don't think of. Again a streetscape change here, taking it all the way from completing the Central Avenue Streetscape from Sharon Amity all the way up to Albemarle really makes long connections safer for people. If you go out there today you see on one side of the street it is not a safe place to walk and this will help folks. It also changes the face of the environment and the face of those neighborhoods so people feel that it is better. They sense that it is better and it is sort of that broken window syndrome, if you fix the broken window people make you think it is better and it is. This is the last piece of a lot of different slugs of money over a long period of time to help Central Avenue come together and we are going to see that all the way into downtown, all the way out to Albemarle Road, now we have some consistency and that is extremely helpful for retail people to see that. We talk about public safety and everybody is really proud of the new fire station. It is a wonderful building, it sits right up on the street, now it is connected to that infrastructure improvement and it really is a point of pride for that neighborhood and it should be. Public facilities have the ability to do that. It is designed nicely and built well and retailers also see that that is a sign that the city is committed to this part of town and they know it is not being abandoned. While there are some issues they see that there is support.

Four Seasons, I don't know if everybody knows where that is, but it is Farm Pond and Albemarle. That is really a gateway to that neighborhood and a lot of these infrastructure products really allow neighborhoods to have entries to their area. This is a shopping center where the owner came to the city and said we want to redo our façade. We want to fix the parking lot, we want to make it safer. I would suggest to you that that was driven a lot by another private development which was a McDonald's at the corner that was redone. When one building is redone or one part of an area is redone, it really highlights the discrepancy and deficiency in some of the other parts. So you all partnered with this developer through a façade grant and I don't know if you have been out there lately, but it really has changed the look of it. It feels better, connected with the McDonald's. They also have some cameras in place, both C-DOT and CMPD cameras. As I understand it the most recent unfortunate murder out there at Farm Pond, we're able to use those cameras to track the vehicles coming out of that neighborhood. So all of this works together. You might look at this as just an economic development project but it really is a security project, economic development and a sense of sort of pride for that neighborhood.

We've talked an awful lot about this site, but for so long, a couple of decades, clearly Eastland Mall was the defining element for this part of town. With the decline and ultimate closure of the retail there I think what has happened, there is a lot of uncertainty in that commercial market. There is also some uncertainty in the neighborhoods. Again, really strong stock houses in those neighborhoods, a lot of opportunity to build on that so ultimately whatever this becomes we know that we need to address the connectivity to neighborhoods. I'm not talking about vehicular, but pedestrian, allow those neighborhoods to be a part of the development, whatever it becomes and make sure that these 80 acres enhance what is there and complete the picture. Remember a lot of small projects coming together and this is one that hopefully will knit that all together and bring some certainty and pride back to this area. Over the years you all have done a great job of sticking to the plan that was adopted in 2001 and making sure that all of these seemingly different investments do make senses in the aggregate.

Mr. Pleasant said welcome to District 6, your next stop on our tour today.

Councilmember Dulin, District 6 Representative – Good afternoon City Councilmembers, Mayor, and staff. Thank you for taking a couple moments to listen to a project that I'm very proud of in District 6 and quite frankly I had to think long and hard because we've got great steps forward in SouthPark, great steps forward down on South Boulevard Corridor, Pine Valley is a neighborhood I'm very proud of, the work that we are doing out Monroe Road and Stone Haven and some railroad crossings have been not only encouraging and fun for me to work on, but I think very good steps forward for those neighborhoods. The purpose of this two minute today I would like to discuss something I'm super proud of and I've been working on it now for the last 7 years, ever since I got elected in 2005. That would be the Briar Creek Sewer Relief Project. As many of you know that project has started sending a sewer project on Tyvola Road and we are working the project up stream, up Briar Creek. It has now left District 6 and is in District 1 with Patsy Kinsey, and is on its way to Michael Barnes in District 4. It consist of a 72 inch pipe and it is one of those projects that we see every day and we understand how folks can get upset when their backyard and their way of life is disrupted, but we are good about digging a big hole and putting a pipe in and are very good about fixing things back. I'm very proud of the Briar Creek Relief Sewer Project and I know you will be also.

Mr. Pleasant said I will have to remind Mr. Dulin that I'm the only tour guide that lives in your District. Andy reminds me that often times the infrastructure that you see only tells you part of the story and there is a tremendous amount of infrastructure that is underground that you don't see, that our city is built upon and we couldn't have a city without that infrastructure so that is every bit as important as it is there. I don't like it when it collapses because it takes my street with it when it does that. We want to take very, very good care of that infrastructure right Barry?

This is obviously the District and I want to talk a little bit about SouthPark. That is a pretty obvious thing to talk about but let's start with how you are supposed to really build a mall. This is an aerial photograph of Concord Mills and this follows all the rules of mall building. It is a big mall, about 1.4 million square feet, it is on an interstate, it is on a big honking arterial road that is there. It has what we call a ring road around it that circles the mall. Within that ring road sometimes mall developers call that the egg of the mall. It is surrounded by out parcels, drive-in restaurants and stores, a few apartments and some houses around, so that is how you are supposed to build a mall. Well, SouthPark didn't necessarily follow those rules. Yes, there is a mall building, back in 1975 that was coming out of the ground. One of the ways they broke the rules they didn't build this on an interstate, they didn't even build it on a state highway. These are all city streets and embedded within neighborhoods that were emerging at the time in that area. It is certainly like malls with parking all around, but if you will look at tis parking lot it has a strange characteristic. You can almost start to see that gridded street network in there. Some of these streets actually go under the building and create what might look like sort of blocks. In 1975 there was a fairly remarkable thought when the rest of the world was going away from a more urban type environment, SouthPark was placing itself more or less within that, even though it was at the edge of the city at the time. It was built on farmland.

In 1990 you can start to see things fill in. You start to see the beginnings of the Morrocroft Area in there as well, then more recently in 2012 you can see that it is really developed into an urban center, almost a city within itself that is now filling in with residential, it is filling in with office and commercial, and it has really become the mixed use center and is part of the city's centers, corridors and wedges growth strategy. It is one of the key centers in the south part of the city. SouthPark was part of that theme of good planning leads to great results. The SouthPark Plan was adopted in 2000 and among those recommendation was the support of transition of SouthPark Mall into a mixed use center, developed with conceptual street grid to accommodate bicyclists, pedestrians, and transit users. As you can see that really is happening. The changes over the past decade really reflect that transition to a mixed use center as described in centers, corridors and wedges in the area plan in that area including a mixture of residential land uses that are right in the center itself. This is probably the highest rent apartment complex in all the city and it is pretty remarkable how this has turned out. Bicycle and pedestrian planning have been a key part of looking at the next generation and the future of SouthPark Mall. That is helping it become a more walkable center. We conducted a study year before last to identify some products that we could implement in SouthPark and we go in and retrofit and recreate intersections that while they are still wide and still very busy, and sometimes seem a little

intimidating we've gone in and applied some treatments that include better crosswalks, pedestrian refuse islands, greening up the corridors to make it a more walkable community.

SouthPark is really known for a high quality of architecture and a high quality of finishes provided by the private sector. The improvements like the Fairview Road include pedestrian refuse island, Colony Road bike lane and the striping that we did there creates a key connection. I remember when I first came here and I found out we were getting ready to resurface Colony Road I said why don't we look at this a little bit differently and change it up some and maybe do what we call a road diet at the time and so we created that new striping plan on Colony Road. Some people say why did you take a lane away and I said well, I didn't actually, it went from a four-lane road to a five-lane road, it is just that two of the lanes are really skinny. It works just fine so that gave us sort of a pioneering opportunity to look at that road diet treatment.

Piedmont Rowe provides a really good example of high quality, higher density mixed used developments within an activity center. It creates an attractive, very livable neighborhood, but also adds value and a return on investment for the public. It is sort of a livable density model that we believe is very appropriate for these kinds of centers and maybe along our corridors. It is really a kind of model sustainability that as Charlotte continues to redevelop and infill so we pose a question on this one as we pose on all of them. As this area develops and this is what SouthPark looked like when it was still a farm and how it looks today. What kind of lessons does that tell us as we evolve? This comparison, it was kind of interesting because it was cited as part of a model for Ballantyne when Ballantyne was being conceived. Some images were taken from the first ten years of Ballantyne Corporate Park. It really poses the question, is this the kind of model or can we learn lessons from how this works within SouthPark.

Mr. Pleasant said the next is District 7.

Councilmember Warren Cooksey, District 7 Representative – Any discussion on the growth of Charlotte of course has to take into account the tremendous growth in South Charlotte in general and District 7 particularly. When I ran in 2007 I joked that most of the District that I was running to represent wasn't even in Charlotte when I arrived in late 1995. This continued growth has been however, to the benefit of the city's general fund, not to its expense. The explosive growth that occurs in examples such as Ballantyne West which in 2000 had a population of about 580 people and now it is home to over 11,000 in one nucleus physical area. However, in spite of all of this growth the pressure on the city infrastructure has not been terribly tremendous if you look at the fact that in the past 15 years or so the \$1 billion nearly in general obligation bond projects approved by voters at most \$64 million has been used for District 7 and to this day has not been in 15 years a general obligation bond project by name completed in the District. Again it is an area with great growth, low crime, a lot of families and a lot of jobs, but an area that creates a great deal of demand for special services from the city. Police do an excellent job of keeping the crime low, fire fighters in the area protect us from the occasional fires and from time to time there have been a few city investments, but again on the whole when you are looking at a million dollar a year operation in east Charlotte and being several billion dollars in debt that we could have for infrastructure, you don't see a lot of it in District 7.

Mr. Pleasant said I want to focus this stop on the tour on the Ballantyne area and talk a little bit about it is an incredible rise over the last 15 or so years from a field, a farm, actually hardwood grove just 15 years ago. Because of infrastructure that was built by the State Department of Transportation, I-485, 521 and Ballantyne Commons Parkway, it really set the stage that allowed Ballantyne to actually happen and to be built on this 2000 acres of hardwood that was there. This was a rare opportunity for our city to have a large 2000 acre tract of land that could be master planned into a large development. There are really are very few examples of this around our region. Before I came to Charlotte I lived in Florida and Florida is pretty common to have thousands of acres of tract that can be master planned under one development under one private sector vision to create these complete communities in that area, it is pretty common, but here it is not so common and it is really how we have inherited land and assemblies of land with small farms and small parcels, but this allowed that opportunity to create a large master plan community. Others in the area like Highland Creek or the Palisades provided a similar opportunity, but really nothing of this scale and magnitude. Ballantyne is nearly built out now and it is beginning to build up instead of out as is happening in many parts of our city. It is hard

to believe sometimes and hard to remember that there was no Ballantyne as Mr. Cooksey said just a few years ago so it is very young in our history as a city. There was a public vision for it, even back in the early 1990's when the South District Plan was approved. It recognized that the potential for development opportunities along I-485 that I-485 would create and recommended a regional mixed use center where Ballantyne ultimately developed. That was the plan and that was the vision for it back then. In many cases the private sector vision can actually be even more compelling and more exciting than the public sector vision and I think this is the case in Ballantyne. The vision for Ballantyne when it started was sort of an audacious 5,000 million square feet of office space. That was huge thinking at the time, 4,600 residential units, a half million square feet of retail, 1,000 hotel rooms, two public schools sites were set aside and then this network of bike paths and sidewalks and parks built into that overall environment and then environmentally supported open storm drainage area with retention ponds and those sorts of things that we didn't see a lot of at the time, but Ballantyne brought that kind of design vernacular to our community.

Any big development requires big infrastructure and that is what Ballantyne lives off of, large investments by the State Department of Transportation absolutely with encouragement and lobbying by the city to bring that infrastructure into play and we are still lobbying to bring infrastructure into play in that area. A lot of that infrastructure, as we mentioned before, is underground. There is 10 miles of water mains, there is 6 miles of storm drainage pipe, there is 5 miles of sewer pipe underground that you don't see in addition to the 14 miles of sidewalk, the streets and the curb and gutter. Like new development and like any development in our history, quite honestly, most of the infrastructure was built by the private sector, most of the streets were built by the private sector, turned over to the public sector to take care of that ongoing maintenance and operation of those assets which we do today. Fortunately it is newer infrastructure, it has only been there for a little while so it hasn't demanded of us that kind of total reconstruction that many parts of the city do demand of us, however we are getting into the cycle now of resurfacing streets and renovating some of the water and sewer and that sort of thing, but we are fortunate to have this brand new relatively new infrastructure here within our city.

Ballantyne really emerged out of the best of 20<sup>th</sup> century planning and development. It emerged more as a multiuse area rather than a mixed use and that is sort of planner talk for saying it is still more automobile oriented, it is sort of pulled apart so that you have office development in one quadrant, retail in other quadrants, the hotel and that sort of thing in other quadrants. It was really not envisioned as a great walkable community at the time as we think about things today, but it is still very high end, very high quality, very well done, particularly within the context that it was built. As Ballantyne grows and develops it challenges us I think to think of it as a 21<sup>st</sup> century place and how will it evolve to continue to be very successful into our future and have that sort of long term growth trajectory that we've seen in the past. It has presented demands on infrastructure including the need for both capacity in multimodal projects. Out there the city funded Johnston Road and you may remember if you've been around for a while, opening about 10 or 11 years ago at the time it was the longest bridge that the city had ever built between I-485 up to NC-51 and we were able to open that shortly after I got here. I was able to go to that ribbon cutting and enjoyed that. We've worked on Johnston Road, Ballantyne Commons Parkway along the way and you will remember two years ago Bissell came to the city and agreed to partner to build the Community House Bridge over I-485 and some other infrastructure and the city would reimburse over time. Community House Road kind of offers us an opportunity and this is sort of an example of a plan set that we completed not too long ago for Community House Road to rebuild that facility. In the Ballantyne area and in District 7 like many parts of the city, we have this network of what we called farm to market roads, roads that were sort of left over from our rural past and as the city develops over time we will be converting those back into more urban type roads. You can start to see there as development occurred, you start to see the sidewalk come in, the curb and gutter set back a little bit, setting up a pattern for doing those farm to market roads conversions. It will be up to the city to kind of build those links and fill those gaps in roads like Community House. Then eventually they turn into roads like Ballantyne Commons Parkway where it was built one way and we went back in on one of our resurfacing projects not too long ago and restriped and were able to pull a bike lane out of that, but good sidewalks, good planting strips, medians really sets up a nice streetscape and we are looking to



do more of that kind of work in the Ballantyne area and throughout this fast growing part of the city

In our more immediate future we have, as we mentioned before, the explosive growth in the Ballantyne area and the south part of Charlotte has really accelerated the need to build new infrastructure. This is probably one of the most congested piece of road, or I'm sure it is one of the most congested pieces of road we have in the whole region, mainly because of the great residential development here and the great employment centers that are in Ms. Mayfield's District that we talked about a few minutes ago. It has really overwhelmed the infrastructure we have in that place so NC-DOT with our urging and our collaboration and support has now funded a 9.2 mile improvement and a widening from I-77 to Rea Road. Other improvements will be a fly over bridge at Johnston Road onto I-485 to help relieve some of the back-up on 521 and reorient some of the turning movements in that area. We'll have auxiliary lanes planned in there too between US 521 and NC-51 and that will be about \$100 million that is about to be spent in this area, starting construction I believe later this year or early next year. The question becomes based on Ballantyne's great success in the past how will it transition from a high quality 20<sup>th</sup> century development into a 21<sup>st</sup> century life style center for the city.

We hope that you have enjoyed your tour. It has been a pleasure being your tour guide, speaking on behalf of Debra, Pat and myself and we hope you enjoyed it as much as we did pulling up from our regular every day work that we do, solving problems to really remember what a great city we have and what a pleasure it is to help build that city.

Ms. Riley said I'd like for all of you to stand up for a second please. Shake your arms and your legs and do whatever it takes for you to move the blood around a little bit because you've been sitting for a while. We have about 20 minutes to engage the question that Julie put up when we started. It is this, what should we, Mayor, Council, Staff do to build on these efforts and respond to future challenges?

Mr. Barnes said I wanted to talk about two things. Unfortunately she left but I wanted to talk about Patsy's virgin pens and where I can get three of those for my kids, also and this is on the list of be honest and something opened over on the tarp there, but as I recall in our budget materials from last year Mr. Cooksey referenced the fact that there had been no named bond projects in District 7 but I think over the last 20 years we've spent \$425 million on infrastructure in your District. I know a lot of the secessionist are using that argument to figure out how to get away from Charlotte, but we have in fact been spending money in that part of the city. From my perspective, and I don't know if you wanted to ask the question to kind of get to that question, but the work that we've put into Charlotte since I've been on the Council since 2005, has led us to a lot of the improvements that we've seen throughout the city and there are obviously a lot more that we want to take advantage of and I think clearly I see an outstanding issue and I hope we will have some conversation around that during the day, but it is important for me to make sure that we are trying to leverage all our resources and all our opportunities that present themselves in such a way as to accomplish all the goals of the CIP and I think we can do that, but it is going to take a bit more sweat probably on our part.

Ms. Riley said the staff is taking notes and this will be in the record so you will have it, but I also want to have the visible sense of what some of the things are that you are raising so for you Michael you talked about leveraging. You had a lot of information come at your about your Districts and I want to also encourage those at-large Councilmembers who don't get the opportunity to speak on their districts, but Charlotte at large, so let's hear from you too in terms of how you can build on what has already been done.

Mr. Dulin said I think we saw from the tour that all sections of this community has got somebody working in there, somebody watching it, somebody planning something. We hear of some areas being left out but we are not omitting particular areas from our future.

Ms. Mayfield said when I look at the question as far as building on efforts and responding to future challenges, what I saw particularly in all of the video was the fact that we did move, not from the space of fear, but from a space of courageous thought and almost outrageous thought when it came to how we were looking to develop the city. It seems right now that

mpl

courageousness and outrageousness isn't necessarily there to continue to push forward with growth. When we look at that side by side or look at the timeline from 1966 to 2013, we have great opportunity but for me it feels like we are at this stalemate of some type of fear to keep it forward so I think it will be interesting if we started looking at it more broadly and looking at maybe the closest districts starting to build some partner collaboration work and looking at how to benefit both so even though we clearly have districts, how to start doing more collaborative work together and what that could mean for the entire city opposed to just focusing on this is my district, this is what I'm concerned about, especially when we have so many areas where literally down one street it is one district and the other side is another district, how can we really start looking at the bigger picture and creating a design helped to be led by us opposed to us waiting for the imaginary business community to step in. How can we start leading the conversations and then when the community comes in how can we collaborate together in order to create what we've already seen that we can do.

Councilmember Cannon said I think a lot of it depends on supporting what is already there. I think you talked about moving forward to deal with some of those efforts. Also we saw in a lot of presentations having to do with what facades are doing for some of the areas. Inasmuch as we can be in a position to encourage businesses in and around those areas, I think Pat Mumford made mention of McDonald's and the way that it is restoring that area, that led to other development in the area but then beyond that some of the things we saw in Ms. Kinsey's District I think we really need to encourage more of the private business owners to take part in working with the city to help us create something. The other thing relative to District 2 we saw what is happening under the I-77 bridge and then you move a few slides later to see what basically happen to be an overpass at Johnson C. Smith University. It would be decent to probably have something like that in the way of imagery where that exist to bring about some sort of synergy for the area rather than what we see now which is sort of bland. They are doing great things in that area, but something like that I think just adds to and blends with the signage in the area that they got through the city so again supporting something to building upon that we saw the blue and gold be represented there. The other piece would be getting and we are dealing with this in economic development right now that Mr. Mitchell chairs, how do you make sure that your engage the private sector to be about leveraging these public/private ventures and then in the mist of trying to do that prioritize what can be done versus what can't be done right now. Inasmuch as I think a lot needs to be done, we still have to go back and find a way to bring about a Capital Improvement Plan that allows us and helps us to be able to get there, but can we do it all right now at 100% or should we be prioritizing to deal with the areas of growth as we have dealt with in the past to say here is where we are, we are going to benchmark. We still have to see how we can get there but there has to be a way to do it strategically.

Councilmember Pickering said I made notes particular with three individual districts that is not really a big overview to respond to questions, but just a couple things. District 1, there was one shot of some stores with cars parked in front of the stores and I am wondering how we can inject some more charm into those types of areas.

Ms. Kinsey said we just did it.

Mr. Cannon said she talking about the wrought-iron fence.

Ms. Pickering said I was just raising the question. Also do we have any information on the vacant church on Hawthorne? District 2, I agree with what you said, we need more partnership with the private sector and the ED Committee did talk about that the other day. I know they are working on it. Mosaic Village, great I love it but I'm frustrated by the fact that retail is struggling there and wondering why. Are students in Mosaic Village?

Mr. Mitchell said yes.

Ms. Pickering said why is that retail a problem there? I'm just raising a question. It goes back to your point, public/private partnership. District 3, SouthEnd clearly related to light rail, no question about it. Some of the neighbors have questions are there too many partners, are we over developing? Just a question. Pedestrian safety they are concerned about.

Mr. Autry said I certainly appreciate the Council's support on the façade improvements at Four Seasons Shopping Center but what I'm really struggling with is finding other private partners to do the same thing. I'd love to participate in something like that, but then you find out that the challenge of that owner, that operator of that facility is strapped so much because he is probably at 30%, 40%, 50% capacity and doesn't have the overhead capital to participate in such a grant program. It is a challenge for us to find better tenants and then increasing the diversity of the commercial options in the district. We are looking at a rezoning at Milton Road to add another Family Dollar Store which would be a 5<sup>th</sup> Family Dollar Store within a couple mile radius. It doesn't bode well for the image that we are trying to turn around up there.

Mr. Barnes said I would like to add something if I might to what John said. It would probably be helpful for us as a Council to have one of our retail developers visit with us because if you talk those guys off line they will tell you how they analyze the rooftops and the census data and income data and determine where they are going to build the next Harris Teeter or the next Family Dollar or the next Niemen Marcus and a lot of that information I think would help guide our decision making and I think back to one of the slides we got from Michael Gallis this morning, one with the pink and red on it regarding the growth trends and how most of the growth is going to be outside of Charlotte. I think if we dig down into that particular map and chart we will find that there is a direct correlation between the rooftops issue and this map and the problems that John has and problems that I have because what is happening is people in that business are viewing east Charlotte as prime for the next Family Dollar, northeast Charlotte is prime for the next Dollar General and that is going to drive development in a very negative way. So you will have what Mr. Dulin has got going on, will continue to be strong. I think Ms. Mayfield's area will continue to be strong as the Tanger Outlet develops and other things happen there, but there are going to be some continuing struggles for him and for me despite what is happening at the University because of the rooftop issue and the income piece that we are not really not digging down into.

Ms. Riley said connecting the dots, looking at the planning overall, integration. Other pieces you want to make sure you remember, things you want to raise for further on conversation. Someone said to me that having Michael come back and speak to Council some more, do you want to put that up there?

Ms. Kinsey said I do want to mention when we talk about east Charlotte, north Charlotte, whatever I don't have that kind of realization and this is why it touches every district in Charlotte except District 7. When you say east Charlotte, I don't want a part of east Charlotte in District 1, but it is not my district, I relate it to there and I represent everybody in Charlotte. That is the way I look at it. You talk about south Charlotte, yes I've got some of that too, north Charlotte, unfortunately James won't let me have any of west Charlotte, but we keep talking about these areas and of course I think I'm fortunate to live in District 1 and be elected from there because it is so diverse but I do get a little worried when we start talking about east Charlotte, that is in District 1 too. I just wanted to share that with you so if I get my nose out of joint you understand why.

Mayor Foxx said I thought one of the things Michael Gallis said that struck me was when he talked about the three different ways to grow. Grow the existing, attracting new start-ups. I think one question for us is where on the continuum are we or do we want to be as a city, and a corollary to that is our vision for the city to become a first tier city or is our vision for the city to be a second tier city.

Mr. Dulin said I thought that was a very interesting part of his discussion this morning and he mentioned he thought we were heavy on attraction. A lot of your leadership Mayor and others, we've cranked up the start-up part, part of the CIP that didn't pass last year, the \$10 million for UNCC would start-up so it is very interesting to see the attraction part of what we do because we spend a lot of time, effort and money attracting and we've got the people and we've got the growth. I thought that was a good point.

Mr. Autry said neighborhood vitality was another thing I hung on that Michael spoke about this morning. We have lots of great neighborhoods in District 5, not just east Charlotte, but District 5 and we need to find ways to help them to have more identify, a sense of place. We need more

areas where people can gather, share their experience, share their ideas. District 5 is very car friendly area and we've made great headways in trying to adjust to that and to offer different ways of transportation. I would just like to see a little more enthusiasm and robust approach to those kinds of things and I think that could help revitalize a lot of those neighborhoods, continue to build upon what we already have and provide options for people who would be considering to moving to that area for ways to get in and out of the center city and around other parts of the city.

Councilmember Howard said I think we've started to understand some of the wisdom in the approach, how dare I say the CIP that staff put together when you listen to both presentations said, which was a lot of leverage on what other people are doing already. Until you put it on a map like Michael did and you look at all that investment coming from other sources, whether it be federal or state I don't think it starts to make as much sense, but we've heard now for almost a year, we want to leverage what other people are doing and that is what all of this is about. The second thing I heard and we heard it from Michael and we saw it again with the staff presentation, not only do we plan but we plan well. What I heard Debra say is that way out in River Gate, and Debra just estimate for me from center city out to River Gate, it is probably 15 miles, that plan was almost exactly what they thought it would and that was a plan that probably dates back to the early '90's. We plan well and we do a really good job and at some point during this discussion we have to figure out how much we trust staff because they've not let us wrong. The former staff, this staff have been dead on what they told us and what their predictions have been about what happened if we did a certain thing. We've got a good staff and we need to trust staff a lot more than I think we have.

Mr. Cooksey said I agree with David that the fact that there is this mesh list or the plan in Rivergate is a testimony to the benefit of planning, but let's not forget the other side of that which was the element of that which was Arysley, which was not like that and was a surprise and yet does well too. We didn't work it out this way but Danny set it up nicely, Ballantyne does represent the cutting edge of 20<sup>th</sup> century planning. It was a county rezoning, it was planned out, and it has that multiple of uses but within about 4 years after Ballantyne started the entire paradigm shifts about what growth and development should be. Ballantyne works for what it is, but it was an old model by the time it got up and running so you've got several ... going by here. Yes, planning can be predicted accurately, yes the private sector can be innovated with new things that are great that nobody ever thought in planning and sometimes even when the planning side and the private sector side work together to build what we think at the time is the way things ought to be, something can shift. The dilemma with that kind of deal is that nothing gives you guidance about where to go. I appreciate that challenge but I want to find the line between the challenge of over emphasizing one type of success where you've got an example of it that doesn't necessarily represent the broad spectrum and yet not being so hands off that nothing is being done. That is one thing and another is an example, I enjoyed our ... in 2000 going through the 2010 Center City Plan and there was a lot of discussion about how fantastic it was that the Odell Plan of Center City Charlotte located the football stadium in the exact spot where it is. That was tallied as an example of how planning can be predicted. When you read the Odell Plan however it gets a little horrifying because the Odell Plan called for raising all the houses in Fourth Ward and building up brand new apartments buildings there. The Odell Plan called for tearing up the rail line and building a Convention Boulevard for cars. Part of the challenge I think that I we have got to bring to conclusion is, it is not a fill in the bland. There is no template that we can just say planning is what does stuff so let's do it. It requires listening, part of it is judgment, part of it is understanding a lot of broad things where sometimes there are going to be hits and sometimes there are going to be misses and we have to be very cautious in our approach and yet bold in our approach ... in order to both succeed and honest things up.

Ms. Riley said I think one of the big themes in here is the whole issue of what Michael was talking about, strategy and leadership and the challenge of envisioning and strategizing and having leadership and the ability to have a mind set at both ends and not either or. Not this or that, but being able to hold it all and raise as many questions as possible no matter what happens. If you can stay within that process then what you are asking for can actually happen and what a number of other folks in here are asking can happen too because you keep all those things on the table.

**The meeting was recessed at 12:07 p.m. for lunch and reconvened at 2:40 p.m.**

**Budget Director, Randy Harrington** said this morning the Mayor gave Greg and me a challenge not to lose the audience after lunch so Greg and I are stepping up to that challenge and Greg and I will do our best. Just to share some highlights, one is where we are with our current mid-year budget, talk about a little bit about some of the expenditures assumptions and what we are seeing, feeling and hearing at this particular point and what we might expect for next year. I'm going to touch briefly on some revenue components, but Greg will go into more detail on those related to sales and property tax. There is a handout before you and this for the most part summarizes what is in the report and there are page numbers noted on particular sections and that is to match up with the page numbers that are in the full report that you have in your binders.

As it relates to the FY2013 budget, the current budget, we are in okay shape and not expecting any major revenue disruptions or any major expenditure concerns at this point. We project meeting budget in the current budget for the General Fund. It is \$551.1 million and we are on track to be okay for this fiscal year. As you recall we are moving into a two-year budget cycle so the first year is the FY14 which is what you would adopt in June. It would also include a second year plan and essentially Council would endorse that plan as really the starting point for the budget in the second year. That is where we will be proceeding along the pathway this year.

The sales tax and property tax, sales tax we are projecting 3.5% growth off of the current year budget in sales tax. As it relates to the property tax side we are projecting a 1% growth for FY14 and 1.5% growth for FY15. Greg is going to talk about this a little bit more, but we still have some ongoing uncertainty around the property revaluation review. It is interesting to note that approximately \$10 billion of value is still under review at this particular point. To extrapolate that out a little bit more that is approximately what Greg made by 12% of the total valuation in the city so a lot of value is still under review and because of that there is mitigating our projections on the property taxes are there are still remaining unknowns about what the potential impacts of that could be to us.

Mr. Barnes said what does that \$10 billion represent in terms of city and county property taxes? In other words the revaluation/valuation issue had been resolved with respect to that \$10 billion in property what sort of revenue would the city and county have gotten off of the \$10 billion. In other words, how much are we missing?

**Finance Director, Greg Gaskins** said if you did it at 10% you would be over \$100 million off.

Mr. Barnes said to both entities?

Mr. Gaskins said to the city.

Mr. Barnes said that is money that hasn't come to our general fund that ordinarily would have.

Mr. Gaskins said no it is not ordinarily because you've always had some percentage of revalue. You are talking about the difference on small side.

Mr. Harrington said I'll jump into some of the budget drivers and we've categorized them into internal and external drivers. As you will notice here the internal drivers, there is really less to say but they are still really important. I'm going to hit on the external pieces, but first off on the internal component, prior to the great recession we would typically always include projected pay plan increases into the projection that we would present to Council. During the great recession and a couple of those fiscal years, just with the economic conditions at the time it was unrealistic for us to include that. At this particular point we want to reintroduce that back into the projections, at least from an illustration standpoint and from a goal standpoint and we think that is really important, for two reasons one, given the work that was done to redo and recalibrate the Public Safety Pay Plan this past year that Council approved, and then as well as from a recruit and retain perspective. We think it is important for that particular goal so we have those reflected in the illustration. I do want to point out that that is not a recommendation. These are just illustrations to help us in projecting potentially what the budget could look like. Projecting health insurance increases 8% and of course we continue to watch fuel and vehicle maintenance. Fuel this past year, as you know, it was pretty steady but in 2012 we had the highest average fuel price of any year. Granted in some other years we've had some higher spikes, but on average it  
mpl

was the highest year that this nation has experienced. As it relates to external impacts we have two components related to state mandates that I would like to share with you. One is from the North Carolina Local Government Employees Retirement System is mandating an employer contribution increase that is going to equate to just under \$1.2 million in the general fund. This is to help maintain the strength of the retirement system. There is also a reading about unemployment insurance and the state wrestling with that issue. You have been hearing a little bit about the state's \$2.5 billion debt for unemployment insurance to the federal government. Local governments are not required under the proposed legislation to help pay back part of that \$2.5 billion, but what local governments would be required to do is set up a reserve account that can be drawn upon to reimburse the state for any unemployment claims that would come from the city. That mandate for us requires us to set aside a reserve fund and equates to approximately \$1 million. Fortunately we can spread that out over two fiscal years and that is likely what we will do, but that is the impact from that.

As far as the federal government from the Affordable Care Act, there is approximately \$700,000 impact to the general fund related to what is called the transitional reinsurance fee, essentially to help fund the health care exchanges that are currently being built and designed, etc. as part of the Affordable Care Act. That is one of the additional components that will impact the general fund. We talked a little bit earlier about sequestration, Jeff Booth mentioned that earlier, and we are watching that very closely. March is a timeframe when we will know more from the federal government what actions they take or don't take, but if they don't take any action that sequestration would take effect. There are two programs that are most likely to be impacted for us that we would notice would be home and CDBG grant funding and then of course we mentioned any other grants that are related to the Blue Line Extension that could potentially impact us in terms of the appropriations schedule.

If you turn the page on the second page of the handout, as it relates to the future budget outlook, I just want to make a couple comments on this. The budget projection in the report does note gaps for the four fiscal years that are in that budget projection. One of the things I want to be very clear about is that the City Manager in every one of those years will recommend a balanced budget and one, it is the right thing to do and two, it is required by law, so we will certainly do that. For the purposes of projecting some of the challenges that we have and some of the work that we've got to do, those are presented in the report. A couple nuggets there, operating budgets are tight and in FY2009 we had cuts, in FY10 we had cuts and as well as FY11 we had a nearly flat budget in FY12 on the operating component of the total general fund operating budget and there is approximately 1.5% growth for operating expenditures in this current fiscal year. We project out 1.5% operating growth in the future years as well. That level of growth over the course of 7 fiscal years will certainly put strain on the operating budget. There has been operating growth, but most of that growth has gone to fuel, vehicle maintenance and risk liability insurance. If you take those out the amount of annual growth for operating expenditures is about .6% per year so very little growth in terms of various supplies and contracts, etc. the types of materials and whatnot that our departments are purchasing. Operating budgets are tight and that will present some challenges going forward in the future as it relates to capacity to do new initiatives and I just want to make that apparent and aware to everybody in the room.

Mr. Barnes said I know we buy a lot of gasoline and diesel and will perhaps continue to do so, but what sorts of efforts are being made in the business units to switch to more fuel efficient vehicles. We've talked about this in the past. If you could just update us. CMPD obviously burns a lot of gas. The fire trucks get about 18 miles to the gallon. What is going on in the business units?

Mr. Harrington said as you may recall Solid Waste Services has been pouting some CNG gas related trucks and we are excited to see the results of those and what that means for us and hope to have some long-term savings on that front. We do have a number of hybrid vehicles in the city and we continue to promote and encourage those types of vehicles purchases when they are appropriate for the service. We certainly support departments transitioning as much as they can that is feasible and appropriate for their service.

Mr. Barnes said who has the most vehicles? Is it CMPD?

Mr. Harrington said CMPD.

Mr. Barnes said from a power perspective Chief Monroe, are hybrid vehicles useful as patrol vehicles?

**CMPD Chief, Rodney Monroe** said in some areas when we look at our investigative cars and some of our efficient cars, that car runs 24 hours a day, 7 days a week so you have to have in most cases a gasoline driven engine. Last year was the last year for the Crown Vic and everything has been scaled back to the Chevy Caprice or the Ford which is more fuel efficient than the Crown Vics so you will start seeing those phased out.

Mr. Barnes said Chief Hannah isn't here, but I imagine you can't do too much with a hybrid fire truck.

Mr. Harrington said no, it is difficult, but there are some new technologies on the diesel side that the Fire Department is exploring that will hopefully in the long-term reduce some of the overall maintenance costs. The example being, the typical fire truck has one big engine and it runs all the time when they are at stops. There is some new technology that has your main engine that runs the ... for the vehicle and then you have a small 4 cylinder that runs the pumps when you are stopped. They are exploring some of those types of technology and other ways to simply be more efficient with how we spend our dollars toward fuel or maintenance.

Mr. Harrington said I will jump into the capital section. The available debt capacity last year as we communicated to you was \$5 million to \$7 million and that number now is projected at \$25 million. The main reason for that is the simple fact of not approving the CIP this past year did create a little bit of capacity in the capital program, so we are projecting \$25 million in terms of current available debt capacity with the existing tax rate. We did do a review of capital projects savings and that is determined to be \$12 million that can be re-appropriated or reallocated to other capital projects. As you all know you have a 16% fund balance policy and anything above 16% is available for transfer over to the capital program. You have a note that there is \$5.3 million worth of available cash, what we call capital reserves, that is above that 16% level and by Council policy that is available for transfer and typically we do transfer that to the Pay As you Go program to fund those types of capital programs. I know everybody is working really hard in committees on the review of the capital projects and that is scheduled for report at the March 20<sup>th</sup> Budget Workshop. I appreciate everybody's work on that.

As far as our state budget goes we are still continuing to monitor that. At this particular point it appears that the state budget is going to be flat relatively, again similar to our situation. We will continue to watch that closely and of course the Governor has not made a budget proposal at this point. There are a number of other revenue points and I think Greg is going to touch on some of those in a little bit. We will continue to monitor those and watch them and as we learn more we will certainly report back to you and any impacts that may occur to us.

The next steps in the budget process, we've got three Workshops, February 27<sup>th</sup>, March 20 and April 10<sup>th</sup> is your last Workshop. The Manager recommendation would occur on Monday, May 6<sup>th</sup>. The Public Hearing would be on May 13<sup>th</sup> and then the budget adjustments and straw votes which are the two meetings that are designed really as the process points for the Council to make any changes at that particular point to the Manager's recommendation, those will be the steps in the process for that. The scheduled adoption is scheduled for June 10<sup>th</sup>. Of course by state law we have to have a budget by June 30<sup>th</sup>. With that I will be happy to take any questions or we can let Greg go and at the end he and I can both answer questions as they come up. That is an overview of the mid-year projection as well as the FY14 and FY15 projections.

Mr. Howard said I am assuming this is the case, staff is going to put forth the same capital investment program from last year, are you going to tweak it or make any changes this year?

Mr. Harrington said at this particular point, the way we've interrupted the direction from Council is that there is no CIP on the table until Council directs us to include one with the Manager's recommendation. If Council would like a general CIP, a debt component with the projects that

have been discussed, April 10<sup>th</sup> would be the last opportunity to give us the direction so we can build that into the budget and present that as part of the Manager's recommendation.

Mayor Foxx said I think the idea was that the committee review and report out to the full Council would serve as a bit of direction to the staff on the CIP.

Mr. Cooksey said in your review or watching over the situation with reveal are you looking not at just the amount that is still in dispute but the possibility of required refunds?

Mr. Harrington said several slides earlier.

Mr. Barnes said you've raised some questions regarding the state budget and normally I follow some things that happen in Raleigh during the day. Is there anything Mr. Fenton that you could share with Mr. Harrington but speaking to us directly regarding the state budget?

**Inter-Governmental Relations Manager, Dana Fenton,** said I think Randy put it very nicely. The only thing is the Appropriations Committees, both House and Senate, will begin having their public meetings next week. As far as a timeframe for the budget we are not sure just exactly when the budgets will come out. The Senate has the first crack this year.

Mr. Harrington said it is only because I haven't asked him, but has he heard anything new lately about the Governor's budget in terms of the timeline?

Mr. Gaskins said I'm going to hit a number of topics, some of them are things that Randy mentioned and I'll go into a little bit more detail. The goal I think would be to prompt Council to determine if there are particular things you want us to go into to provide you at your March 20<sup>th</sup> Retreat, that we give you the information you want by March 20<sup>th</sup>. I'm going to cover briefly the economy, property and sale tax, the revaluation process, state tax reform, including the BPLT and a word about debt capacity. On the economy we do what we typically do, which is a survey of national, state and local sources related to providing us with information. This year, like last year, is very consistent if you wanted to have it in two words, it is slow growth. In other words what they are projecting is more of the same, slow growth, that you had a huge downturn and since that we've come out of it in an unaccustomed way to the more recent downturns, but more similar to some in the distant past, and that is, it is slow growth. The people at the state who are looking at the budget and planning their budget as well as us, are looking at the same sources, I noted that even though there is not a definitive statement yet, we don't have what the Governor's actual budget is going to be. In looking at some of the decisions that they were considering they are exactly the same ones that we looked at. For example, the State Legislature will need to consider taking action as a result of some change made as a result of the physical cliff. They don't say what it is, they say they might have to make adjustments and we would as well. There are still many decisions related to that and then there is the question whether there would be any federal tax changes that would relate to that same physical cliff. You also might have to adjust the federal tax changes. Related to the real economic stuff, global demand is improving but remains weak. Once again we are worried about what has happened in Europe and the fact that there are still a lot of uncertainty and insecurity about Europe. That makes a difference to us in North Carolina because they are the biggest trading partner of the US. There are issues that they are obviously very concerned about in terms of where we are in the cycle and there are some unusual things. We've had some recovery in housing as we've had here in the Charlotte market, still there has been a stagnation related to employment that has varied, that has improved some but it really has not improved at the level that normally you would have. There are people who are guessing at the reasons for that, for example there is a significant increase in corporate incomes and in fact there are people sitting on very large sums of money, there is a question about what is the trigger that makes them go into the market place. You heard today some indication from the Mayor of Atlanta and many other people agree that there is going to be a big rebound at some point in time where we are going to see growth catch up and exceed expectations. It just doesn't happen and nobody is willing to guess when it is going to happen. It is very difficult to make budget decisions therefore not knowing if we are going to have that impact. The state, like us, have those exact same concerns, federal government has those as well. So what we are seeing from the state is very similar to



same type of analysis that we have seen. The hope is that they will continue to stabilize and will improve, but nobody is certain that will happen.

There was some encouraging news in a report that they had, they were very hopeful and it looked there were signs that the service sector of the economy is gaining strength faster than the rest of the economy and hopefully that was a harbinger for other segments of the economy to increase with the same pace. Based on investment and hiring decisions however, people are still waiting for the trigger for this investment growth to take off and for the economy to really improve. The overall thing for the state is they are exactly what Randy said. They are talking about very tight budgets, however they are not talking about huge shortfalls and they are not talking about the need to have any kind of super critical cuts. They are basically talking about something that matches with the slow growth economy. The national interruption, the interpretation that we have here locally in terms of economy is virtually the same. What does that mean for us in terms of our revenue? Property tax we've put at 1% growth and 1.5% in the future, but you need to think about that. Ten years ago the same level of growth would be 2.2% because as we've gotten bigger and bigger in terms of our total revenue, percentages go down. That is still very modest growth compared to growth that we've had in the past. With the sales tax we've got a 3.5% increase but the difficulty with that is I believe that is really understating what is actually happening in the economy because it has been pointed out at the state level we are not actually taxing all of the economy. This is one of the reasons why there are some people pushing for changes in the tax code because we are very aware that the tax code is old and that it doesn't tax all of the economy efficiently. The question when we get into about tax reform however is, you have to look at the basics and look where your money is and make sure that you don't do anything that is kind of dumb. One of the things you are seeing is that people are making representations they want to have things change but they also have somebody who is looking at the numbers, for example how much money is actually coming in as a result of the corporate income taxes and personal income taxes and how would you replace that. I think ultimately you are going to see that some of the ideas that are on the table won't go forward because people will realize that it doesn't provide enough money to help service the actual budget that you need to have to operate the State of North Carolina. The same thing would be true with us if they in fact took revenue from us, the concern would be how are we going to operate the city with less revenue, therefore for us one of the concerns that hits us very hard is we know there is a business privilege license tax and the reason is that is about \$17 million and it is a growing tax, it would be a difficult tax for us to replace. Right now it would be over 3 pennies additional on the property tax rate. It would be enough to fund the entire package that we talked about in terms of the capital program. That is how much loss of funds we would be looking at. Very clearly the decisions that are going to be made in Raleigh are going to affect the citizens of Charlotte and those decisions could be very critical in terms of the decision making that we have to make in terms of the budget that is upcoming.

Mayor Foxx said so let's put that on the table, business privilege license, \$17 million and growing. If we were going to try to insulate ourselves against the decision to remove that tax what options would we have? In terms of what would we ask the Legislature to do to make us whole? That is one set of questions, another set of questions by the operational things like for instance going to sanitation fees as opposed to ... that into the property tax that could give us some ability, but not enough ...

Mr. Gaskins said two things – one the proposals that were out in the public before that we've talked about, did talk about some type of compensation and not fully taking it away such that the proposals, and they are old, would not have taken the full \$17 million. The question is would they have provided growth and that is a question mark. You probably would need some combination of things to make that up. Some additional revenue source because if you did it just solely on the property tax it would be over a 3 penny increase in order to make it up. It is going for general fund purposes so it is Police, Fire, it is the critical resources that citizens depend on so that is the reason it would be a very devastating blow.

Mr. Harrington said one of the things I mentioned earlier was the \$5.3 million capital reserves. We have in the past isolated that and not sent that to the capital program. It has an insulating tool to help us if we were to experience a shock from the state. Of course your fund balance as a whole, if there is some particular shock that could be addressed.

Mayor Foxx – comments inaudible

Mr. Harrington said you would have to look at cuts from the operating side and perhaps some fee or revenue increases. I don't know off the top of my head saying ... on a Solid Waste fee additional and what it would generate in terms of trying to get to the \$17 million. It would probably have to be a combination of the two. As we look at the \$17 million, C-DOT's operating budget is \$21 million, the Planning and Neighborhood Services combined is about \$18 million, Engineering and Property Management if \$18 million. I think \$17 million equates to somewhere between 115 and 175 Police Officers so you probably need to look at both sides of the equation.

Mr. Gaskins said Public Safety is well over 50% of the general fund budget so you are probably looking at some kind of cuts to focus it.

Mr. Cooksey said while we are on the topic let's try to nail down the property tax equivalent on the \$17 million because our material says it is about 2 cents.

Mr. Gaskins said 2.5 cents I think.

Mr. Cooksey said my recollection is that Solid Waste Services' budget is roughly half fees collected on the property tax bill, half general fund revenue, put that to an enterprise fund that pays ... model and you've got \$23 million perhaps that would be freed out of the general fund as another way of thinking about how to approach that kind of budget cut.

Mr. Harrington said it is roughly \$12 million for disposal fees. We don't charge for collection.

Mr. Gaskins said we do that as an enterprise.

Mr. Cooksey said that is what I mean, we are talking about how do we respond to the possibility of losing \$17 million in general fund revenue rather than cut. One of the ways to approach it would be to convert Solid Waste Services into an enterprise fund, charging Pay As You Throw on the general fund component of the revenue at this point.

Mr. Harrington said you wouldn't have to create an enterprise fund.

Mr. Cooksey said it would be a model, make it a self-supporting enterprise thought a phasing and fee type situation.

Mayor Foxx said how much lead time would we need to do that in Solid Waste?

Mr. Harrington said I don't know. We will be happy to report back. There would be some level of administrative component working that through with the county tax office.

Mr. Gaskins said that could be on the list that I just said about March 20<sup>th</sup>. The result of this that is happening not with just Charlotte, but happening with other communities in North Carolina that we communicate with is there is some great uncertainty about budgets and how you might have to respond to any of these things. The result of that is that it makes it a little bit more difficult to say with confidence where we're going to be. Hopefully any of these things that would pass that would actually give you enough time to do what Randy said, that you would be able to put in some type of alternative system or some way to respond to that and it does take time. The collection system, I remember negotiating things where new stuff was going to be collected by the county. That doesn't happen overnight and you have to have enough time for them to then implement it. Anything that they would do, hopefully there would be sufficient time for us to make the adjustment. We are in the same boat with other people that have that exact same concern in the state.

Related to debt capacity and as a result, Randy said \$25 million and I need to explain that. As a result of the fact that the way we calculate the model when you are going into a big capital program you had sort of taken all of that money and stuck it in there. When you take it back out and you look at what the expenditure pattern has been, and we talk about that each year and how

mpl

that changes, that is how you get the \$25 million of capacity versus about \$5 million to \$10 million that we were talking about last year. That is the explanation of that difference. Obviously, if we had a program that you put that into that whole \$25 million is being put in that program. It is not like it goes away but it is actually going to build the capacity in the model that you would build.

The last thing I wanted to mention is the concerns about the AAA and there is some information in your document. It is the opinion of the rating agencies and it is a good opinion on their part that the City of Charlotte has for 50 plus years done a good job of managing its affairs physically and that we in fact have done a good job as the Mayor from Atlanta said, of managing our affairs for many years in terms of capital and operating. The expectation is that we will continue to do that and we haven't done anything to show that we won't do that. The issue is they are not going to react to something until there is something to react to. We have a challenge and certainly we've talked about some other challenges here today. We have continually and consistently met those challenges and the expectation is that we will continue to meet those. It would only be if for some reason that we proved that we are not going to meet them that we would have a problem. I know that question comes up and it doesn't make it any less serious, it simply is a fact that they are going to respond to how we actually face and deal with those issues and meet our needs as the public expects them and as we have consistently done in the past. I'd be happy to focus on anything that we want for March 20<sup>th</sup> specifically. We will be updating, unlike the last time I reported to you, we had a very good meeting with the County property tax office and they have given us absolute assurance that they will get the information to us so we can properly evaluate where we are at the March 20<sup>th</sup> meeting. The one difficulty they are having is the one that we were talking about earlier and that is the fact that there have been more appeals even than we projected and we were conservative. We projected about double the increase that they gave us and it was more than that. That is the reason you see that reflected in there that we are slightly under performing this year by about \$800,000. We were conservative in that estimate but the reason there is uncertainty however is of course the possibility that there might be legislation related to refunds. We don't know what the impact of that would be. That is a very difficult legal issue and for obvious reasons and that is that a revaluation really in and of itself doesn't get you any more money. It is revenue neutral in and of itself by the statute what it is intended to be so therefore the impact of something that you are trying to fix where you had the level of money was the same, it is very difficult to figure out how exactly that would impact us and impact the city. That is an area of uncertainty that is unresolved as we speak. Don't know if that will be resolved by the 20<sup>th</sup> or not, but we have had a meeting with the County Tax people and they are obviously working with us and willing to share information with us.

Mayor Foxx said the Blue Line Extension, it is obviously the biggest capital project in the City and I know that there are some special funding requirements, can you talk about the financing challenges?

Mr. Gaskins said Carolyn and I met with the Local Government Commission Staff yesterday and that meeting actually went very well. We did a presentation of the model that we would hope to use to finance that and they asked a number of questions, which is their job, nothing unusual and nothing we couldn't handle. Overall I think the meeting went very well. I think what you are referring to is that they did ask Carolyn and I to be on standby when it actually goes to the commission and they were aware of the dialogue that had been in the paper. The only reason for that I think that is their job, they are cautious and they need to make sure that the model is going to work so they did ask us to be on standby for that meeting.

Mayor Foxx said I know in the past you've had to hold a certain amount of capital reserves and I now understand that there is a conversation about operating reserves on the Blue Line Extension. Is that correct?

Mr. Gaskins said yes, what that is, is two-fold. In this particular case the actual revenue flow when you look at all of it is not as good as it was when we did the South Corridor.

Mayor Foxx said the sales tax revenue.

Mr. Gaskins said the sales tax revenue and there are two reasons for it, one the economic, the economy itself and the fact that you had a drop in the sales tax level over projected which even though it goes back up again, it is lower than was projected, therefore you don't meet the original projections of the 2030 Plan and we knew that. In addition to that you obviously have more operating expenses which comes from the same sources of revenue then you had before and when you add those two together that makes this particular financing a very thin financing in terms of a revenue perspective. For that reason to make sure that we were all on the same page with the numbers and the need to manage them carefully, we tried to create a credit structure very similar the way we would do any credit structure for revenue bonds. For the Airport for example, or for Solid Waste or for Water/Sewer. It is the exact same type of model in terms of creating a revenue waterfall if you will. That revenue waterfall actually does create an additional reserve that would be a funding reserve for operations. How that would work is that would take a portion of those sales tax revenues in the good years and put them into revenue reserve so that you can predict accurately how much revenues were going to be available for expenditure in any particular year. That way you could guarantee the people who are buying the debt that we not only have enough money to pay for the capital program, but we also have enough money to actually operate the system. That was the reason for that particular requirement.

Mayor Foxx said what kind of impact does that have on CATS?

**CATS CEO, Carolyn Flowers** said it creates a very tight structure for us in the future in terms of growth of the system and the ability to sustain the level of growth that we have in the past.

Mayor Foxx said what kind of impacts are you looking at?

Ms. Flowers said when we start adding on the new projects the capital will start adding back in because the Blue Line and the extension of the platforms, we definitely may be growing at a faster rate than on average. That is where we are going to have to manage very carefully in those years.

Mayor Foxx said in terms of things like the Red Line Extension and other things like that?

Ms. Flowers said we have no capacity to do any other project except the Blue Line.

Mr. Gaskins said what would happen under this model is, and again right now it would take significantly more than anybody is projecting revenue. You would be able to recalculate it for example if you had additional revenue source or some major change in what the revenue picture is. Even without this part of the model there wouldn't be sufficient revenue to do another line at this point in time or to complete the 2030 Plan.

Ms. Flowers said we plan to go over this model at the next MTC meeting.

Mr. Gaskins said we will be happy to give you any level of detail that you need prior to that.

Ms. Riley said we have some open space right now for Q and A.

Councilmember Mitchell said I would like for us to recognize a young lady who has served this community, has been a strong advocate for housing for a number of years. She is retiring and I think it is going to be a big hole in our community. I had the pleasure of serving on the Board, the first time since 1999 and she taught me a lot about housing. Could we give a standing ovation to Pat Garrett and wish her well.

**Pat Garrett** said it's been a great ride and I've had lots of fun.

**The meeting was recessed at 3:27 p.m. and reconvened at 3:41 p.m.**

Mr. Barnes said before the break I said I wanted to talk about the subject that has been out there all day long and that is the Streetcar Project. I heard some things today that have caused me some additional concern about the funding methodology for the Streetcar and have also created new concern toward the Blue Line. Not in any particular order, but just to begin the thing that  
mpl

really grabbed my attention is something that we talked about, but just highlighted it today and that is that if sequestration occurs and we have up to an 8% cut in the Blue Line then there will obviously be a gap there to be filled. One of my concerns is and has been for a while, how we could cover that gap if we are putting our revenue into the Streetcar. I think what that has done is created a shift in priorities. David and I have disagreed about the original priorities for the line, the Blue, the Red, the Silver, etc. but Anthony and I got on Council at the same time and Andy and I remember James you and I had this conversation also about our commitment to the Blue Line and what I'm concerned about. I guess after this last week of news I have a good reason to be concerned about the completion of the Blue Line not remaining the priority of this Mayor and Council. I wanted to have some conversation about that because all this stuff that is happening in Raleigh with regard to people there saying if you guys can do the streetcar then we don't need to send you the money to do the Blue Line is a great concern for me and I think for everybody. How serious they are I don't know, but it is obviously something we've got to figure out. That is why I asked Dana what is going on up there on a regular basis. I want to hear if people are willing to have some conversation around how we deal with that scenario. Let's assume that the sequestration doesn't occur and that Blue Line funding remains as it has been committed to by the federal government. Then we obviously still have to deal with the state issue but also in terms of dealing with and figuring out how to fund the transit plan including the Streetcar. I still think there is an outstanding issue regarding whether it is purely property taxes or some mix of things and I hope Jeff Boothe will give us some of his informal advice about the things he is seeing in other cities that he is working with. Those are my concerns and observations and I would love to hear from other people.

Mr. Howard said this is where I think I want to start. One of the things that has frustrated me the whole time has been the fact that we kind of keep sticking to the 2030 not plan but priority, proposing the way the projects were prioritized. I'm not exactly sure what good that if it is not fundable. It is kind of like saying I bought my house one way, they refinanced it but I refuse to acknowledge that the funding has changed in the way it is going to be done. I've never gotten a straight answer and I've heard Warren talk about it, I've heard Andy and Claire talk about this thing of getting out of order. Out of order of what because it is not fundable? In the stream of things Michael, to be honest, what we know is that the half-cent sales tax is barely paying for the Blue Line. We had to cut back stuff just to get the Blue Line Extension done and we've heard from Carolyn and a number of people several times there is no money to do anything else anytime soon. So what do you want to be? Either you want to be big or you don't and what we know is that we have transportation needs that are not going to stop because the half-cent sales tax stopped being the source that we needed it to be. I am totally committed to working with you to figure out other ways, but that doesn't stop the fact that, and this is my other problem with it, this Council last year went all the way to the end of the process and then decided well, maybe not. The appropriate time to say I have a problem with this would have been at the add and deletes, not at the end of the process. Now we've gone this far with it and now we have a community out there who is serious about the fact well here we go again with you promising us something and then taking it back from us again. It is easy to ask questions but the responsibility is spread around this room about why it is where it is.

Mr. Barnes said I'm not in a position to re-litigate what happened last year because I don't think it is productive but I would submit to you David that there are a lot of people who are not on this Council who are perhaps on the MTC who are in Raleigh, who are in Charlotte and general who do believe that there was some stated priority back in the 1990's to the 2030 Plan and ordered the projects. I'm not saying that they are right, I'm just saying there are a lot of people who believe there was an order.

Mr. Howard said respond to me on it's not fundable. What good is a plan that is not fundable?

Mr. Barnes said I was going to respond to that. With respect to the idea of it not being fundable one of the reasons that I have been begging last year for us to do what you are now doing, which is working with the MTC and regional leadership to find a way to supplement the 2030 Plan is to deal with that very issue. As we heard during the Delegation Breakfast, you've got people like Ruth Samuelson who say fine, do what you need to do but the next project that should be done that should be done is the Red Line. Where she got that I don't know but what I'm saying to you is there are people who believe that there is some order, maybe it is because they decided that the

towns to the north should get the next line, I don't know, but there are people who believe that there is an order to the lines. I'm glad that the Mayor asked you and Gill to lead that effort and I hope and believe actually that it could be productive. I've tried to find out what people may be thinking about it up in Raleigh. I think it may be helpful, the issue is would it deal with doing the Streetcar next. Let's say for example, we get the authority to increase a sin tax of some sort, beer and smokes, if we get that authority, implement the tax in Union County, Mecklenburg County, Gaston County, Cabarrus County, Iredell County and are able to supplement the Plan, would the Streetcar be the next project after the Blue Line. I don't know. You are saying there is no order to it. It could be the Red Line, it could be the Silver, I don't know. My point is that we obviously need more money in the Plan in order to deal with all the projects.

Mayor Foxx said this is a great conversation that you guys have started. There are a lot of questions and I'm going to give you my response to what you are raising Michael. We have a whole lot of projects that have no money. Some projects that we could do locally pretty much free of any third party getting in the way, it is purely a funding issue. Then we have projects that can be done that require the assistance of third party i.e. a railroad company for example in the case of the Red Line. There is a lot of stuff that needs to get done. Some of that stuff we can control the timing of ourselves, some of them get controlled by some other people and all the while the funding environment is shifting underneath our feet. I was in Raleigh with Metro Mayor's Coalition recently and Speaker Tillis was talking and he was giving his personal view, not necessarily speaking for the whole State House, but he expressed an openness to self-help options for local communities to build transit systems, but he also said the state is looking for ways to not have to do the 25% share that they have been doing in Charlotte. I think it is very likely that the Blue Line may be the last project funded the way it has been funded from a state perspective. For the reasons that Jeff was talking about I also think it is the last project that is going to get funded like they have been funded from the federal perspective. Looking ahead there is less money on both of those levels and I don't know what that Committee is going to come up with, I don't know that they are going to get into prioritization or not. I'm real basic off the farm kind of guy. It is an \$8 billion system, show me how you get \$8 billion using whatever revenues and that is the answer that I think MTC is looking for. What revenue sources, what combination of revenue sources will get to what level and at that point the MTC will hopefully build a plan to get there. Timing is problematic because I would love to see a Red Line get done tomorrow. It would be great to see it get done tomorrow, but we've got a railroad to work with because we are trying to capture that right-of-way on a railroad that we don't own. If you look at the Intermodal Yard, how long has that taken us to get Norfolk Southern to move on. It is almost 15 years. High speed rail which I was fairly close to along with Mayor Swain, we went to Raleigh to try to keep those funds here, but railroads just move slowly. I think one of the things we can do as a Council to be proactive about that is make a very clear unambiguous statement that we support moving forward with the Red Line and that as a part of an action that we could take, I think that would help Norfolk Southern understand that it is an important priority to the city.

Getting back to the first question that you raised the Blue Line Extension is absolutely the top priority of all of us. There is no question about that. I will tell you that you all may not see this or know it, but I've either been to Washington or called Washington 18 times for that project and I can almost guarantee you that we would have not have gotten the federal funding had there not been some conversations that I was a part of. I can almost guarantee you, so that is a project that is very important to me. But it is also important to me that we see some path forward to get this system built because right now the system has no money. When I think about the Streetcar from a system perspective, I think about it in terms of we are taking costs out of the overall plan by contributing to it now. Whatever it is we put in today is money that doesn't have to be raised by another source at some point in the future. I'm thinking about it from a system standpoint, but that is why prioritization is a hard conversation to have. If we could just snap our fingers and get the Red Line built I'd be for it and I am for it.

Mr. Hoard said to go a little further on the Red Line, that is what we were doing before the break. The way that it was originally in the Red Line is that we were talking about that being something that would be the same type of match that we were going to do before. It is \$500 million, we were going to do a fourth, Statesville was going to do a fourth and we were going to try to figure out how to get half of it from the state. All of our lines were laid out that way. The

way we are right now, that approach is not even on the books now. Everything that you see in the paper is about the state taking over.

Ms. Flowers said I do need to correct you now because I think we can look at the state and what we've experienced in the last year and a half is that we haven't gotten any money from the state for anything. They haven't matched anything. We've reported to the MTC that we don't think we are going to get any money for the Red Line.

Mr. Howard said that is my point. My point is in this 2030 Plan which we all keep running around saying Oh my God, we can't do anything against that, it is just a sin to go against this. The Red Line with the support of the northern mayors is already not going in the direction that it was laid out in the 2030 Plan. I know it because I've been to all of the meetings. What we are talking about is the state taking over that project because they have access to loan products.

Ms. Flowers said you are not going to get ...

Mr. Howard said probably not, but I'm just saying that is the Plan that we were talking about. What Carolyn is telling me is that it is going nowhere, but the plan that we've been talking about in the Red Line was for them to take it over. They were going to take it over with some requirement from the city, about \$119 million, somewhere around there in 2014 and they we are going to do these districts all the way up, a big MSD, something like that that is really a difficult kind of thing to do and what we've heard from Norfolk Southern is exactly what the Mayor said, wouldn't you know, since we've looked at now we are running more freight on it than we used to so this is going to be hard. Then if you look at parallel tracks there is not enough right-of-way, you get pictures all the way up and down the line, plus you have a setback that is required now by the FRA that was not required before. My point is that when you've got all these things the way that it was laid out in the 2030 Plan is not bundled so forget the Streetcar. Take Streetcar off the table. The Red Line could not happen the way it is in the 2030 Plan, we have to find another way to do it. We have to. So let's play that out. We sit there for another 3 or 4 years messing with the rail line trying to figure this out and if we could figure out another funding source, I think MTC is going to have to figure out what do they do next. I throw into that the fact that we want to southeast, we talked about doing light rail down the middle of Independence and for a lot of reasons that didn't work. The ULI Study is telling us that so now we have these two streetcars on Central and Monroe Road and we've got to figure out how to do that. Are you telling me that the MTC is going ... do we wait and do nothing, even if we find funding sources while we deal with the Red Line, waiting on the railroad, not knowing how it is done. There are some decisions to make because the only thing left after the Red Line and Independence is the Streetcar so for us it will end at the same time, funding has shifted because now the federal government is telling you we want to help you fund urban circulators, which is what the streetcar is. That is why that map headed all over the place, everybody is going for it. At some point we have to figure out what do we do while all this stuff is shifting? The Mayor of Atlanta told us, it used to be 8020, how long do we wait for this thing to settle down because we've got to do it the way it was laid out 20 years.

Mr. Barnes said part of the discussion you and I had is my belief that the 2030 Plan exists because it is on our website. I would not argue with you about the changes in the funding methodologies that were proposed within the plan, but I think the plan exists. Would you agree that there are people who believe that the order of priority was allegedly Blue, Red, Silver, Streetcar?

Mr. Howard said actually no?

Mr. Barnes said what was it because a lot of people believe there was a priority.

Mr. Howard said when I first got on Council the northern mayor's understanding was that we were putting the Blue Line before the Red Line. They were mad at us about that – who told you all to go forward with the Blue Line, the MTC never voted on it. They tried to say Carolyn was wrong, they tried to say we were all wrong. So all this flack were getting from the northern mayors was them originally saying no, why are you doing that? The Blue Line will put Charlotte next. That is what we've got so that is why I spent a hell of a lot of time up north trying to help them figure out the Red Line so they would leave the Blue Line alone.

Mr. Barnes said a lot of what you said about funding shortages both with respect to the Blue Line and after the Blue Line what would be your suggestions with respect to funding the Red Line?

Mr. Howard said I don't know, that is what we've got to talk about.

Mr. Barnes said all the solutions we are coming up with is let's raise taxes to pay for the streetcar.

Mr. Howard said that is how the streetcar came up, the streetcar came up because we asked the City Manager to tell us how to get these corridors going again. I will remind you that our former Mayor called them corridor requests. That is what the government calls them, how do we get these corridor going because we don't have any place else to annex That came back with a package that says this is what you do. Streetcar was not about jumping over anybody, it was put on the table because it was about economic development. Have we communicated with Raleigh like we should, the elected officials, no. We need to explain this about economic development, we are not trying to undo a vow, we're not trying to use property taxes just because we want to. It is not about any of that, but it is the fact that we need to do something about these corridors of crap because nothing else is changing.

Mr. Barnes said what I'm asking today then, this is our problem, if we are saying that money is this tight and we are saying that some of us are willing to raise taxes for the streetcar, then how do we not raise taxes for the Red Line, for the Silver. In other words at some point you have to have an idea other than just raising taxes because as you know the current stretch of the streetcar we are talking about would run from Sunnyside Avenue to French. It won't even get to the areas of west Charlotte, east Charlotte that need it, at least according to the economic development potential that you told me about.

Mr. Howard said I am just up to here with money is tight. Because what you are saying to me is let's do everything else but the streetcar. What I've heard over and over again is that everything else would pass if we took the streetcar out. Is money is tight then why is just that one?

Mr. Barnes said David could you speak to why I'm saying and not what you've heard from other people because I didn't say that?

Mr. Howard said I don't feel if it is tight that we should be talking about something else other than doing the CIP.

Mr. Barnes said it is not fair to project on me things that you've heard from other people.

Councilmember Fallon said I think rather than to discuss what we can do and what we can't do we ought to start talking about where we are going to get money because this not going to be the only thing we need money for. It looks we are not going to get federal or state money so where do we get money? With property tax, we have sales tax, it is now a discussion of what is coming is a tsunami of us paying for everything. Where do we get the money? What do we tax, where do we tax it from, who can we go to, what is it going to cover and is it going to be spent wisely. I think that is what we have to discuss because I don't see us having any other money than property tax, sales tax and how much can you raise it before you chase everybody.

Mayor Foxx said to answer Michael's question, we don't know. We don't know where the money is coming from. That is what this Taskforce is going to be looking at, sources to use potentially other than property tax to get the system built. One other thing that I think could be important for us is, and this was not done back in 2008 and 2009 when we put the tracks in Elizabeth Avenue or even when we went out for the studies, but what may be important, given that we do have this Taskforce in place, if we decide that it is good for our city to have an additional 2.5 miles of streetcar there is nothing wrong with us going to the MTC and saying this is what we would like to do, we would like to have your support and blessing to do that, which would show the regional cooperation that I think some people think we lack. I think that is something we could do and I think it would help a lot.



Councilmember Kinsey said I'm not opening this up for debate, I just want to tell you why I have sort of come around and feel comfortable using bond money for the streetcar extension. It is 6/10 of that 3.6. Even if we did everything else and took the streetcar out we would still have a tax increase of 3 cents. The streetcar runs ... it is a local project and I've comfortable using that 6/10 of a percent for the project because I am confident that the return on that money is going to be far greater.

Ms. Pickering said I do recall that conversation. I'm fully prepared to pass the CIP and I'm fully prepared to raise taxes because I know we have to. It is going to be a question of how much. In terms of the streetcar is to catalyze development particularly on the eastside and west side. I'm all about that and you know that but even if we pass the streetcar today it is a long ways away. To get to Rosa Parks and to Eastland Mall is like 18 years. What about continuing to work the MTC and go through other types of funding, take some money, maybe all of the money ... do something like we were talking about here today, public/private partnerships. Go out to these businesses or developers and say how can we help you come in here, what can we do because we need to get development going there now, not 18 years from now. We can't wait for 18 years, but let's do all and if we are not talking about the streetcar right now, maybe we are not jeopardizing the Blue Line in Raleigh, but let's do all three things, work MTC, take money and put it directly into the corridors now and even people in six and seven understands that money needs to go into those corridors now. I've talked to them. They are not crazy about the streetcar idea, but they understand that those neighborhoods need help. Then we don't have to worry about the Blue Line Extension being in jeopardy.

Mr. Howard said I don't mean to be disrespectful, but those corridors have been waiting on development a lot longer than that. What we are talking about do is doing something sustainable. In all due respect, we've already put sidewalks in, we've painted it, they've got decorative lights, we've done all that stuff, but what we need to do a catalysts and move this forward quicker. What we hear from the federal government is that we may have to do this in inches and not do it in miles like we did before. The point is if we can do we need to move forward. I came here with a lot on my mind and you can see that already, but I still have to put it back in your laps to say if we are going to this, there is a venue that we should care about and that is being sensitive to the lack of attention that some areas have gotten. I am really careful about ever saying this may be coming because in the minds of people who haven't seen anything it becomes gold. We are not talking about these gray areas that have popped up, we are talking about those areas that have been there a long time waiting on something and if you kind of throw how the carrot that something is coming and then you snatch it back, that is offensive. I hear you saying we can't go back but there are a number of people at this table who actually voted not in anger to at least let this go forward, you've got some responsibilities to those communities and explain to them why it went that far and then snatched it back. They have been waiting on something a long time and even the thought of it coming makes them excited. That is something that actually being a Charlottean, they got to see it different because I heard about stuff being snatched back and stuff not being done. We've got some responsibility to those communities.

Ms. Pickering said I'm saying let's do it now. Do they realize it is going to be 18 years before ...

Mr. Howard said it is not going to be 18 years.

Ms. Pickering said that is the area we are talking about, I-277 to Rosa Parks.

Mr. Howard said we don't know how long it is going to be honest. We don't know when the federal government is going to come back with another urban circulator grant.

Ms. Kinsey said what Jeff Booth said, when developers know that the rails are down then development starts. You don't have to wait until it is built out.

Ms. Pickering said the developer said you tell me the streetcar is going on Beatties Ford Road and I will be there.

Mr. Mitchell said a developer said Griffin Brothers said if the streetcar comes we are going to be developing. Johnson C. Smith said yes, we have more projects coming out on the corridor.

Ms. Pickering said Johnson C. Smith or further out? I'm talking further out.

Mr. Mitchell said I thought we were talking about what we are trying to get done now, not all the way to Rosa Parks. What we are talking about now is from on the eastside all the way to French Street. That is what we are focusing on now so we've not developers who want to develop now. We've got plans, catalyst projects ready to go now so that is what we are focusing on, not all the way to Rosa Parks.

Ms. Pickering said what are we doing from I-277 to Rosa Parks and Central Avenue?

Mr. Mitchell said I don't think that is part of the streetcar. From my standpoint and the budget we are talking about now that is not part of the conversation from I-277 to Rosa Parks.

Mayor Foxx said I'm just introducing this as a thought, but I-485 is taking how long to get done?

Mr. Howard said it been since I was in high school.

Mayor Foxx said well that is 50 years.

Mr. Cooksey said in 1995 I-485 was scheduled to be completed by 2010. When I moved here I-485 was going to be done by 2010.

Mayor Foxx said I'm just using that as an analogy from an infrastructure standpoint. You know it has been done in chunks and the schedule slipped for various reasons over the years to get that done, but in the environment we are in I'm just telling you there is no 50//25/25 for future projects. The choice you are making to get the additional 2.5 miles is you are basically saying to the market place we are going to have critical mass of this type of mode and transit in Charlotte. Because the 1.5 mile isn't critical mass, that is demonstration level, but it is not in critical mass. I just don't see transit projects being done in 9 mile stretches going forward. Maybe I'm wrong but I just don't see that happening. I think it is going to get done in chunks and if you look at streetcars around the country that is what is happening, 2.5 miles here, 2 miles here, 3 miles there and maybe 4 miles.

Ms. Pickering said did you get my basis point which is why are doing about the corridor right now?

Mayor Foxx said I sent you a Harvard Professor's article on growing inner cities and he makes observations about some of what you are talking about. I think I would love to have some magic elixir that would say we can just spread it across the city and those places would have what it needs. The problem with trying to do rapid economic revitalization like something you snap your fingers and it happens, is that usually you are incentivizing that with cash and usually the market is not already inclined to go in there but the cash fills a gap and makes it make economic sense and as soon as the cash runs out the retail is out or whatever it happens to be. What I think we are trying to figure out is how do you create a sustainable economy in these areas? On the other hand we have countless examples where we've made infrastructure investments in the city that have been followed by private sector investments and because this project probably has a 5-year window before it actually is in the ground there is more than ample time to work developers to work on sharpening up the plans out there. I think you can see some things happening in that area as a result of private sector activity.

Ms. Pickering said what are you talking so much...

Mayor Foxx said the four-mile stretch, not the whole and you might see some speculative things happening on either extreme, but one other thing to say about this is, and this falls back into the MTC conversation, I'm not representing that this it is a decision that has been made but it is a decision that could be made. Jeff just talked about Map 21 and the changes and what qualifies for federal matching funds. If the Red Line qualifies and we get a sign off from the railroad,  
mpl

let's go get some money to get that project done. If the streetcar qualifies let's go get some additional money to leverage what we've put into it. It is not like we have to just look at this four-mile stretch as the only piece that could get done. We might find that we can actually get more done, but we need to work with MTC to make sure and that is why I think we have a sequencing issue and making sure we don't jump ahead of where the overall priorities are with respect to going to the federal government for matching. I will tell you this is a bumpy that we can ride until the wheels fall off if we take the opportunity right now because we do have a friendly administration.

Mr. Barnes said where? In Raleigh?

Ms. Fallon said didn't I hear him say that before you do the streetcar that there has to be infrastructure in the community first?

Mr., Howard said but the Blue Line is building now and this is \$100 million. It was \$35 million to \$40 million of that and by the way that is property tax.

Mr. Barnes said don't get me going with that because we will end up talking about percentages again and it will be a problem for you.

Ms. Pickering said just seems like we're putting all our eggs in this one basket to revitalize eastside and west side when the target is way out there. What are we doing now to revitalize these areas?

Mr. Mitchell said I think it would be helpful if we could show Beth some of the current plans that are occurring now so she could look at because there are something now that we are not just waiting on the Streetcar. We've got the PED Overlay Plan that we are doing now. You see all the new sidewalks we are putting in from LaSalle Street to I-85. We are doing some widening, so Beth my frustration guys, you act like nothing is going on so staff I'm going to put it your responsibility to inform Beth that there is activity going on in these corridors right now so we are not just sitting here waiting on the streetcar to take place. There are public/private partnerships discussions occurring on how you take a vacant building and turn it into a mixed use. I'd be happy if staff would supply and if we are not having conversations about the Mosaic development so if you could just do me a favor, if you are not sure what is going on in District 2 on Beatties Ford Road and West Trade Street, just give me a call and I will be glad to share with you some of the activities that are occurring because it is frustrating when you continue to say what are we doing now, like nothing is occurring. We just need to supply information.

Ms. Pickering said right around Johnson C. Smith?

Mr. Mitchell said from the bridge all the way up to Friendship Missionary Baptist Church I can tell you about some of the development there.

Mr. Cooksey said I appreciate some harmonization between the point of espoused by Mr. Mitchell that we are doing things and the point of view as I heard it and it may not have been the way ... but this is the way I'm hearing things. I'm hearing from Mr. Mitchell that the city is actively involved in doing things and I heard from Mr. Howard that we are not.

Mr. Howard said you are definitely hearing me wrong. There are two different things. We are talking about economic development and the package we got was a package about how to pull the whole inner city back which is not just about Beatties Ford Road, it is about east/west and connecting gateway. It is more than one thing, but one of the things we know it really does help with economic development, which is what that package was about. If you want to talk about making .. that is fine, let's keep doing sidewalks, we've got money in there for that but that is not the catalyst that is going to bring it back in a way for it to happen on its own. We just saw from Michael Gallis' thing that it doesn't happen on its own. Do we want to be every other urban city when nothing happens and it all gets sucked out, but it is not healthy and it is not good for a community. The economic development component is what I'm addressing. Maintenance of effort if what I take that we are doing right now to keep it up and making sure we are spending money like we need to.

Mr. Cooksey said in light of that I would like to turn back to Beth and ask which is more passion for doing something now, the maintenance of effort issues that Mr. Howard described that Mr. Mitchell is saying is going on now or the economic development component that Mr. Howard is saying is lacking and I presume you are agreeing with him ... If I am interpreting Ms. Pickering correctly is that I'm trying to harmonize those two statements, people are waiting for the city to do something, but take a look at what we are doing now. That is where the communications issue is at and clarification of what the goals are. I hope that comes through that that seems primary interest.

Ms. Riley said both things could be happening and also separate the two in such a way that you understand the impact of both, because if you go either or, is it this or is it that? I think it's both and depending on the impact of where people are but in the end you could switch that mindset a little bit and move it to I bet both are happening then ...

Ms. Fallon said the thing that bothers me is we do a few sidewalks, we do some ... and by the time you finish that and you go to the next place, you've got to come back because it is deteriorating. Why don't we do in, put the money in all at once and improve an area and then go to the next area, but do everything at once, use the money that way rather than piecemeal? That will cause economic development, that will cause people to want to live there.

Ms. Pickering said I love how you make that distinction that is exactly what we are talking about, the maintenance of effort versus economic development and we do need to do all of the above so I'm glad to hear that, but it is not the transformative thing that you are talking about that we all want to see. That is my priority to see the economic development and to get something in there to get these developers, business people to get in there. I'm not sure what that is, but I'm willing to invest in that now.

Mr. Howard said Pat told us what it was, City staff told us what it was. They gave us the CIP package. They gave us one that said this is what they recommended out of every other thing that they put on the table that would do that. That is what I said earlier, we've got to trust staff. They have gotten it right more than they've gotten it wrong, that is what they told us. Out of everything else they had on their list, this was the one thing that they thought would be the catalyst.

Ms. Pickering said we've two choices, unfortunately we are being asked to fund it all with property tax and secondly it is a long time before that streetcar is up and running in the areas.

Ms. Mayfield said we all know that nothing happens overnight in economic development. Look as the sidewalks that have to be built on West Tyvola. Unfortunately where the young children were killed. That is a two year process because once we go in we have to have our public hearings, we have to have our discussions, we have to identify what side of the street it is going to be on, then we have to go in and negotiate with the land owner and see how much land we are going to need. That is what takes the longest time where we are buying the land that we need, negotiating the price of that land. I'm trying to understand, do you think that it is better when right now with the current interest rates where we can lock in these interest rates where they are for the development that we are looking at, that it is not a good idea to be forward thinking about to lock in those rates now with that idea of this road than to just wait for some future Council to have this discussion and they have no idea what the rates are going to be and it end up possibly five times more the cost of this development then if we had locked it in right now and looking at growth. We just got through going through the budget and seeing where we have seen these constant reductions. We heard repeatedly the federal government is changing their funding, state government is changing their funding, if we don't make this investment who is supposed to make the investment if we are not smart enough or bold enough, if we just through hearing it that we cannot continue to look through this and really look at the global picture and we are trying to be this world class city so that people who have moved here in the last 10 years, what brought you here, continue to grow that and if we don't lobby those interest rates now do you really think it is going to be beneficial to let some future Council look at potentially much higher rates to try to do the development that we chose not to take our responsibility serious about growing the city and moving forward today.

Ms. Pickering said I heard the Mayor say that they were multiple forms of funding and I'd be happy to vote for that now if we had some multiple forms of funding.

Mr. Howard said there are multiform of funding for doing these jobs. We say doing sidewalks and roads, but there are a lot of other things on the CIP, why that one?

Ms. Pickering said ... comments inaudible.

Mayor Foxx said one issue we have is we're not ... so we can't just create a revenue source and go do it. But we have options. How much of a relief off of a property tax is enough because we want to get to 100%. I would love to get to a 100% by the way, but how much is enough?

Ms. Pickering said are you asking me for a number?

Mayor Foxx said yeah.

Ms. Pickering said what I'm willing to give? I'm not sure, I don't have a particular number in mind. I would like to reduce what we've already done, come down the 9.2 which is what I believe ...

Mayor Foxx said so if there could be some reduction in the property tax increase that is dedicated to the streetcar. Part of the challenge we have as a group is that when we get into discussions about a budget, clarity is our friend. For some folks it is a bright line. I'm either with it, I support it or not supportive of whatever it is. That is what out adds and deletes are all about, that gives us a change to clarify that. But what I hear you saying is my problem is with the 100% dependence on property tax to do this project. So is it 80%, 60%, 30%, where are you on the continuum of what you feel like is an acceptable level?

Ms. Pickering said I don't have a number in mind. I recall we had the 2.44 thing with the county and that is where we went to that.

Mayor Foxx said that project was zero percent. How much of the streetcar do you ...

Ms. Pickering said I will think about that. I don't have a number per se but for these kinds of projects typically the funding is 50/25/25, are property taxes typically used at all, any amount of property taxes for projects like this?

Mayor Foxx said I'm not an expert, I'm just a little county kid?

Ms. Pickering said if property taxes are sometimes used for transit projects, what percentage is typically used?

Mayor Foxx said for the last 10 years or so the federal funding model for streetcars has basically been nil. Everybody has been kind of waiting for the federal government to actually express openness to funding the streetcar. It has only been in the last couple years where you started to see a lot of federal money come in, so what people have been doing, there was no formula to go off of so what they've been doing is putting patch works together. I don't know if there is a typical funding mechanism. I would agree that it is not typical to do it the way it was recommended to us but at the same time I don't think there is a typical. I do think that we have to desegregate a little bit the funding mechanism from the value of the project because I think some of the ideas that have been floating around suggests that the funding mechanism makes the project economically successful. That may be true in a case like Portland where as part of the process they actually had development agreements that they were able to strike as part of the planning process, but that actually is a typical. If you believe that the value of the project has impact then how it gets there is how it gets there. I don't think they are successful because of how they are paid for. Obviously none of us want to raise the property tax at all, obviously none of us want to raise it beyond what we think is reasonable and that is the discussion we are having, but I think when the staff proposes to us they are proposing value, return on investment. I have actually gone out to some independent economists to look at the whole capital plan to see

which is going to create more jobs, which is going to have more impact. Honest to God, the streetcar is the one that generates the most jobs.

Mr. Barnes said the full line or just the four mile stretch?

Mayor Foxx said the four-mile stretch, of all the things that are in the CIP.

Mr. Barnes said that is not what our staff information indicated last year. You know we got the information back on the economic impact of the CIP and it didn't say that did it Randy?

Mr. Harrington said it did generalize how much impact particularly on the streetcar it provide approximately 609 jobs, the construction would sustain 609 jobs. Right now we are looking at some additional information as it relates to what potential impact there would be from the streetcar.

Mr. Barnes said my expressed concerns for the last nine months have been concerning the funding methodology. Beth is raising an issue that we really haven't talked about, but it is something I think is valid and that is that most of the streetcar line goes through our CBD which is almost fully developed now. Bank of America is not going to give up its headquarters for some other high intensity development at that site. The Arena is not moving, the Police station is not moving so as you going through uptown, Johnson and Wales is not moving. There is pretty much full development there now and there may be things that will develop 4 or 5 blocks away that you say are related, but who knows. Once you get beyond I-77 over to Johnson C. Smith you are right, Griffin Brothers are doing their things because they capitalist and they see an opportunity there to get dirt cheap and make a ton of money which is great. Going the other way from Presbyterian out toward Sunnyside, I don't know what the plans would be there and obviously Clay Grubb has thoughts about the Elizabeth Avenue stretch, but one of the issues that someone might indicate and I'm just putting this out there and not digging down into this hole is that the opportunities for development are essentially limited along this stretch and it gets back to what she said, once you get beyond French Street and beyond Sunnyside up into Mr. Autry's District, then you start encountering areas that could really use the economic development, but I understand you point. We are doing something, but we're not doing enough and I get that. On this issue percentages, I believe we put about 18% of the Blue Line budget, the maintenance of effort money from the general fund. I think we had talked around the idea of doing the same thing with the streetcar and I think that was what she was talking about, but I don't want to speak for you. That was something that James and I had informally talked about, in other words treat the streetcar like we treat the Blue Line so that you would put 18% general fund money into the streetcar just as you are putting 18% general fund maintenance of effort money into the Blue Line. We really didn't get far with it but that is the sort of idea. For the last 9 months I think we have tossed around a couple dozen scenarios and we've always come back to the same complicating points, but we are trying.

Ms. Pickering said I'm sure there is a reason for this so I'm just going to ask it. Is there any way that we could do the final stretch next rather the stretch that is in the budget?

Mayor Foxx said what I'm trying to understand and somebody and try to answer the question from a technical standpoint, but I'm asking more of a political question. There seems to have been a lot of resistance to funding the stretch as recommended so if the alignment were changed are you suggesting that you would be more open to funding that?

Ms. Pickering said those are the areas that I'm most concerned about reinvigorating. Are you asking me if I'm going to vote yes, I don't know.

Councilmember Dulin said why not go all the way to the end in one direction or another?

Ms. Pickering said I'm just going to the heart of the east and the west areas that really need this redevelopment now instead of doing Elizabeth.

Mr. Howard said that was kind of decided for us on that because the tracks were put down by a former Council. It makes no sense not to capitalize on the tracks that are already on one side.

Where we started and where we go is connected to downtown and the fact that we need to connect the two stations are kind of there already. Back to what staff said, we said how do we start it on both sides? How do we be fair, so we are going in both directions. That is what we got out of this. That is going a little bit in both directions and if we find other money let's keep going in a way that makes some sense.

Mr. Autry said I think some of the message we heard this morning was that doing this extension project shows intent, confirms intent and then you can start to see speculation out the rest of that line because they know that someday the tracks are going to be there. What is your objection to using property tax for this capital project, but I don't think you would object to using property tax to build a road, which is also a transportation project. Would you?

Mr. Cooksey going back to some responses to things that were said, in 2007 during the repeal of the transit tax effort I got into a lot of flak from otherwise ideological record because I was supporting keeping the transit tax in part because they claimed that in 2007 they said the sales tax will not be enough to build out this transit system that you are planning. You will go into property taxes to get it done and that is creeping into different revenue sources, you are over reaching here. I said no, we've got plans and we've got promise and we are going to use the transit tax for transit and we've got locally property tax as our revenue that we use for roads because we are trying to build a system, a mobility system to get around this city that is sidewalks and bike lanes and roads and buses. Focusing on any single, you try to just talk about one, the others are going to collapse and the city can't function, it ought to be about all five of them. Property tax is the revenue that funds our local other three legs of that, roads, sidewalks and bike lanes. Every dollar you allocate from property tax to a transit program, and before it is said, I know it is exhausted. I appreciate the fact that it is exhausted, but that is the cards that are on the table. We can't fund the Transportation Action Plan either with the existing revenue streams we've got. We are talking about going into the revenue streams that are supposed to fund CAP to fund transit, so we are going to fall further behind. I keep referring to the Committee of 21 Report that two Councilmembers served on that said that if we do not have new and expanded funding for our road network our road network will collapse. That is the main crux for the problem here that we've got far more projects that are vital to this city than we have revenue to pay for. A property tax suggestion in my case, and if I wanted to flip I could quote Mayoral candidate who talked in October 2009, he said I will not use property tax to fund the streetcar.

Mayor Foxx said still haven't.

Mr. Cooksey said if we follow tradition we will find out what we can work out next year to repeal the transit tax and the ... that was made by those petitioners were in 2007, we said it wouldn't work and low and behold it hasn't. You ask Mr. Autry why an adjustment in the property tax, and I don't want to speak for anyone else, but that is the core basis of ... We promised folks a revenue stream for transit, we have a revenue stream for roads, sidewalks and bike lanes that is inadequate as well and it concerns me that cannibalize an already limited revenue source for one part of our overall mobility system to make up for deficiencies on the other. If I were to suggest using transit tax revenue to build some roads I would expect to be run out of town on a rail, which is why I would suggest it.

Mr. Autry said as long as you are going north and south.

Mr. Cooksey said I didn't vote to keep transit tax and yet will under no plan that I have ever heard of or ever seen will ever see any fixed route mass transit infrastructure built in that district.

Mr. Dulin said who made the decision when we started the streetcar extension to hook down on Hawthorne to Seventh Street and then to push past Johnson C. Smith as opposed to pushing from the Transit Center to Gateway, about that same distance, and then pushing the streetcar the further distance all the way out. If it went further toward the east it would go all the way to The Plaza or beyond the Plaza through the section of the miracle mile? How was that decision made because I have never heard or read about it? I'm just curious.

Mr. Autry said it was the Streetcar Citizens Committee.

mpl

Mr. Hall said part of the issue is an Engineering and Planning issue of the rail tracks on Central Avenue and with limited funds you could only go so far before you would have about a \$42 million cross over Central when you come off of that at Hawthorne. Part of the reason we stopped there was cost benefit and then figure out what the alternatives were going forward. The primary reason it stopped on the eastside is an engineering issue about how do you cross a railroad track.

Mr. Dulin said it is not going to get any cheaper as other people have said.

Ms. Kinsey said we are not going to cross them. We will go down ... and around them, but I also think you also want to know why the City was made to do Elizabeth. That was the Streetscape Plan and it was partly funded by Central Piedmont Community College and I believe the hospital may have put some money in. While the streets were torn up they went on and put the rails in. The street lights also, the community help with that. We don't have to go back and put in the electrical but it was partly funded by Central Piedmont and the hospital.

Mr. Dulin said it is an awful mess to drive a car on that section of road.

Mr. Autry said try a bicycle.

Mr. Dulin said right, it is a death ride on a bicycle. Your car goes into the holes and out of the holes and into holes and all of a sudden somebody is crossing the road.

Mr. Autry said if you get into the rut with a bicycle you are going to be kissing the pavement.

Mr. Barnes said John handed me something that actually refreshed my memory on an issue. I remember last year we talked about the BAE Study and we talked about the Streetcar Advisory Committee's work and they used the BAE Study in their work. Somehow they failed to acknowledge what the BAE Study says which is it did not contemplate using property taxes to fund the streetcar. One issue, but just taking a step beyond that, what it did talk about were TIFs and SADs and MSDs etc. which is same thing we talked about during our budget season last year. I still think that should be a part of the conversation and if we have to ask the Legislature to extend our authority to have that special SAD then we should do that too, the special, special SAD we should do that and hope that they will do it. What John handed me had a bullet point that says no fares are anticipated for the streetcar starter project, which is crazy. The fares on the streetcar should be the same as the fares on the Blue Line.

Ms. Flowers said the service that is replacing is the Gold Rush which is free, but being paid for by contributions from Johnson C. Smith, Center City Partners.

Mr. Barnes said but they are not going to pay for the streetcar. That is why a fare should be charged if we do the streetcar in my opinion.

Ms. Flowers said the assumption is they would still make the same contributions.

Mr. Barnes said the operating costs is different on the streetcar and the Gold Rush.

Mr. Hall said the streetcar starter project is of such a short distance that the staff did the analysis and it would probably costs more to actually gear up for the expenses to collect a fare than what we would collect in that particular distance. In other words, you start paying the people and that is part of the operating costs. The line has to get longer before..

Mr. Barnes said how many miles?

Mr. Hall said we contemplate doing that for the four-mile section.

Mr. Barnes said charging a fare?

Mr. Hall said yes.



Mr. Barnes said these gentlemen were just saying that the Gold Rush is cheaper to operate than the streetcar.

Mr. Howard said I know that it is cheaper to operate rail than it is to operate a bus.

Mr. Barnes said no, you said the Gold Rush is cheaper than the streetcar.

Ms. Flowers said it is more productive because you can carry more passengers, but it is not cheaper per hour to operate.

Ms. Fallon said my understanding historically was that property tax was used for police, fire and infrastructure. Aren't we getting away from the core things that we are responsible for with property taxes?

Mr. Howard said what we are talking about is economic development. If we want to ... fine, but it was presented to us as part of the economic development package. From an economic development package I think you could make the argument ... that we want to make sure we are driving our property taxes .. so we are not carrying the majority of the load. That is what that package was about, it was about turning the ... around with economic development. Curt never said it was anything other than that, it was economic development, how do we do these corridors or don't we.

Mr. Gaskins said historically transportation has been one of the things that property tax don't ... as part of your infrastructure package.

Ms. Fallon said to me that was roads because we can't keep up with what we are going to need for roads. Four years ago we said it was going to be \$5 billion – no way could we every find that money.

Mr. Gaskins said I was talking about historically, transportation has been one of the things that property tax funded. When you look at the actual package you can look at our history.

Ms. Fallon said well then what was the transit tax for? That was for rail.

Mr. Howard said he said historically. Charlotte is a lot longer than the part that has the sales tax.

Ms. Fallon said have we used it for transit historically?

Mr. Gaskins said historically if you look at our history among the things that we spent for we look at the capital package it was transit and that goes way back in our history. What Warren was talking about was about what people's understanding as to what you were going to do, but on a historic standpoint it has been in our history to fund that as far as the central needs, capital needs and in fact operations.

Ms. Fallon said what do you fund?

Mr. Gaskins said buses.

Mr. Autry said up until 1975 the transit system was a part of operations, correct? In 1975 a bond referendum purchased that transportation system for the city so we got into the transportation system with property taxes.

Mr. Cooksey said to conclude the history, in 1998 the transit tax was adopted at first and the city was spending \$18 million in general fund on the transit system the city was running which was all buses at the time. Our discussion in the 1998 transit tax debate was that the city was getting out of the transit business. The MTC was taking it over, funded by the half-cent transit tax, but I don't know if it is important to remember, it was legislation on the half-cent requiring the City of Charlotte to continue the maintenance of effort payment or \$18 million per year, freezing what our involvement in transit was at the 1998 level so to this day our budget includes \$18 million per year that goes to CATS for that maintenance of effort in the city's contribution to transit,  
mpl

going back to the original deal with the voters in 1998. It is now funded out of Pay-As-You-Go side of things which could be considered a combination of rental car tax and fund balance overages and that kind of thing. It is an annual expense and it is in the Pay-As-You-Go capital and is funded by a variety of ... including the fund balance from the general fund. On the one hand you have an example of the use of general fund help to this day for transit of the city measured against the argument that in 1998 the promise to the voters on developing the transit tax was all that the city would be doing.

Mr. Dulin said the \$119 million includes the cars and the maintenance facility.

Ms. Flowers said it doesn't include the maintenance facility, it includes the cars.

Ms. Dulin said we are paying how much for a light rail vehicle now?

Ms. Flowers said the new order is \$3.9 million per car.

Mr. Dulin said and they still have to be shipped over from Siemens in Washington and get a thousand hours of break-in. I thought the original ones were higher so we are getting a better deal on cars now.

Ms. Flowers said we are. We did a big break on the cars because we are piggy-backing on Portland, but the cars that are envisioned as part of ... line would be more because they are hybrids.

Mr. Dulin said that means they have a battery in them so big that the battery can run that thing through Trade and Tryon. Do we have any idea how much the streetcar vehicles are going to cost?

Mr. Howard said it is in one of the write-up because I ask for a breakdown and Randy sent it to us.

Mr. Harrington said recall seeing \$6 million per car.

Mr. Dulin said \$6 million per car with the new technology to have a battery back in it, and how many do we need to buy?

Mr. Harrington said 6 or 7.

Mr. Dulin said \$47 million.

Mr. Howard said it is a long-term investment.

Mr. Dulin said I'm saying I think that is cost prohibitive. We can buy goal buses for less than \$6 million. The hybrid is \$600,000 so divide \$600,000 into \$47 million. That is how many hybrid buses you can get. Seventy hybrid busses .

Ms. Riley said where are you with this conversation? What might be helpful, does there need to be more information because I heard you all on different levels of understanding information that all of you have gotten. I have heard different ideas on certain things that were said to all of you so for me I can just stand here and not a party to any of this. Is there other information that you need or need to review or get from staff. Are there things coming out of this conversation that need to be done in terms of either information from staff or review or whatever. What did you learn here and what do you need?

Mr. Barnes said I'm not going to say nothing because since last year I have been trying to figure out if there is a way to get a CIP done that pleases as many people as possible and I would still like to hear why the BAE Study is valid or invalid now or why it will or will not work now in terms of the funding options that were included within it. I think it would also be helpful to understand the development potential along the current proposed four-mile alignment in light of the limitations that I think exist in uptown. Those are my key issues and then the stuff that I  
mpl

started with about the conflict between the streetcar and the Blue Line and what is happening in Raleigh and DC is still a big issue for me that I will not deny that is problematic.

Mr. Howard said I think what concerns me is that we are down playing the role of the people in Raleigh. They have a lot to do with the sinking of our CIP. I keep hearing you guys down play this idea that we went through the add and deletes and three of you guys changed your mind when you got to the last day. Whatever that is that is going on in Raleigh is not going to change. If we don't figure out how to deal with that concern about Raleigh always raising its head and telling us what to do, they will be doing that on everything. They are doing it now. What they are seeing is that we can't make decisions, we are kind of weak and not that we shouldn't care about it, but we need to have a more active role in it. The more we just say we are okay with being treated that way that is not going to stop. There will be other things and this is just the beginning. We've got to figure out a way to deal with this we are scared of Raleigh thing. I heard from a couple of you that that had nothing to do with changing your mind, but the night before the Senate voted and then all of a sudden everybody is just totally different, even from statements that we made the very week before. If Raleigh is having that kind of effect on our CIP we've got to deal with that. If it is building better relationships let's all get on a bus and go to Raleigh. What we've got to do is something different from what we are doing right now.

Mr. Barnes said dating back to the Easley Administration David, I have expressed concerns about funding of the streetcar. I think I have been fairly consistent for the last five years. Is the Raleigh thing not an issue? I read what Bill Brawley wrote and he apparently had three co-signers. They are in a position where they have more guns and bigger guns than we do and if they choose to do something that we don't like there is not a whole lot we can do about it. We are dealing with the Airport issue, we are dealing with the Panthers issue, we are dealing with this Town of Ballantyne, Town of Providence thing down south, we are dealing with the streetcar and the CIP so there are issues here and the Business Privilege License Tax, there are things that are happening up there that do require us to take them seriously. If us getting on a bus and riding up there is necessary then let's do that and maybe it is other than Town Hall Day, maybe we do need to go, I'm not sure. My point is I don't want to discount people who are in a position to dramatically impact what we are trying to do. That is all I'm saying so that is why I asked her to put that on the chart.

Ms. Fallon said David if you recall, four years you called me at 7:00 a.m. to yell at me for an hour because I had sent a letter all over Charlotte when I was President of the Northeast Coalition stating that I was against the streetcar. Don't accuse me or anybody of hearing from Raleigh. I never heard from Raleigh and I couldn't have cared less if I did. That was my view four years ago.

Mr. Howard said all I'm telling you that at the add and deletes you didn't raise your hand.

Ms. Fallon said I just said I have never seen a budget done that way before.

Mr. Howard said what I don't like is that you guys happened hazard, it didn't matter that we went through that and we didn't do it the right way. It didn't matter.

Ms. Fallon said it did to me.

Mr. Howard said I'm saying what this non-chalantness is about, well that is just the way it happened. Well okay.

Ms. Fallon said it is not non-chalant, it was something I did not understand and I cannot vote for something I don't understand. In addition, you knew four years ago, I sent a letter all over Charlotte against the streetcar so I was not influenced by anyone. No-one called me and I wouldn't have listened if they had because I didn't listen to you when you yelled at me.

Ms. Riley said what I think is important here and what you are raising both of you is an issue of process and how each one understood so going forward it sounds like the process needs to be identified and if we get ... if there are agreements made.

Ms. Fallon said I talked to Michael about doing the budget line by line so everybody understood what each line meant. That is the way I know how we do a budget, but as far as being influenced by anybody, I had the people that were for it and in fact Anthony you called me and I listened to everybody and I decided that it was not something that I thought I could do.

Mr. Barnes said I have been through these when I was at the bank, the professional development sessions and such and I want to acknowledge something that David is saying, LaWana has said it and it is a valid question. They have both said why the heck did you all wait until the day of for this to occur? As I have told both of them, speaking from my seat I cannot tell you why, and again I've been consistent for five years, but I can't tell you why I did not move to delete that item during add and deletes. That is the answer to that question. I can't tell you why I did it. I told James and I had a conversation before the dinner meeting, I said James I'm having some trouble with the budget and he and I had a brief but good conversation and I don't know if there is a good answer to your question but I want to acknowledge that I understand your frustration. I know why you was mad about it and I know why LaWana was mad about it, especially being new, she was really kind of blown away by it. We were going left and all of a sudden going right. I'm just trying to be respectful and acknowledge that I can't give you a good answer to that question.

Ms. Fallon said I went to Curt right after it and I told him I couldn't do it, I didn't understand it and that I didn't think it would ever pass a transportation issue. His answer to me was it will pass, don't worry about it.

Ms. Riley said it sounds like when you had the questions and when you had the problems and when there should have been a way for folks to be able to raise that so that everybody knew it, rather than just that person or the other person. What I'm saying to you is that going forward what makes that difference because you've still got to meet this ... you still have to deal with it so what I'm suggesting is that in dealing with it that you create a process so there isn't this ... when you get to whatever date that is that I just saw on a piece of paper. You check yourself on your rules of engagement, what are your rules of engagement around that process. You can check yourself every five minutes if you have to.

Ms. Pickering said I'm glad you raised that David and I like what you said Michael, which is there really isn't a good answer to that question. I know for me I was uncomfortable the whole way with raising taxes. I was concerned about it and I talked about it, but I was under the impression that we had to have a CIP, so I didn't feel like there was a way to really not look for it, but I can see now looking back, it was not the way to go and I'm sorry that that happened. As to the notion of Raleigh, I certainly didn't hear from anybody in Raleigh. It was just me going in there and voting that day with the way I felt best about it and I was as shocked as everybody else that it didn't pass, but there was no influencing, intimidation, manipulation, no, it was just me going in there.

Mr. Howard said I said this earlier, one of the things that I'm very presently aware of is the seriousness of this responsibility that I've been given. I'm sorry, but what I hear is that there are people who listen to every word, everything we are saying right now and there are at least three guys in this room and some other people who will quote exactly what we say. The public, the business community, all those people are going on what we are doing in this room. They take cues from us, they take understanding about what is going to happen out of this. The anger that you saw at Johnson C. Smith last night is what happens when we are not careful with that responsibility that we have because we let it go too far if we were not going to do it. Now you see it as a couple weeks but that is not what it was when the understanding is in this community that when you finish adds and deletes, what is in there is in there. So it is not just trust amongst us, it is trust with the community as well. There needs to be some repair done and we can't just say oh well, they will get over it, they will get it. That is that community that I'm telling you that has looked for things and Warren you are not going to understand it, you are not going to understand it. You have to have been here and lived through people talking about Second Ward and Brooklyn, you have to be here to understand it. They hang onto everything that we say because they are looking for some help. All I'm saying to you is let's take that responsibility seriously as we go forward. We can't just say stuff like it doesn't matter. It matters a lot to people who are waiting on us to get this right, and not just here, there are people in Raleigh

waiting on us to get this right. I would say that is what is going on right now, they don't think we can handle it anymore. You can't tell me about the neighborhoods I grew up in. You can tell me about yours, but you can't tell me about mine.

Mr. Cooksey said as one of the two people who didn't change my vote from straw vote to budget night because I voted against the straw vote night and I voted against the budget night consistently. I'm curious and I guess this is where we live in it in the sense from June and the question about people's expectations came up to those who change who were in the room ... let me ask the question were the many, many e-mails that started arriving after the public hearing on the budget and after the straw vote session was over, starting around May 31<sup>st</sup> and going on through June 11<sup>th</sup>, did those e-mails have an effect on you? That is one of the things that changed between the straw vote session and the actual budget night vote. In fact the persons in the meeting who were the perpetrators of what I'm about to say aren't with us at the moment, so this isn't you all, but one of the frustrations as an opponent of a tax increase during the budget session last year, one of the frustrations I had particular in April and May, especially in May after the Manager made his formal presentation, was that someone representing the media said Councilmember Cooksey, we've heard the latest proposal for funding the baseball stadium, would you comment on that, and I said no, but I would love to talk about this 8% tax hike to fund a nearly \$1 billion CIP. The response I got from the media from whom many people learned about what we do was oh, I don't want to talk about that. I would contend that it wasn't really until May 31<sup>st</sup>, the day after the public hearing when the media really started reporting on what was going on with the city budget, that many members of the general public figured out what was going on and by the time we had done our straw votes session that is when they started inundating us with e-mails saying don't do this. As we relive this past one thing I would be curious about my colleagues who did change around a bit was, well actually you didn't. For those who voted yes on the straw vote on May 31<sup>st</sup>, but voted no on June 11<sup>th</sup>, were those e-mails from the public influential? That is pretty much all we were getting e-mails, or at least the ones I was seeing were saying don't do it, don't do it. If we are reliving this and coming up with reasons why and explanations for why that is something that I noticed was different prior to straw vote and not a lot of public comment. After straw vote tons of public comment heavily against the proposal for a tax hike to fund the CIP.

Mr. Dulin said I went to the meeting at Johnson C. Smith last night and Biddle Hall may be my favorite building in the city. That was a great presentation and our guys did well, other Councilmembers that weren't there last night. Ms. Kinsey, Mr. Mitchell, Mr. Autry and Senator Graham were on stage and it was a good panel but that was the choir and those folks are for the streetcar. They were for the presentation last night. I would like for you all to take that presentation on the road. I'd be more than happy to find a place in District 6 you can give that presentation. City wide supported the referendum 70% so there are a lot of people in District 6 that support the light rail or transit and given the opportunity to hear the presentation maybe they would support streetcar too, but it is overwhelmingly not in favor of the streetcar here so as a way to help and play fair I wouldn't mind helping you set up something in District 6. They have an auditorium right across the street at Providence Day School that they let me use for community events from time to time. There are a number of churches around and they let me use those at night. Take that show on the road and let Charlotte see, not just the choir.

Mr. Mitchell said that suggestion came up last night so we asked Mattie Marshall to work with staff since she is part of the Street Advisory Committee and to identify places in Charlotte that we can go. I was hoping we could get to another topic but since this is on the streetcar I'm going to go ahead and inject this right now. It is about our relationships that we have with one another, whether it is trust, whether we work together and respect one another. I think last night when I turned on Channel 3 and I saw another colleague attack the Mayor about the streetcar, it was downright disrespectful. Since 1999, since I have been on Council we have always had personality issues or Warren and I had issues, Warren didn't go on TV and say I can't stand James, I didn't go on TV and say I can't stand Warren. I think somehow this Council has to get to that point that you can agree to disagree with someone, but you don't have to go to the media. That doesn't solve working together as a team to try to accomplish something and the last time I looked the streetcar was not Mayor Foxx's project. The streetcar was a project that the City Manager put in our budget for this City Council to vote on. Claire, that doesn't do well with people trying to work with you if you are going to use the media to vent your frustrations.

Ms. Fallon said I didn't go to the media.

Mr. Mitchell you did go to the media.

Ms. Fallon said no I did not.

Mr. Mitchell said I don't believe the media was going to come to you.

Ms. Fallon said are you calling me a liar?

Mr. Mitchell said yes.

Ms. Fallon said well, I'm sorry but the media came to me.

Mr. Mitchell said okay the media came to you but why didn't you have the wherewithal to say this is not about the Mayor?

Ms. Riley said hello, we cannot hear each other if we are going to talk at the same time. So let's slow it down for a second. James finish your sentence then Claire.

Mr. Mitchell said I just think as we move forward and one thing about this Retreat I hope we will accomplish is how we continue to respect each other and work with each other. We've got some dynamics going on on our Council that I think are not healthy for us and it is definitely not healthy for the community. But situations like last night does not help this Council because I felt offended when I looked at TV and I saw you making those comments. It was about your 4040 Plan, talk about your 4040 Plan. I didn't understand the importance of interjecting Mayor Foxx's streetcar when it is not Mayor Foxx's streetcar. It is the City of Charlotte's streetcar and Warren you and I have had some tough times, I don't remember you ever going on TV and blasting me. To me you've got to foster the relationship or an environment that you disagree but you do it respectfully and you still try to advocate for your position ... We don't never need that to happen again. I don't know if we need to write a code of ethics or a work relationship but let's agree to disagree and leave the media out of it if you have an issue with a councilmember.

Ms. Fallon said first of all I didn't call the media, they came to me. I didn't mention the Mayor's name. When they asked me about the ... I told them what I thought about it. I've been consistent about it for the last five years. I don't believe in it and won't vote for it and that is it. If you ask me a question I will answer it and that is what I did. I certainly didn't go to them, they came to me and they will tell you they came to me. They called me at home and asked if they could see me. The night before ... called me and asked if he could see me. I don't look for the media. Second of all, people on this Council, from the day I ran have worked against me and I've been told by everybody, including our Mayor. Do you think that I'm comfortable, do you think it is comfortable to be moved out of your seat by someone, do you think it is comfortable to have people .

Ms. Riley said I want us to slow down and we might need to a number of issues.

Ms. Fallon said yes, this is a number of issues and I think it is very nice that they laugh in front of me because they have done this all along.

Ms. Riley said let's deal with the first one that got on the table.

Ms. Fallon said he was insulted, I'm insulted but he has been working against me. You called Beth to talk about me.

Mr. Mitchell said let me do it a nicer way. There is a reason why people don't work with you Claire. There is a reason and that reason is, most people came on this City Council came to serve the people and really want to do something special. You came on Council, you are know it all, and you talked about that young lady so bad.

Ms. Fallon said I never talked about her.

Mr. Mitchell said Oh please, let's have an honest conversation with you.

Ms. Fallon said I ran for one reason and that was to do good. I have never taken money from anybody, I was on the Planning Commission, I did not take money from developers because I wanted to be free to do what I thought was best. If you don't like it because I don't follow blindly, that is your problem, not mine.

Mr. Mitchell said we can respect people's opinion, but we never go on TV blasting someone. None of us have ever done that.

Ms. Fallon said no, everybody works behind everybody's back here with a knife in the back.

Ms. Riley said what is happening here is really I think larger than the two of you issue. I think with your behavior right now is moving away from in terms of what your job is as a Councilmember and what happens as a Councilmember versus personal. Everything has gotten personal and once things get personal we scream at each other in terms of I don't like you and I don't like your behavior. We have to slow it down to get into the behavior that we don't like the city. What I'm hearing from you is I don't like it when you go to the media and speak about the Mayor or other things. The impact on you is like trust. This is larger than your feeling that you are being put upon and your feeling in a sense almost the same way. There has got to be a larger issue here and a larger acceptance of this group in terms of beginning to look at what are some of the other aspects of trust that occur and be able to talk about that behavior as it impacts, not only you but others, and clean about what do you want to do about it. Because the behavior has occurred over time, this is in here now, there is very little trust, you have stated that. All of you stated that so what do you plan on doing? What you would like to see as behavior going forward and I also think that some of these one on one situations need to be talked through. Otherwise it just becomes the thing that is everywhere. I will leave you two for a second to breathe because the back and forth screaming doesn't do anything and I want to invite other Councilmembers to weigh in on the trust issue in terms of how you see it.

Mr. Barnes said let me say this Barbara. What you are seeing is the frustration that we talked about and I'm not surprised that it has bubbled up and it may bubble up again because there is frustration. With regards to the frustration that David has had with me about the add and deletes, I wanted to address that publically and I think I have, hopefully in was in a decent way. In terms of restoring trust there is stuff that happens among my colleagues that I frequently don't know about and I hear about it, but James is right. We have historically been able to get along well and I am not picking on him or Claire, I'm just saying he has made a good point. Since we have been on Council we have, even back to McCrory and Lassiter and Turner and me, we all got along well. What has changed for us has been this issue of the breakdown of the CIP because the CIP has not turned into a class and race issue, the streetcar piece of it, that I hadn't even fully appreciated until David talked to me about the Mighty Midget and about what he saw growing up in that part of Charlotte. I'm from eastern North Carolina, I'm from the country, but I didn't appreciate that the same way that David did until he talked to me about it. I get my hair cut in west Charlotte, I go drive Beatties Ford Road frequently and see things and my appreciation for it is a little different. What I have been trying to do and still want to do is figure out how to meet the needs of west Charlotte and all of Charlotte, and do it in a way that is responsible based upon my own conscious and how I gage things. I'm going to bring the Mayor into this now, back in June when the budget collapsed the Mayor said we were irresponsible. He said we were DC and we were irresponsible. You've never said I'm sorry for that and maybe you're not, but some of us, including myself, took that as a disrespectful swipe at us because of the way you said it. I know you were angry, but again we've all been emotional and I get that. That was something Anthony that I personally did not expect to hear from you and I know you weren't necessarily talking to me but I didn't expect to hear that.

Mayor Foxx said I have addressed that. I addressed it at the first of the budget retreats in the fall.

Mr. Barnes said I think I remember that. But you and I haven't talked personally which I need to.

Mayor Foxx said let go into some of the process issues and talk about what has been frustrating to me about this. We are supposed to be big kids and we will have disagreements. Andy and I will disagree and then Andy and I will go and have lunch and we have a good lunch. We will talk and I will explain to him that I call people, he'll tell me I didn't. It's all good. The substance of disagreements are actually not the problem. The problem is when we set a form up to put those disagreements on the table and people don't use it. It puts the city in a real bind. What I said that it was irresponsible, and I still believe it was irresponsible by the way, but I do want you to understand what I mean by that. It doesn't mean that you are irresponsible for thinking something different than I think. What it means is that at that point in the process Humpty Dumpty has fallen off the wall and I don't have an idea how to get Humpty Dumpty back and that is exactly what happened at the end of the process. I will say one step further, I bite my tongue a lot in this job.

Mr. Barnes and Ms. Kinsey said we all do.

Mayor Foxx said I do it times 11. There were actually Councilmembers who were saying that they were going to force me to put the city in a physical crisis. They were telling that to other people and some of them told it to me. That is not how we do business so streetcar, no streetcar, sidewalks, no sidewalks, neighborhoods, no neighborhoods, police stations, no police stations, that is substantive stuff that we should vet out, but whatever was going on with the maneuvering at the end, it is just not the way Charlotte works. That is what I'm reacting to, but I fully told you guys back when we started those budget retreats that if you were offended by something I said that was not my intension.

Ms. Riley said the other thing that I'm hearing also is that there is no come back. Folks don't come back to each other to have that second or third conversation. There is hidden, everybody is off on their causing you to go to the media rather than each other. That is something to look at.

Mayor Foxx said yes and no. I've had conversations with every single person in this room about the budget and what happened. People wanted to come back together in the fall to talk about it. We talked about it and then they wanted to come back in the spring to talk about it some more. I've actually gone to Portland with a Councilmember to look at streetcars. I've taken some pretty great lengths to try to get this figured out, but it feels like we are not arising to the occasion and while we're not rising to the occasion the Blue Line Extension infrastructure stuff isn't getting done, police stations in south Charlotte aren't getting done, neighborhood improvements aren't getting done. I'm a bit at a lost as to how to bridge whatever the gulf is here and there isn't any personal stuff involved, but I think others have said it, we've historically been able to put any personal stuff to the side. I don't have to love you to figure out what is best for the city. I'd like to love all of you. I love your humanity.

Mr. Howard said that is part of what I wanted to talk about. I also feel the tension between respecting each other and sometimes in a Dinner Meeting we will do what we just did. Andy when I kind of cut you off and you cut me off, I'm going to take responsibility for what I did tonight, but there are times when that happens at the dais, not just among ourselves but with the public that comes to talk to us. Charlotte is better than that. It takes a lot to come and stand in front of us and talk at all. If we disagree with what they've done, even the guys that come down and have the worst properties in the city, we are respectful. Because we are not doing it internally, now we are doing it to the citizens. I ask you to try to figure out how to deal with it internally, but it bothers me more that I can tell you when citizens stand in front of us and whether we like what they are saying or not, be it a company, a homeowner or whatever it is, to cut them off, we talk to them like they are children. That is just not Charlotte's way and I've been watching this a very long time and somebody said to me the other day, and I won't bring up the other elected body, but you guys are worse than the other one. That is just who Charlotte City Council has been and we are not arising to the occasion. We are just not doing it and I would just employ us, and this is my little take, acknowledge that will respect how we speak to each other because there is a courtesy that we do even when we don't agree with each other or even care for each other, there is a courtesy that we should have, just because people went out and voted for us to come represent them number one. But as a citizen, I don't care who they are, takes the time to come down and stand in front of us, and I have been on the other side. If you have never been on the other side talking to Council maybe you should stand up there. Mayor



you did that once and it is different when you stand up in front of us. You should try that to see what that feels like and we should never disrespect somebody when they are standing in front of us. It has happened too many times since I've been on Council for the last three years, we shouldn't cut them off, we should give them their say and we should be respectful. Then if we have something to say we should say it off line. That is another one of those pet peeves for me that we've just to stop. We've got to respect people.

Ms. Pickering are you saying we shouldn't stop the public at the three minute mark?

Mr. Howard said no, no, no. I'm talking about the fact that if we disagree with them we will cut them off. Tell them what they should have done. There is a way that we should talk to people who come to talk to us. Not only because it is the Citizens' Hearing, but we should respect them for taking the time to come down whether we agreed with them or not. Even with Occupy Charlotte and I lost mine with that one and I had to go back and apologize. Even with that we've got to take - we signed up for it.

Mayor Foxx said I had a situation recently where we were in a meeting and I said something and I forget what we were talking about but I mentioned the Flat Earth Society in the context. Let me show you how things are supposed to work. I said that and Warren was offended by it. After the meeting he came up to me and he said look, is something going in between the two of us, are you upset about me and I said no. He said well I was kind of offended by that. I said well I'm really sorry and I called him back later and said you know I'm going to tell the Council that at some point. That is how you wear your big britches. I just want to tell you Warren, I appreciate that because lot of time people will complain to other people but they won't come to the person that they want to complain about.

Ms. Riley said one of the things that was in that interchange was personal responsibility and our own level of integrity. If I want to do that then I will do that. If I know my boundaries then I operate off my boundaries. If I know what my line in the sand is then I do that first, I take care of my responsibility. Until that is accepted by every member then you will always have difficulty, and we move to the folks that I'm supposed to be responsible for which is all my Councilmembers and then all of Charlotte. It seems like by the experiences here that some of them are based on my own sense of what I consider to be my boundary, whatever that might be, and my integrity. I get to talk to Warren and if we bump each other hard or soft it doesn't matter, my responsibility is to go to him and talk about that more or in this situation to do that. Nobody can make him do that and no manner of rules of engagement will do it either unless I agree that that is something that I'm going to do. That is one level.

Ms. Mayfield said I'm very clear, but I also agree Michael that once we had the budget discussion and once it went forward there was a breakdown in communication and for me it was more of a breakdown of trust. For some relationships they become fractured but others sever completely. I have a very little to no tolerance when someone lies. I have a very little to no tolerance to lies period. The you just throw something out in general, if something is just going out random and you continuously to that, if I'm standing up and I'm having a conversation with the Mayor and someone just walks up and starts speaking to him, as if I am not there. The Mayor has seen it numerous times where I looked him in his eyes and said okay, good day and I walk off. Now I'm going to do that a couple of times because you are crossing boundaries and we are setting a tone of a particular data and in your mind you think it is okay to step on if I'm talking to Andy or to anybody and someone just walks up. If Andy is having a conversation with someone and I come up behind him and his back is to me, I might just touch his arm or touch his shoulder just to say hello, but I'm not going to just start talking to him as if he is not having a conversation with anyone else. I would say that outside the great relationship that I have with David and James, Andy is probably, since he is the closest person on the dais, we have a click from the very beginning. We have a great relationship. I have not had that relationship with my colleague Claire Fallon. We do not have that type of relationship. That precedent was started from day one because regardless of anything that happened on the campaign trail what I recognize is that once we all came in to that room, we all came into that room to do a job, to grow this city but from day one I get a call about something as simple as an office. Not because this person came to me and said you know what, I'm a little chlostophotic, I really want a window. From the very beginning I let that go, but you know what, go ahead, I'm going to tell  
mpl

you Claire, it is not that big of a deal. But then little by little, more and more you are going to be able to test me so long. When I talk to you and I tell you please don't do that. There were plenty of times when I went over above and beyond, would go out of my way to speak, would go out of my way to do a lot of things and then the nit picking will start. The little things will start. You all just got through having a conversation about what wasn't fair. I don't care if the media calls you. I don't care if the media call anybody. The media calls all of us. It is our responsibility how we respond to that. So as you were speaking because we all know the modern age of technology, saying what you didn't say, you do a search on WBT Channel 3 and read what is the first thing that comes up based on your interview last night. What is written in paper that will always be there, a Charlotte City Councilwoman said Mayor Anthony Foxx's streetcar proposal is absurd. That is what is always going to be out there, so with all the little things, all the nit picking with being extremely rude when I'm talking to someone and you walk up and just start having a conversation with them as if I'm not there. Because honestly in your mind you probably don't remember this but unfortunately there are too many other people in this room that I was talking to that you would just walk up and starting talking to them. Well, you know what, I'll catch up with you later and I just walk off because in your mind I don't know if this level of entitlement where you really don't see when you are rude, I don't know if this is an exaltation, or to be perfectly honest you just don't even recognize the things that you do that are rude and are over stepping boundaries. I've done all of that I'm going to do as far reaching out because if I can't trust a simple thing that comes from you, then you have just made my job harder because now I have to work around you because I can't work with you because I cannot trust anything you say. It is not about what it is you have perceived, I'm only talking about my perception. I'm only talking about my reaction, I'm only talking about the actual incidents that happen. I'm not talking about a what if, maybe in a fancy world, I'm talking about specific things that you have done repeatedly, many of them that I have set aside and that I have overlooked and I just walked away from. Until I got to the point where I could no longer do that because at some point you have to speak to someone in the language that they are going to understand and you can't understand niceness. Therefore I needed to speak to you in a different language.

Ms. Fallon said I don't recall, but what I do recall is being insulted and nobody came over to you and said we don't do that here. I don't insult and I don't like to be insulted. In my way of doing it is just talking to you.

Ms. Mayfield said in your mind you really don't insult.

Ms. Riley said even if you spend some time here, there are a number of conversations that have to happen here and I think they need to happen between the people who are having some real strong feelings and real strong issues and I'm available to be a mediator in that situation because you need to slow down folks. You are not talking about the impact on you, you are delivering on things that have happened one right after the other. It is called accumulated impact and now I'm going to explode. You've gotten to that point and even taken the task that somehow it is okay for you to say that you don't need to talk to each other is really interesting because this is about the people in the Charlotte. This is about the folks that you have volunteered to serve, that each one of you said what the number one reason you got on the Council, it wasn't about me it was about serving the people. As soon as we get to a place where we are not willing to talk and not willing to work it out than we are saying I'm more important than the people of Charlotte, and I know that you all don't mean that or want to be in that place. If that is the case then there needs to be some time spent with you alone. Some of these long conversations where there is structure, there is not this firing up because now you all have such a pitch that it is just deliver, deliver, deliver, it is coming in to seek to understand and to move to resolution at least to the state that you can. Then this Council in my mind, and the Mayor and the City Council and the City Manager can talk to me about this, needs to really develop some rules of engagement that are real and that you are actually committed to sticking to. If you don't then you can call each other on it, but right now I don't think they really exists. I think this is a nice list but it doesn't mean anything to anyone. Real rules of engagement means that we are agreeing with each other and committing to following them. That is our relationships with each other, but also our relationships with the public, our relationships with the staff, whatever relationships we are involved in. So those folks that are willing to have some one on one I'm willing to have some one on one with you and to help you hear each other because right now you are not listening. Move through those and then have the Council come together and make some commitments and

agreements as to you are going to behave going forward. We can do some amelioration of the past, but going forward there has to be a commitment as to what is going to happen so that trust can be built from here on out. If you are willing to do that then please say yes. For those folks willing to have one on one conversations I'm willing to have those between today and tomorrow whatever time they are and we can move on to the Mayor and I will work with Julie and others to figure out this Council can actually make some agreements that you are willing to stick to. Are you willing to do that? I heard one yes, but there are 12 of you. For those of you that have the one on one please come up to me and we will work those out.

**The meeting was recessed at 5:52 for the Reception and Dinner.**

**Friday, February 8, 2013**

The Council reconvened at 8:49 a.m. with Mayor Anthony Foxx presiding. Councilmembers present were John Autry, Michael Barnes, Warren Cooksey, Andy Dulin, David Howard, Patsy Kinsey, LaWana Mayfield, James Mitchell, and Beth Pickering.

**ABSENT UNTIL: NOTED:** Councilmembers Patrick Cannon and Claire Fallon.

Mayor Foxx called the meeting to order and said thanks everyone for what I thought was a very good day yesterday. We had a wonderful presentation by Michael Gallis. I thought our speakers at lunch were exceptional, both Jeff Booth and Mayor Reed from Atlanta. We had some review of our finances and budget and an opportunity to kind of deal with some of the underbrush as well. I just want to say as teams work trust becomes very important and I think what we are trying to build during this Retreat is a level of working trust. I think yesterday was very, very important. We may have an opportunity today to have further discussion. I was thinking about this trust and dealing with the kind of challenges we have to deal with, we've had the worst economy in 80 years, we've had budget issues, we've had the DNC, we've had lots of things going on and how do you deal in a time like this. In my own little disjointed way I started thinking about one of my favorite movies and a metaphor for what it has been like over the last year or so for all of us. I'd like to play just little snippet and ask you to at least to imagine that this may be what all of us have felt like from time to time this year. Mayor plays a video.

Mayor Foxx said I thought I would introduce a little levity this morning. We've got lots of things to go through so I will turn it back over to Ms. Riley.

Ms. Riley said I'm so glad the Mayor came in with that. One needs a little levity after hard work and there was some really good hard work done yesterday, some spirited dialogue and one thing that is important to know is that all of those kinds of things are positive. It may not feel that way in the beginning, but it is positive in terms of the fact that if we are moving towards authenticity then that is how we get there by dealing with each other as honestly as possible and making sure that we spend some time or get some time as folks have agreed to in terms of one on one, put some resolution and some healing and moving forward so that work can become more effective. That is the idea.

With that in mind we all this stuff going in here and all of you talked yesterday particularly about making sure that you have the right information, making sure that you are clear about the decisions that you make, owning the decisions that you make. Once they are made hang onto them with evidence. As the Mayor just said you heard from Michael and you heard from the Mayor of Atlanta, who really pushed the envelope around twenty first century thinking and raised the issues of mindsets and when you are in these kinds of political offices, one of the things that always has to happen around leadership is the ability to be influenced and know why you are where you are. I think there were some great conversations done yesterday and what is going to happen today more than anything else, all of you committing to really being present and also if there is some question or more information, you've got a great staff here that is willing to come in and support you and help you with it so that more and more effective decisions are made. I would like for all of you to think for a moment and you don't have to feed this back, but just think about your intension for today. What is my intension, what do I want to get out of the day and how do I want to be and make that intention to yourselves. Make that intention and see

if you can follow it today because what we intend is where we end up. I would invite you to do that.

Ms. Burch said the next portion of the Retreat is talk about your plans and priorities. The Committee Chairs or Vice Chairs will give a brief summary of accomplishments to date for their Focus Area Plans that we are in right now and then also discuss potential challenges for the year coming forward. Our staff has been working with each of the committees and the committees are at different levels of discussion and that is okay. For today each Committee Chair will say a little bit about each Focus Area Plan and we would like at the end of that for the Committee and the Council to engage in a discussion around that in terms of how you feel about current priorities and any changes for the coming year that you would like to have contemplated. We'll go through each of the five Focus Area Plans and what we would like at the end of the discussion today is to ask for Council concurrence to formerly refer to each of the Focus Area Plans to their respective Committee to go and do the rest of the work on the Plan and come back with a revised proposed Plan for Council adoption later in the spring, probably a March or April timeframe. That is the general process for the Focus Area Plans and this morning we will start working through each of them and getting Council feedback. I believe we will start with Community Safety, Beth are you going to be leading that?

Ms. Pickering said is it possible to go to the next Plan and give our Chair an opportunity to get here?

Ms. Burch said I think so if the group is okay with that. Then we will go to Economic Development, Councilmember Mitchell.

Councilmember Mitchell said I always when I get an opportunity to talk about being .. with the government I always have to first thank the Mayor for giving me this opportunity. I remember I was Chair of the HAND Committee one time and then the Mayor asked me to Chair ED. I really took it as an honor because I think a lot of work we do in our city is about economic development. We talk about corridor revitalization, jobs, bringing more companies here and now we are embarking on what we call the new energy hub as well as a new program. In your binder you see our work plan, but let me go over the highlights for 2012 and 2013. The biggest probably time consuming task, but Pat thanks to your team that we revitalized our SBO Program and that will be huge for us. As recently as our last meeting we've been talking about several names about rebranding. Kim did a great job of coming up with three or four of the names. Beth and Andy actually joined in at the meeting and I can't remember all the names but one that we had a lot of fun.

Mr. Cooksey said I can give you all three if you want. The first was Charlotte INclusion, with INC kind of highlighted. The second was Prospect Charlotte and the third was Work it Charlotte.

Mr. Mitchell said let me say something about my committee. We've done a lot of work and there is still a lot of work to go, but I really appreciate you all being willing to meet twice a month and the material we have before us is a lot, but you all have shown a lot of enthusiasm. You haven't said no to me. Staff thank you and I keep calling Ron but we need to do more and more. Each Committee member I am proud of because they have stepped up to the plate and added their own initiative. The first one we've done and we call it the Cooksey Amendment, is the entrepreneur. Warren has been a very strong advocate about making sure we understand entrepreneur so now we are defining the city role, partner entrepreneur and I can't thank the Mayor enough. When the Mayor first got elected he started having meetings on the 15<sup>th</sup> floor about James you and Patrick come, this Entrepreneur Alliance is something special. Warren has taken it to another level, he started talking about bar camp, start week-end and shape Charlotte's entrepreneur competition. There is a lot of wonder stuff all around the city.

Mr. Mitchell said the third one we felt we accomplished, and we all accomplished with the Mayor's leadership, was the DNC. We got a report of \$164 million economic impact. The fourth one is in progress. We've talked about it several times, sports in our region. Someone made reference yesterday about amateur sports and the impact it has, not only in Charlotte, but in the region and how every summer a lot of us who have kids who are involved in soccer, tennis or  
mpl

basketball. They spend a lot of time away from the City of Charlotte, and we need to capture some of that enthusiasm and those dollars here in our community so amateur sports has taken on a big part for the City. Patsy and John we've got our sights on something to make that an amateur sports village. The last one that is in progress is the all excitement around Charlotte being the new energy hub and energy capital. I said this once before in Committee meeting, but I didn't share with all the council members, last week I got a call from an energy company out of Columbus, Ohio who said we want to be there in Charlotte. You all are doing something and can you set up a meeting with your young man who is in charge of sustainable Charlotte. Ron met with them and they brought someone from California and then after the meeting the guy from California said you know what, in about a year or so when America realize what city is doing it right you all need to take your model and take it on the road. My Committee members, David, Vice Chair, Cannon, Cooksey and LaWana is there anything you would like to add the ED Committee.

**Councilmember Cannon arrived at 9:06 a.m.**

Mr. Howard said thanks for your leadership.

Mayor Foxx said I want to thank the committee and the staff because the Youth Employment Program has just gone like gang busters. We had 3,200 experiences this past year. Bank of America invested heavily in the program, \$100,000 and I got a call a couple weeks ago, they are going to do the same thing in the coming year so we are moving forward. That is great.

Mr. Mitchell said the last thing I'd like to add is the partnership between the ED Committee and the Budget Committee when we were talking about after school and addressing after school. Chairman Barnes, I think some of the initiatives you all set is going to be extremely well for the program as we try to make sure we can leverage our dollars. I know in the ED Committee we were trying to make sure that all the kids can be served and we realized that there was going to be a shortfall in the summer program, and you guys stepped up to the plate and we found a way to make sure our kids can still benefit from the summer program.

Mr. Kimble said do you want Mr. Mitchell to go through any of the other parts for the future concept ideas for next year as well.

Mr. Mitchell said the four new ones, number one develop an integrated community approach to international economic development. Increase opportunities for minority and women owned enterprises to participate in city construction and service contracts through a new MWSBE Program. I think our goal is to have the name and everything in place by April 1<sup>st</sup>. We'll ask the Council to participate with us on that. Increase jobs and business investment in priority business corridors. We have had some success when you think about ... and some other projects, Mosaic Village and others that we know are on the table. I would just encourage this Council let's continue to think about our corridors and what we can do now. Let's make sure we focus on that. Last and certainly least, determine the City's role in a comprehensive community energy strategy. Those are the few concepts for 2014 on top of anything else that Ron Kimble wants us to work on.

Mr. Barnes said explain to me what the fourth bullet point looks like conceptually.

Mr. Mitchell said in terms of the City's role in a comprehensive community energy strategy? Michael, I think we have yet to identify that comprehensive, but I think when you try to take advantage of the momentum we have right now with what Rob is doing, how the corporate community has embraced this energy consumption, energy awareness, we would like to continue to position the City of Charlotte to do big and better things. Rob did I say that right?

Rob Phocas said you said it right.

Mr. Howard said the only thing that would be nice to add would be the whole idea of doing something with amateur sports in the CIP or not. What I think we heard from the CRVA it is a huge economic impact on this community. I may be working later on after we finish with some of this other stuff to put that on the agenda to talk about what we can do.

Mr. Kimble said all Councilmembers can weigh in to give input to the Committee who then will go and discuss these concept ideas and you can add things to that list as we go through it. This was just meant to whet the appetite but it will be up to the Committee to make a recommendation.

Mr. Cooksey said one of the things I've been pushing in each of the Focus Area Committees I'm on is how these things were structured. I think over the years they've gotten a little muddled in terms of what they do and what value they bring. We've got three different components, once you get the Mission Statement and the general write-up when you get to the list of items, you've got three different things going on. There are typical items that Council expects to be working on, items that Council expects staff to accomplish during the year or two year period and things that we hope to influence but we don't necessarily have to have control over. I think this breakdown of possible new concepts for ED Committee demonstrates that pretty well. The first bullet point and four, Develop an integrated community approach to international economic development, determine the City's role in a comprehensive community energy strategy. That is something the Committee is going to have to work on behalf of the Council and Council will have to adopt. Increase opportunities through the MWSBE Program, the Committee is on tap for the Council to adopt that before the beginning of the fiscal year so that bullet point for FY14 and beyond is really more an implementation aspect to set where Council will accept the policy and we are looking for symmetries of what staff will be doing with the new policy. That is a staff expectation. Increasing jobs and business investment, those are things we'd like to do but we are not necessarily going to be able to control it. It is something you would like to measure for ED so that as a third category would be things we'd want to keep an eye on related to this focus area. My encouragement as we go through Focus Area Plans today and as the committees work on the new ones going forward, not just structuring them, clearly showing what the Plan expects Council to work on, what the Plan expects staff to work on and what we simply want to monitor related to the Plans that we can influence, but not necessarily have control over and I think we will produce documents that are much better for us, much better for staff and much better for the community to evaluate what these Focus Areas mean.

Mr. Mitchell said let me say this to all my colleagues, I love it when you show up at our meetings. Someone made the joke one time, I think we had 9 Councilmembers there, but I do think it serves a true purpose. I can remember that issue was the Carolina Theatre, but I don't think if Patsy was there, the expertise of the historic we would have missed that from the Committee. I encourage you, Andy has been coming, Beth has been coming, Claire has been attending and Michael I think you came when we were talking about the baseball. I think it is helpful because it allows other Councilmembers to get the real information in front of us instead of the information that we get from other outlets. I welcome that and I think it is always helpful.

Mr. Cannon said it sounds like we are off to a great start this morning and God willing we'll certainly end that way. I want to take this opportunity to say thank you to Councilmember Mitchell and I know he gave a lot of accolades to others in here but certainly we appreciate his leadership. I would like to take this opportunity to thank Mayor Foxx for allowing me to Chair the Public Safety Committee and I'd like to identify the members of that Committee. Councilwoman Beth Pickering who serves as Vice Chair, Councilmember Andy Dulin from District 6, Councilmember Michael Barnes from District 4 and Councilmember Claire Fallon who serves in an at-large capacity. I also want to take this opportunity to say that we have the finest in the way of a Police Chief as well as the finest in the way of a Fire Chief this side and the other side of the Mississippi and we are really fortunate. We are really blessed to have the leadership of these gentlemen with us in the way of Chief Hannah as well as Chief Monroe. Chief Hannah continues to make sure that he is doing all he can to address the different response times and deal with the saving of lives across this county and City and since Chief Monroe has been here, four years before he got here we averaged about 82 homicides a year and that has diminished a great deal. I'll talk a little bit about that through this Focus Area Plan, but I will tell you for the most part both departments recommend keeping the same initiatives and measures for FY2014 as they feel they reflect the activities that are critical to working toward their mission of making Charlotte America's safest city or safest community, something that we have adopted.

All of the Police measures center around their ultimate goal basically, which is to reduce crime with their primary measure of success being reduction in the actual number of crimes as well as  
mpl

the crime rate per 100,000 in the way of population. Some of the new initiatives that Police plan to use to reduce crime in 2014 are the establishment of a Real Time Crime Center and development new strategies to deal with fringe crimes such as shoplifting, organized retail theft and metal thefts that have a significant impact on crime.

Relative to Fire the mission there is to reduce the life and property damage from fires. Accordingly, their measures focus on response times to fires and the number of arson cases that are cleared by arrest and get the offenders off the streets. In FY2014 Fire wants to work on reducing their overall call processing time, something that I know that is very important to all of us and we have expressed some interest in, and possibly adding fire companies to address areas of the city with high volumes of fire calls. Both Police and Fire strive to engage our citizens in doing their part to make Charlotte a very safe city. They will each tell you that citizen involvement and engagement relative to partnerships is the thing that is helping us across the board to deal with the number of crimes we may have before us. Additionally you heard me mention about the number that we were averaging in the way of homicides in 1982, I will tell you that in 2012 we've hit the lowest number we've seen in some 24 years relative to the number of homicides. That is tremendous, more than half in the number we are talking about that we used to experience years prior to our Chief. He certainly will tell you if you call him or anyone from the media, he will say we can't take all the credit. We attribute that to the level of partnering with those in our area neighborhoods, our business community, our faith based community and non-profit sectors to help us to be able to prevent the next crime. We certainly must pay homage and thank the citizens out there as well that they engage with. The police actively engage with the citizens in their assigned neighborhoods and measure the impact on the level of their involvement. I'm sure that in many of the District meetings the officers are right there. They show up and make sure they are engaged and that they are part of those neighborhoods to make sure they are getting all the information in which they need to safe up those communities. The Police also engage in a citizen's survey which is conducted by an independent research firm on an annual basis. This survey measures citizens' perception of the police the level and quality of their interaction with the Charlotte Mecklenburg Police Department and how they feel about the safety in their neighborhoods. The Police Department considers this survey rating to be one of their most significant performance measures, largely in part because it is coming from the people who best knows what is happening in their community and how they feel about it relative to their safety than the people that reside within it. Of course that is something that is very meaningful to them.

Fire places a great deal of emphasis on their prevention and education activities and considers the number of fire code inspections conducted within the state mandated timeline to be a significant measure that they look to. These inspections allow them to engage in businesses and making their facilities less likely to have fire hazards that could lead to a tragedy. In FY2014 the Department wants to increase its overall citizen's awareness and be more active in fire prevention and education in the schools so that good habits may take hold at a young age. It may not be a bad idea also for some of the District Reps for meetings where you have a pretty substantial amount of people attending those meetings, to invite the Fire Department and allow them to come out and talk about what they are doing and how those folks can help in a way of making sure that they are watching out in their communities for anything dealing with arsons. That is a major something that we need to be on guard for. You know and I know that Neighborhood Watch and/or Business Watch means nothing if nobody is watching. That said, it is going to be important to make sure that folks know just as much about fire as they do about police. Both police and fire feel that the diversity relative to employment is critical to their success. A workforce that is reflective of the community help both departments build trust and communication with our citizens. I think that is something we all believe in and both departments measure their efforts to build a diverse workforce through the percentage of females as well as minorities in the Police and Fire Fighter application process. Both Police and Fire depend upon collaborative partnerships to accomplish their goals. The two departments have worked together on the concept of bringing about a consolidated communication center and hope to be able to move forward with that in FY2014. That is something we have been discussing in the Committee and it is something that we will work to report on as we continue the CIP process. With that in mind typically, if something isn't approved like we weren't too successful in moving forward with the CIP, sometimes when you don't do that it adds to the costs of being able to do business and to be able to bring things into fruition. That said you probably want to

calculate somewhere to 6% to 8% in the way of additional costs that may be out there to make some other things happen because obviously, the price of brick and mortar can go up and we have to be mindful of that. So just be mindful that that is something that is out there that we will be bringing back as we talk about the CIP.

Policy also work closely with Neighborhood and Business Services to address conditions in neighborhoods so thank you Pat Mumford and your team for being engaged in that process. This helps us to serve as a means of enabling crime that takes place in communities. Many of you will recall how we used to go and have these teams come together between Solid Waste and Code Enforcement and CMPD. They would have that taskforce and they would converge upon certain neighborhoods to go in and help deal with those issues. In many cases these projects lead to reduction in crime and/or calls for service and enhance assistance perception of safety in neighborhoods. Police also partner with State and Federal Law Enforcement Agencies. Something we certainly know about and there they address those issues related to gangs and firearms. Currently as it relates to gangs we want to make sure we are doing all we can to rid ourselves of any activity of what is going on there. You all know that Gang of One is something that we continue to work with and/or from and it is something that is modeled throughout the entire country. We want to continue to keep the measures related to gangs and getting those out of community as best we can to be something at the top of our agenda.

Fire of course partners with a number of other agencies in training exercises to insure that our community is prepared as possible to deal with any natural or manmade disasters that might find its way to us. Their measure is at least 6 exercises or training courses in a fiscal year. You all might have a question about that, is that too much, too little or is it just right as you talk about what could be.

The current Community Safety Focus Area Plan contains a measure to leverage the equipment purchases made for the DNC for use in Public Safety Initiatives. Both departments are currently incorporating that equipment into their strategies. If you will recall we had a presentation not long ago on how Police are doing relative to going forward to using cameras, license plate readers and shot spotters in their enforcement and prevention efforts. To help with any related questions that you all might have we open up the floor now between myself and along with Chief Monroe and Chief Hannah to address any questions that you might have.

Mr. Cooksey said my annual plea for the committee in working on Focus Area Plan is to take the Mission Statement, the concept that Charlotte will be the safest city and put somewhere in the plan a measure so we can track how we are doing relative to the rest of the country. Community Safety is always the Plan that has, in my opinion, the strongest metrics for us to see and that is great, but it is generally structured so it is comparing us with ourselves when our goal is to be the safest city in America. Maybe I should start showing up in the Committee and try to dig into it a little more. I would like to see something in the Plan that notes where we are nationally with regards to Community Safety so we know where we are, moving to be the safest community.

Mr. Dulin said in my neighborhood meetings I'm fortunate to have neighborhoods that if we have 7 larcenies in a month they are freaking out. If it is up from 4 the last month, but that is up 45% and if we have 20 rapes in a year and it goes up to 30 one year that is 50% increase so the percentages don't tell the whole story. I'm very proud to be out on most Tuesday and Thursday nights in neighborhood meetings talking about how crime is down, but we want to be America's safest city and our homes, we were 100% safe last night. But if it was your house that got broken into last night crime is up 1000% and that sucks. If we have a neighborhood that has 4 larcenies those four families are all screwed up because their house got broken into or their car got broken into or stolen. I don't want to hang the bar low and say we want to be the safest city we can be, although we are doing that by the fact of our hard work and the Chief's hard work. They keep us safe too I want to be America's safest city, but I don't know how the Committee can dial that in. We can say that we only 57 murders, Chicago had 432. I don't know how we do that.

Mr. Cooksey said the way we normalize this, only the Chief's initial guidance is incidents per 1000 or 10,000 or whatever, per population, so the way you determine which is worse, 432



murders in Chicago or 57 in Charlotte is divide by the population. That wipes out the percentage increase concept.

Mr. Dulin said let's publish that information and we ought to be able to publish that pretty quickly.

Chief Monroe said there are a lot of different dynamics that go into comparing yourself with different cities. I think that we have to be very meticulous in identifying what those metrics are going to be. Comparing the homicides to Chicago may be fair. Comparing us to Atlanta, what are the other cities that we compare ourselves to as it related to transit, economic development and other issues and put ourselves in the same arena. We see these poles that come out that said the safest cities in America but I wouldn't trust the metrics or the parameters that they put around making that assessment. I think a lot of work has to go into how we try to chart ourselves in respect.

Mr. Cannon said I think that is right, it is not always in this particular instance apples to apples. It is not just population and keep in mind Charlotte will be America's safest community is really more of a charge for our department to go out there and make sure it is doing all it can to lower the crime rate in different areas, wherever it might be. For instance the crimes that might occur in District 7 may not be the same kind of crimes that occur in District 2 or 4 of what have you. We recognize that we still have some challenges. There are a few things that we need to do in Metro, there are a few things we need to do up on North Tryon, there are a few things we need to do in Central so we can't necessarily go to another city somewhere and look at what they are doing to remedy their problem. But then again there are some things in some instances that we can do. Everything just doesn't line itself up the same way it normally would if we were doing best practice stuff.

Mr. Cooksey said Chief when you came to Charlotte, one of the aspects of your career that we talked about was when you became Chief of Richmond, Richmond was on some national list for a very high homicide rate and you got it off that list. We've got a perception and reality challenge .. where yes when you delve into it there are some real serious questions of methodology, but the reality remains that it is a list that is out there and it can affect our economic development it can affect the perception of this city and it affects this Mission Statement that Charlotte believe they are the safest community. That is something I struggle with from time to time about how to deal with these issues of crime in the past. Perhaps the wording of the Statement is where it is about. If we are saying that Charlotte will be America's safety community we should be able to point to something external to us that says yes, we are America's safest community whereas if the goal of the Area Plan the bar is Charlotte will continue to be a safer community. We are achieving that goal. That ties in the mission of the Focus Area with what it is our Police and Fire are doing. That is the disconnect I keep experiencing each year when we want to be the safest community, but we don't do a national metrics.

Chief Monroe said another step we are careful about, it is just based on crime numbers because you can actually see an increase in your crime but still rank well amongst other cities. Then what are we saying to our community? It is okay for crime to go up in our community but if you look across America we are still one of the safest communities so we have to be very careful about pitting ourselves against different cities. I think the importance is within our city. How do we continue to improve upon the safety for our citizens. You may say we fell down two ranks in the national average but the community doesn't feel that way here in Charlotte it is a struggle and become something hard to deal with even internally.

Mr. Cannon said Mr. Cooksey doesn't want something so broad in its context. Just a paintbrush kind of type safety.

Mr. Barnes said respecting Warren's concern would it be more palatable to you perhaps and others Warren to say Charlotte will be one of America's safest cities?

Mr. Cooksey said to me there should be some expectation of how we measure against America's cities.

mpl

Mr. Barnes said I understand what you are saying but let me give you some background from my perspective. When I got on the Council we did not have The University City Division Office and I had one hell of a set of challenges up there and since we established that office in 2006 and staffed it up when Chief Monroe was coming in things have gotten a lot better. Our crime numbers are continuing to go down and most of the crime we have is related to one student stealing another student's iPad or someone leaving an iPhone in the car and someone taking it. CMPD has actually been able to identify where many of the crimes are starting and how they occurred, which actually has made me feel good so there are not many random crimes in my District as there used to be. So from my perspective, Northeast Charlotte has become one of the safest parts of Charlotte and I don't know that measuring my District or this city against another city is very useful. Atlanta is another city, different people, different politics, different experiences. Charlotte has its own people, experiences, politics and so it is hard for me to do the apples and oranges thing but I think saying one of America's safest cities or community might help you because I kind of understand what you are saying in terms of drawing out the extremes.

Mr. Cannon said maybe what we will do is take it up again in the wake of hearing and seeing if there is something we can drill down on.

Ms. Mayfield said actually it does tie in with what we have been discussing this morning. I don't necessarily mean to put Chief Monroe or Chief Hannah on the spot, but on behalf of the West Boulevard Neighborhood Coalition we definitely want to thank Chief Monroe and definitely Captain Jeff Smith because West Boulevard and Remount has been identified as one of those areas where the cameras we were already using in uptown Charlotte are now going to be used in that area to help with the security. A lot of people don't realize just how much the crime has gone down in the West Boulevard area. There is still a perception that there is high crime, but crime has been at its lowest numbers for more than 5 years now so that piece is out there but I also want to share something with all of us for us to just get a real understanding of what happens out in the field and how we affect our citizens when we are having these discussions in the room. I'm hoping not to embarrass Chief Hannah too much, but this was a letter that was received on February 4<sup>th</sup>. Attention Fire Chief Jon Hannah regarding Fire Station 38 Heroes. Ms. Mayfield read a letter from Johnny Davis who went into cardiac arrest on Christmas Eve and how Fire Station 38 responded to the 911 call, instructing his wife how to do chest compressions to stimulate his heartbeat and when they arrived on the scene they shocked him six times with a defibrillator. He was transported to CMC-Pineville and had been unconscious for 15 to 20 minutes before arriving at CMC where he was admitted to ICU and remained there his entire stay. He was not given much chance for survival by the Doctors nor was he expected to have any brain function at all since he was unconscious for so long with no oxygen going to his brain. However he is alive and well today. Mr. Davis said he was compelled to write and tell what an awesome job these heroes did for he and his family. They came back to the hospital to check on me and after I went home they came to my home again to check and see how I was doing. They will say they were just doing their job, but I say they are my heroes and they are doing God's job.

Chief Hannah said that wasn't me. I wasn't there that day. I have known Dale for 30 years, he grew up in the City and we get a lot of those letters. We do that a lot and to what Mr. Cooksey said the goal standard on heart attack saves has always been Seattle and we are actually bucking their numbers right now. The last three months of last year we had a 62% save rate. The medical community has some very tight standards on how they measure things to make sure they stand up to that comparable scrutiny and we had a 62% save rate on what they call shockable rhythms. There are two heart rhythms – when you essentially die and your heart has quit working there are two different things it can do that the medical community views you as still savable, you do everything just exactly right. Those last three months we had a 62% save rate on that but what really interested me was on the group that you consider you stone cold dead, we got 15% of those. Here is the downside on reporting. In the month of January we were 0 for 5 so it depends on the age, the condition and the general health but one reason we so focus on response times is we have about 5 minutes and then there is no point. We are trying to deliver firefighters and a lot of equipment to every household in this city in about 5 minutes from the time we pick the phone up. Our average response time is now below 5 minutes but our incremental, we are trying to save under 6 minutes at 80% and we are doing about 84%. It is tough and I told Danny yesterday when he was showing him his map of SouthPark with the bicycle lanes, I'm over here

with angina and I get all of that but the bicycle lanes and the medians kill us. It is like Danny said, Jon we are becoming denser so you're going to have to build more stations. The Mayor of Atlanta spoke yesterday, Atlanta has 420,000 people in 132 square miles. We have 760,000 people in 300 square miles. I've got 1,050 firefighters, he has 1,000. You have 42 stations, they have 35. You've got a high performing Fire Department that is at capacity. Boston, Baltimore, San Francisco they all have 35 stations and they are covering 40 square miles. Geography kills us and that is why eventually we will have to do more infill stations.

Mr. Dulin said I want to tell one quick story about Chief Hannah. I've been fortunate enough to spent some time with him and he has spent some time with me and my then 15-year old son on a Saturday morning a year ago. My son and I were looking at some of these old vintage fire trucks and the pump and you all should ask the Chief to take you over there because he turns into a 15-year old boy while he is showing them and there are retired firefighters over there on Saturday morning polishing them. These guys are just proud. I don't see any cop shining up the LTD on Saturday morning. Chief Hannah was telling us how they will juice up the engines to have better response times and that the guys want to be there in four minutes and the response time is 5 minutes. At one point I said well Chief the stations are coming, and the drivers are called Engineers, is there any competition and he said oh yeah they are will wreck each other to get there before the other guy. These firefighters that are in our community I think it is the best in the nation and maybe the best in the world. The Chief came up through our ranks and is a Charlotte guy. One of the things I've always said Chief Hannah I've got buddies of mind growing up and in college that were firefighters here and now everybody my age is retired. Those guys were fired up when Jon Hannah got the job so I think we've got the best Fire Chief in the whole world.

Ms. Kinsey said I want to piggy-back on something that Jon said because you all know I hate speed humps, but I'm not sure you all know the damage they do to our fire trucks on a consistent basis. I had to call 911 one day and Station 6 covers our area and they have three humps to go over before they get to my house and I live less than a mile away. I rode with the firefighters one time out of Station 13 and they were complaining about them and they said it slowed them down about 15 seconds every hump. That is something I would say Danny, cut out the humps. I was on Community Safety Committee for a number of years and we talked about this. I'm just wondering if we are still trying to do anything to take over medic because that is where they ought to be. They ought to be with our Fire Department. If we are I would suggest at some point when it is appropriate we start looking at that again.

Mr. Cannon said that was a measure that we try to take up and you have folks in the medical field that were really our block. Some of them are gone now. A major one is gone now and we were just trying to make sure our police could have those in their vehicles in the way of defibrillators but that is something we can reengage in.

Chief Monroe said Jon may not want to take that torch up, but I know how he feels about it and you are absolutely correct. Fire arrives to 99% of the medical calls before an ambulance even pulls out of the driveway. When we talk about this combined communication center part of the emphasis is to buy that additional time for fire to respond. We would love for medic to be a part of that but right now they don't choose to be a part of that. I think that says a lot about where their actual emphasis is or where it should be, but I wholeheartedly support the fact that medic should be under the Fire Department.

Mr. Cannon said I don't want to get ahead of where we should be and Mayor I would yield to you and your leadership about that issue and what may be done about it and maybe give us some direction as to where we can go with that. You have made another referral to Committee already I think that will help us along the way in trying to what we can to reduce the amount of crime that takes place in the community. That might be something that we engage in and talk about and figure out how we can address that.

Mayor Foxx said there is a three-year old set of resolutions that the City and the County adopted to consider functional consolidation and one of those areas was medic and fire. It is still as far as I know crickets have chirped since we did that, but the action is still valid by both bodies.

Maybe what we can do Julie is have some conversation about maybe a letter from me over to them or from you to try to reinitiate that discussion. The bodies have already blessed studying it.

Mr. Cannon said that you Mayor and thank you Ms. Kinsey for resurrecting that and bringing it back up because it is very, very important. Manager Burch anything you can do to help with that we certainly would appreciate it. In conclusion if that didn't run some chills through you of the testimony that Ms. Mayfield read. That was something else and Council and Mayor you ought to feel proud about the level of decisions that you have made in the way of hires, in the way of changes that you have asked the Committee to look at so thank you for your referrals. We look forward to additional referrals that will make a difference for our citizens in the City of Charlotte. Good things come to those who wait, but greater things come to those who don't wait, let us not wait to make a difference where we can.

Mr. Autry said as Chair of the Environment Committee I want to thank the Mayor for his expressions of confidence in a freshman Councilmember from a District to be appointed to a Chairmanship of a Committee. I was humbled and honored at that opportunity and I want to especially mention staff and their support, Ms. Burch, Mr. Hall, Mr. Phocas and from the County Ms. Precious and all the rest of staff for keeping me from screwing it up. The Focus Area Plan, everyone has a copy of that and you can see what good things have been going forward with the City in the respects of the environment. The Mission Statement is that Charlotte will become a National Leader in Environmental Sustainability, preserving our natural resources while balancing growth with sound fiscal policy.

I'm not going to go through the whole piece just about 3 or 4 items here. The first one to promote and participate in the development of the sustainable community. The 2013 measure was to maintain a significant and healthy tree canopy. Staff is working with Tree Charlotte to increase our annual plantings from 10,000 to 25,000. There will be a web site launched in March where people can be educated on the Tree Charlotte Program and also contribute to the program through the website. Although the program of neighborhood plantings is always underway and continues and Charlotte was recently named one of the top ten cities for urban forest, something we should all be very proud of and we are in the middle of part of it right now aren't we.

The second initiative was to lead by example by practicing environmental stewardship in City operations and facilities. The 2013 measure was to reduce energy use. Staff is working on enhancing and preparing for deployment software that will help us track our electrical use, our natural gas use and help us set a base line and set goals for the reduction and to calculate our annual greenhouse gas inventory. The next initiative is to seek and support collaborative and regional solution to environmental problems. The 2013 measure was to collaborate and participate in public and private sector partnerships to positively impact air quality, energy efficiency, water resources and reduction of waste. Staff is actively involved in the COG connect program. They are playing key roles and working with Board members to see that we can establish several committees they have been working on helping to organize the Charlotte open houses they are conducting now. There was one Tuesday at Bojangles Arena and I think we've all been aware of the schedule that is still out ahead of us for those.

One of the other things we are looking at, I asked at the last Environment Committee Meeting that Waste Services look at the prospects of what it would mean to start a compost program for the City, helping to divert more of what ends up in the landfill to be reused in the community. Hopefully the prospect would be that we would significantly be able to reduce what ends up in the landfill every year.

The next initiative would be to facilitate the growth of clean energy industry, including the alternative energy sector. The 2013 measure of work with partners through the Charlotte Regional Partnership Energy Capital Project to attract and grow the clean energy industry sectors in Charlotte. Staff continues to work with the E-4 Carolinas Group to make the Carolinas the new energy capital of the United States, in particular staff has been working with the E-4 Board to create a sub-group that would focus on energy opportunities with China as a result of Charlotte's status as an Eco partner and Eco City.

Looking forward to 2014 Focus Area Plan, we are looking at a Community Sustainability Plan. Last fall we had a study conducted by the ICMA as to whether the city and county should collaborate in such an effort. The report came back and in deed that was the determination by the group that the city and the county should collaborate in such a plan and at the same time bring in the public and the communities and the surrounding towns and the county to assist in that effort and work for it. We anticipate that staff will have a recommendation for us at the February Committee meeting and we would be prepared then to take the decision before Council at some time in the March meeting. Again, it has been a really productive year on the Environment Committee. We've had some great discussion about the things we can do in the community to help enrich the quality of life and insure that we have the vitality of a community where we continue to prosper, grow and preserve our environment and have an atmosphere that encourages economic opportunity also. If there are any questions I will be glad to entertain them or certainly divert them to the proper staff person. Thanks to everyone for your support in all these efforts that the Committee works on. It is a very robust group and the mission of this group is to improve the quality of life for all of our citizens and to insure that we leave behind us a better community than what was left for us.

Ms. Kinsey said this is going to be short and sweet, just like me. Oh, I forgot I'm hostile. This is the Housing and Neighborhood Development Committee and it really is short and sweet because our amazing staff and experts are incredibly efficient. You check your papers and you see there are not very many initiatives, but let me tell you they are packed with stuff to do. We meet twice each month and I want to thank the members of the Committee. LaWana is our Vice Chair, John Autry, Michael Barnes and Mr. Cooksey. We have good meetings and I do want to invite you, just as James said, come to our meetings anytime you wish. I have been a little chastised in the past because I'm not quite as an information junky as Warren is, but when I'm voting on something I want to know what I'm voting on and it is not that I don't trust my colleagues on other committees, it is just that I want to know that. I don't want you to bring me something at the last minute and expect me to raise my hand on it, but I try to go to other committee meetings when I know there is something there that I'm really interested in and I think that is a good way for all of us to learn more about what is going on. However, I understand that we can't go to all of the committee meetings – that is why we have committees.

I want to say that we have an excellent staff for Housing and Neighborhood Development. I point out Mr. Mumford, it is a pleasure to be able to continue to work with him over the years, but I also have to say that Pam Wideman is the one that really drives housing. I think I'm being correct when I say that Pat, she is terrific and it is really a pleasure to work with her as well.

A few initiatives I will call out and you know them all. Neighborhood Improvement – actually we done quite well in all of the initiative meeting our goals and to some extent exceeding them. The next one is Strengthening Opportunities for public/private partnerships and of course our area was also involved in the DNC, got 100% completion of that. I will also mention the Mosaic Village. What is really a challenge for all of us, it is difficult, it is just not easy to wrap our arms is the development of affordable housing. It is just not as easy as you would think it would be, but we are doing well in that. Right now one of our targets is to review and revise the assisted multifamily housing at transit stations. It is a policy and incentive facing ... housing and a regulatory ordinance on affordable housing. We are still working on that and we will be bringing some of those to you at a later date.

Looking ahead on the last sheet of the three sheets for Housing and Neighborhood Development, we've got several bullet points there. Please look at them and if you have any that you would like to add please me know or let Pat know. These are the things that the Committee will be looking at in the coming days.

Mr. Mitchell said let me thank your Committee and the staff for the changes in the Quality of Life Study.

Ms. Kinsey said I left that off, I'm sorry, you did a great job. I've been fusing about that for some time too because I didn't feel it really reflected the various neighborhoods but this one blows it out of the water. The other thing I want to mention that I have noticed and appreciated is the fact that our department heads are working together. I go to a meeting and we've got Planning there, Debra Campbell, we got Danny there for Transportation, and of course we have

Pat and other members of the Neighborhood and Business Services, but maybe this isn't new but it is the first time that I've sensed that all of this is working together and we are working very closely with Planning and you have to with housing. I think that is why we are being much more successful.

Mr. Howard said thank you Mayor for the opportunity to actually have such an important task. Actually when I came on Council he joined Transportation and Planning together and they naturally go together in a lot of ways so it has been fun. I would also like to thank the Committee – Vice Chair Michael Barnes, members Patsy Kinsey, Warren Cooksey and John Autry. We also meet at least twice a month and a lot of that coordination has to happen with staff so thank you Ruffin and also have the pleasure of working with both Debra and Danny on a lot of what we do. It was a dream team.

This is actually what is going on in the City of Charlotte right now. There are many transportation projects, roads, intersections, bikeways, pedestrian improvements that are part of bond issuance from 2006 – 2010. For instance we have 72 active transportation projects underway or in design, planning, buying right-of-way construction phases and 20 of those projects will be completed before the end of this fiscal year. The City has already exceeded our goals of FY13 of having 10 miles of bikeways and sidewalks in place before the end of the year so we should be proud of that. We are also successful this year because of the attention we got with the DNC. We had an opportunity to put together and participate in public/private partnership with bike share. I actually ran into a young lady running it the other day and she says it is going great. They are actually looking at where to add new stations so Carolyn thank you for your help with that and helping to negotiate that on the part of the City and Danny and Debra your part with the ordinances. We got that up in record time so we should be proud of that and people are using those bikes. We have 200 bikes and 20 stations at this point and looking to expand it. I-485 is underway in the north and the south.

Mr. Dulin said can we see some actual numbers? I've been told by everybody that bike share is going great. I've seen one person on a bike.

Mr. Howard said I asked the young lady that runs it if we could figure out a way to get that information to Council soon because according to her people are using them.

Mr. Dulin said I don't know, for instance if somebody checks a bike out and drives it to the next station and checks the bike in, if that is a transaction to them.

Mr. Autry said if it is less than 30 minutes and you have an annual membership there is no additional charge. If you buy a day pass and you use the bike for less than 30 minutes there is no additional charge.

Mr. Cannon said how much is the membership?

Mr. Autry said an annual membership is \$65.

Mr. Dulin said it would be interesting to know that there are 375 day passes that have been sold. In the month of September 85 day passes were bought. October 25 day passes, why?

Mr. Howard said when I talked to her she said she would share those and she gave me the numbers, but I didn't commit them to memory. We haven't even been through a summer with them yet so a lot of what those numbers are still wouldn't be the best because we haven't seen the full cycle of what would happen with them. Even with us going through a fall and winter, they have still been using them. She gave me an example and said the two busiest stations is coming from SouthEnd to downtown and from Elizabeth to downtown. People are using that to get back and forth on the week-ends. There were surprised at how many people were using them on the week-ends. They didn't anticipate that and thought it would be more daytime stuff.

Mr. Dulin said I'm an original pessimist about the bike share program and would like to be changed into an advocate where I can be a vocal advocate for it. I'm not out bad mouthing it, but

with the numbers it will help me to tell folks that there are 47 of them a day crisscrossing our city.

Mr. Howard said we will try to work that miracle out and turn you around.

Mr. Howard said we also have I-485 going in the north and the south. The thing that Danny and I came up with that is about \$240 million worth of projects and of course the big one is the Blue Line Extension at \$1.2 billion and then there is the Streetcar Starter Project that is underway as well. I thought it was important to talk about the fact that we've also been very fortunate as a region because Charlotte is a lot more than just our boundaries. The Yadkin River Bridge completion and they are already tearing down the old one is a plus for us. The widening of I-85 through Cabarrus County is a win for us. The widening of I-77 up in Iredell County is a win for us, but we still have challenges. Like Independence Boulevard that continues to be something we need to figure out and we are trying to figure out how to put energy into that as well as I-77 going north and whether it is going to be toll or not and of course our transit issue.

Going forward we would like to focus on a couple of things and one of those would be the Red Line Task Force which I have been participating in with staff for a while. We will figure out how to get that into our Focus Area Plan so we can get credit for it. We also should continue to work on how to make our city more walkable and bicycle friendly which goes directly to what Mr. Dulin was talking about. I got a feeling the more bike lanes we put in the better that whole shared system will work. Then of course there is the connector initiative that is going on right now, a pretty big grant from the Federal Government that we are participating in on Patsy being involved and Julie being involved as well as myself. That is kind of what is going on.

Mr. Barnes said I want to ask Chief Hannah a question, something that he said has been on my mind for the last several minutes. You mentioned the complications of bike lanes create for fire vehicles. Is that because they narrow the vehicle travel lanes?

Chief Hannah said when we are answering a call cars are to pull to the right and we go around them on the left. When we take a four-lane road and make it a two-lane road and put bike lanes on the edges and we put pedestrian islands in the center, people can't pull to the right and we get around them. Rozzells Ferry, Tuckaseegee, East Boulevard are challenges for us. And also road humps tear us up. We also get that there are speeders on a road at 1,000 times per day and we might be on that road every 4<sup>th</sup> or 5<sup>th</sup> day and we don't want our kids run over, but the sum total is our times are going to get worse or we are going to have more stations as we do more of it.

Mr. Barnes I'm thinking about a couple things. One as we continue to try to implement the USDG that we might want to consider some refuge areas or something to allow one or two cars to get out of the way and mark them as such. Also you brought up the idea of essentially there not being enough fire stations in the future and us needing to deal with that. I know the land purchase was in the CIP but do you think we should take that to Committee and talk about. I know there are some projects that might be useful.

Chief Hannah said CDOT has made some changes that help. Atando Avenue Extension was really bad for us because a fire truck could not get around a car so when they did Colony Road, when you do the lane and the bicycle lane there is at least enough room where we can not get around them. CDOT has done a lot to mitigate that.

Mr. Barnes said University City Boulevard for example, I don't know what the treatment would be there, but I think it would be worth talking about.

Mr. Howard said the balance between pedestrian safety and of course saving lives we need to work on. Mayor and Council, that is not a problem. Can we get a deferral on that.

Mayor Foxx said without objection.

Mr. Cannon said you said you were on this Red Line Committee, how are you structured to report out to us so that we get a play by play and know what is going on over there. Are there minutes?

mpl

Mr. Howard said there are minutes, but it is an MTC Committee and the Mayor asked me to represent him on that committee. It is actually reporting to MTC if what you are saying is that Council wants to know more about it.

Mr. Hall said when the Red Line Task Force gets updates to the MTC and then when you get the summary action minutes there is a section in that and says this is what the Red Line Task Force reported. We can do more on that if you want.

Mayor Foxx said may I make a suggestion on that. I don't know that there is a real deep understanding on the Council level of what is envisioned with the Red Line and where it falls and what has to happen to make that happen. Maybe we should have a review of the 2030 Transit Plan with a specific discussion about what is going on with the Red Line.

Mr. Howard said just out of fairness, back when there was actually activity going on there was a Dinner Briefing if I remember right and nothing has really happened since then. There is not a lot going on and we actually haven't even had meetings and the last we heard it was about the rail line, the Norfolk Southern and this study and whether or not it could be used for the type of project the State was talking about. Nothing has happened since then, but we can do an update on everything and talk about that one specifically.

Mr. Cannon said I think that would be good.

Ms. Burch said just to wrap this up briefly, the Plans will all be going back to respective committees to work on the final iteration to bring back for Council adoption in March or April. Certainly the committees have a lot of things on their plate right now but we would like to see if maybe we could get the full Plans back to the full Council for adoption in April.

Mayor Foxx said this is always a great process because I don't get a chance to go to all the Committee meetings and I know everyone doesn't so you get a chance to see what else is being talked about. Let me also mention another piece of planning work that is being done by Committee, which is the CIP stuff. As I understand it the staff is not prepared today to report out any CIP absent us asking them to do so. These projects that are in committee will eventually need to be voted out of committee back to the full Council and in the early part of April, April 10<sup>th</sup> is the last moment in which we can ask the Manager to consider. We are basically asking the Manager to consider putting the CIP back before us. So sometime between March 20<sup>th</sup> when you report out from Committee we will need to have a conversation as Council about whether to ask the staff to propose that. We've talked about this a lot. We've got fire stations, police stations, neighborhood improvements, roads, bridges, a whole lot of stuff that needs to happen in this city and this is going to be a tough run for us because as we get into June, just to be very candid, filing period starts in July and there is going to be a lot heat probably in the late part of the spring. I do believe that what we are being asked to do is what is good for this city and what is good for the city is us figuring this out. We've got some conversations later on today about sports and I have my cap and my sweatshirt and all that, but getting back to Michael Gallis' question, what Mayor Reed had to say yesterday, we can be a destination for tourism. We can do that all day long, but that map that showed where people are choosing to live over the next several years, that is what the CIP is trying to help us figure out. I'm just making a case right here at the end for us figuring that out because our bond rating agencies are going to become more skeptical over time and we frankly need to answer that question.

Mr. Howard said are you aware that in committee we are going through each project and in Transportation and Planning we've already voted to recommend some parts of it. I think the committees are doing a one by one where they can and some of it already off our plate. Sidewalks, bridges and traffic control.

Ms. Kinsey said Housing and Neighborhood Development has already vote one out.

Mayor Foxx said great, that is important. I will say one last thing about transit. I know there has been a lot of news about transit recently. I do think our job is to figure out what is good for Charlotte first and then work with our partners at the State and Federal level to figure that out. I think if we intend to do the streetcar project and we may not, but if we intend to do it, however  
mpl



we decide to pay for it I do think it would be helpful to involve the MTC in that process to seek their support because I think that indicates local support within the transit system. I'm prepared to do that if the council comes forward with a recommendation. I think that will help to calm some of the conversation about that. That is a recommendation and suggestion and I also think that it would be great for all of us to continue conversation with our State Legislators. This is going to be a rough ride for the next several months on legislative issues and I think the more we are having conversation with our Legislators giving them our views that is going to make a difference as well across a range of issues, not just transit, but you know we've got this Airport situation. Before long we will be talking about revenue sources that we count on and we need to work on that.

Mr. Cannon said want to ask the City Attorney a question. I was looking over this Transit Governance Interlocal Agreement and want to ask the City Attorney if he or his office had ever been asked what if anything the agreement says regarding the City's authority to develop the streetcar project outside of the MTC structure. It would be helpful to me if I could get something written back either from you or through your office that might coordinate something even with an outside Counsel per se to remain objective about it. If you all have it.

Mayor Foxx said this question has come up before, actually on MTC and from a legal standpoint first of all my understanding is the MTC is not a legal entity. It is an organization that exists, but it doesn't have legal status like the City of Charlotte has or like the City of Huntersville might have. There is within the agreement not a limitation on Charlotte making decisions about transit investments. Some of the other municipalities that is not the case, but this actually came up in the last round of conversation about the streetcar when we did the planning dollars for it and that is what we were told.

**City Attorney, Bob Hagemann** said I've not personally been asked to look at that question previously and I would like to explore whether or not some of the other attorneys who have worked directly with the MTC may have given an opinion. I'll have to look at it, I don't have an answer off the top of my head and I haven't personally been asked to look at it.

Mr. Cannon said look at it, but I want to see something back in writing because the way I read this, I'm trying to get clarity out of it because I'm no lawyer and I'm just trying to figure out the language in here because there is language that might suggest something otherwise, like you might have to travel through there some sort of way and maybe if the six towns have to sign off on that, I don't know one way or the other.

Mayor Foxx said what language are you talking about?

Mr. Cannon said this would be budget and project ordinances. It would be under that classification through the budget ordinance each party shall appropriate a transfer to the City of Charlotte. It has several items that are listed that must go through what appears to be the MTC before anything can be done on our front. I think there was some question about the City of Charlotte being out of the business of transit per se, but for the ability to approve or disapprove contracts of some sort to approve or disapprove any budgets, but beyond that it didn't look like we had a whole lot of anything to say about transit which is something I fought against a long time ago when we were dealing with fare boxes and everything else when there was a push to create this body.

Mayor Foxx said I think it is a good question to ask. We've asked the question before and the answer has come back that there is a requirement that the municipalities put money into the transit system but it is silent on whether Charlotte is limited to the expenditures that are required under the MTC agreement. That was the basis on which we were able to go forward with even using study money to get the streetcar done. This question has come up before and Bob you go ahead and do what you've got to do in terms of researching that.

Ms. Pickering said how concerned should we be or how concerned are you that as we continue to talk about the streetcar that we may be jeopardizing that Blue Line Extension mpmev?

Mayor Foxx said I don't think discussion is ever a problem and what I think is not as widely understood is that the discussion is happening within the context of the 2030 Plan. There seems to be this idea that the 2030 Plan is sitting out here and the City Council is talking over here that has nothing to do with the 2030 Plan. The reality is that the 2030 Plan itself has no money to do any further projects. I think that is the fundamental thing that is not as well understood. In 2010 the MTC convened a workshop to talk about what to do because we had some money, but we didn't have enough to get everything done. What we decided to do then was to make the Blue Line Extension the fundable priority and we farmed out the conversation about these other projects to the Red Line Task Force and we'd already had a Streetcar Advisory Committee by that time. What I'm suggesting to you is that we make a decision that we think is the best decision for the City of Charlotte, but we also involve the MTC in that conversation. That is part of the reason why we've appointed a Task Force to look at financing for the whole system. The system itself is an \$8 billion system. In 1998 when the system was established the view was that you would get a 50% share, the State would do 25% and the ½ cent sales tax would fund 25%. So the ½ cent sales tax was always calibrated to 25% of every project. When we say that the sales tax is depleted, a lot of people think the sales tax is for 100% of the project or 50% of the project. It is only for 25%. When it gets flat and there is no additional revenue in it we can't even do what we were trying to do back in 1998. The other complication is that certain projects qualified for federal funding and certain projects didn't, so commuter rail for a long time wasn't competitive. Streetcars for a long time weren't competitive. Light rail was and the significance of the Blue Line Extension is that we were able to get the Blue Line Extension funded probably one of the last projects to get funded under the old formula. Folks that want to say that we can go back and use that old formula for future projects, it is just not the case, we can't. Jeff Booth told us that yesterday and we've been told that again and again, the old formula will not work. If you take as a given that we are going to be doing three shares of transit in the future because the federal government is going to have more competitive projects and less money, the state, I'm not sure what their role is going to be in future projects going forward. We are going to have to make a case every year for the next six or seven years for the Blue Line dollars. Even the ½ cent sales tax, if it were performing great still wouldn't be enough to help us get that Plan built. We are talking about this in the context of scarcity, not in the context of abundance which is unfortunately how it is being cast. That is our work and we have to go educate. If we took these projects apart the Red Line which is a great project, we've got to work doubly hard to work with the railroad to let us use that right-of-way and improve that right-of-way to get that project. I don't know how long that is going to take but what I do know that every year that we wait to do anything is a year we've lost with an administration that I think would be very supportive of us moving forward. I'm talking about Washington at least. What I'm hoping that Jill and David and their Task Force look at is we've got an \$8 billion system, let's factor in a certain amount of federal support. Whatever assumptions they make about state support I don't know, but let's figure out a set of sources or one source or whatever that gets us to getting that system built in the environment we are moving towards. They could look at that and they could take the \$119 million we are talking about and they can either factor that in or factor that out, but the case I've been trying to make to you and to other people is that if we take \$119 million out of the system today financially, it is part of the system from an infrastructure standpoint, but in terms of finance, if we take it out we have just saved I don't know how many millions of dollars from waiting for that project to get done. The sooner we do this whole system the cheaper it will be and the more useful it will be to everybody. I think there is a very compelling case for us as a community, the fastest growing metro region in the country, that we've got to keep the Blue Line, we've got to keep getting that project done, we've got to do it the right way, but while we are doing that we've got to move to where the hockey puck is going on future projects. We can't stop talking about it and we can't stop trying to figure it out and if we figure out pieces of it, we've got to move on it because not only is the clock ticking, but the money is starting to run away. I know it is a hard argument for some people to hear, but Jeff Booth just told you. We can wait by the way and borrow the money from the federal government 20 years from now, but I promise you that if we don't do something we are going to have a north/south line and we are not going to have a single thing for the next 20 or 30 years if that. If that is okay with you, God bless you.

Mr. Howard said I tried to explain yesterday that already outside the MTC is the fact that the Gray Line is a state project so there is already another entity at the table and it is not going to wind up potentially being under CATS. CATS could be the operator, but under the scenario on

the table which Carolyn told you yesterday, it is probably not going to happen the way it is. It is already a different system in the way 2030 Plan was laid out. It is not going to be that path we thought it was going to be from the beginning.

Mr. Autry said in listening to Mayor Reed yesterday and the way he talked about how they were funded, he said using their general fund. What is the revenue source for Atlanta's general fund?

Mayor Foxx said I don't know I would assume property tax, but I don't know.

Mr. Cooksey said I continue to be ... that we continue to have such a limited view of mobility in this city. The north/south line and nothing else. Ridership on our bus system out numbers ridership on fixed route mass transit and will likely continue to do so. If you look at the system map, and especially compare the system map of CATS today to the system map that existed in 1998, you will see a tremendous growth in transit in Charlotte, especially east and west. You won't see a lot if District 7 and I understand that and I understand the reason why. I keep trying to bring us to the big picture to what the overall goal of growth in Charlotte is by talking about the five aspects of mobility, sidewalks, bike lanes, roads and streets, bus systems and fixed route mass transit. It continues to ... that everything we talked about pertaining to transit, as we narrow this down to the ... line that will have roughly 2% to 3%, maybe 5% ridership ... in the meantime 95% of trips will be on roads, will be on sidewalks, will be on bike lanes and on buses and that is where as we shift in population of this city from 730,000 to 800,000 or 850,000 that is where people are going to be getting around. I understand that there are economic development issues, there are density issues, and yes there are, but it is still as a percentage of our existing population that we serve and percentage of our growth population a smaller percentage. My take away from the Mayor's speech yesterday, they think broadly it is just about, and actually Michael Gallis had this thought. It is about the broader vision and it is not about the specific project. You get the broader vision down and you then have a broader option of what types of projects get you there. To say, and I'm not saying that anyone has actually said these lines, but the implication, what I hear is that the entire future of the city rest on a single project, we ought to get in the game now because if a single project is what does it then we've got nothing else to offer.

Mayor Foxx said a very valid comment. A lot of people haven't gone back to the 1998 Plan and looked at it, but given all of the stuff that we've gone through I have. In the 1998 Plan there was no Blue Line Extension. The decision was made that the technology was a better technology for not only the mobility issues, but also economic development issues. That is roughly a couple years before the streetcar was put in the system as well. I don't see this an either or. Our capital budget has roads, has bridges, has sidewalks, it has curb and gutter and street lights and all that stuff in it. I'm vexed a little bit why this has been such a challenge for us. If we want to find alternative ways to pay for it, let's find alternative ways to pay for it. It seems to me that I don't see a situation where we are building no roads in the future of this city for the next 20 years. I see this Blue Line Extension coming on and then I see nothing for 20 years or more and I think that is a problem because again for population to be in the City of Charlotte we are going to have to have a differential and the differential roads are not quite a differential, buses are not quite a differential, but transit can be. That at least is my opinion.

**Councilmember Fallon arrived at 10:38 a.m.**

Mr. Hoard said for me another take on that is that we have infrastructure already in place to deal with a good number of those modes that you talk about. What we don't have is a road map for how we bring transit into that. The roadmap was 2030 Plan but like the Mayor just said that falls off and either we take that seriously as part of one of those five and do something about it or we just kind of leave it laying there and say we gave that over to MTC, nothing is going to happen that will benefit the City of Charlotte at all for 20 years while we figure this out. To me this is about bringing transit on the same level or at least bring it up some from where it is right now because that is part of that system that we are talking about building out. If we are committed to the system, which everybody says we are because they keep saying 2030, then how do we get at that so that it is growing at the same rate or at least starts to grow the same rate as we put in bike lanes and sidewalks, as we put in more roads. There is a commitment to those already by this Council. That is a fifth leg of it like you said that we need to figure out to make it happen

because it is not happening right now. What I argue is that it is not at the same level of those others that you are talking about and we need to do something about it.

Mr. Barnes said I hear you and David and others say that we have to essentially go big or go home on transit and I don't disagree that we need to go big or go home. I would prefer that we actually accomplish what were the guts of something that I will no longer refer to as the 2030 Plan, but the Blue, the Red, the Purple, Silver lines. As it stands 10% of the State House and 10% of the State Senate are from Mecklenburg County and David and Jill are working on coming up with these potential funding methodologies. What I have been encouraging is that we step back from the streetcar issue, look at the system holistically and say within Mecklenburg County, with Gaston, Iredell, Cabarrus and Union, the counties that benefit from CATS and transit that have citizens who work in Mecklenburg County that we work with the State Reps and Senators in those county as well as our own 10% share of this legislature to come up with a funding methodology that will help us advance all of the projects. We have that discussion, but we also keep fighting about the streetcar and what I'm trying to figure out is how to appropriately reposition the streetcar project back into that paradigm. We are not really doing that because we have these discussions about the streetcar but by the way we are also working on David and Jill working on the funding. We obviously tried last year to resolve dealing with the entire CIP, dealing with pieces and parts of it, but if we are going to commit to doing the entire things, which I think we all want to figure out how to do, I think we also have to say we are going to work as a region, and David you are a region guy, to work on funding the entire plan and whatever priority in terms of order of projects take place, I don't know how that will work out, but the point is that we've got to figure out how to pay for it and we've become derailed by way of the streetcar. Moving forward is obviously not simple at all and I'm not sure we can but I think we've either got to commit to the regionalism and the broad and robust funding methodologies or go home.

Mayor Foxx said I think that is a valid point and again that is why this Task Force has been formed. I just got the Chair of the MTC back for the year and frankly last year to be honest with you there was no capacity, no band width to take a step back from the system because if you will recall we were in Blue Line Extension triage last year and we are still a little in Blue Line triage. It hasn't been a lack of interest in looking at this regionally by me or anyone else, what has been at issue is that people keep saying there is this plan and this prioritization, but there is no money. In 2010 the MTC as a region we got together and we looked at all the projects and we said we okay we've got enough money to get the Blue Line done so let's go do that one and that is why we did it even though there was argument that the Blue Line was taking precedence over the Red Line. That was a very real conversation. If you look at the Plan they have a good argument. What Jill and David are working on is looking at the whole thing and saying how do we get the whole thing done, but what I'm trying to convey to you and to others is that I think we should see our conversation as a Council as a part of that answer as opposed to seeing it as distinct. In other words every dollar they don't have to figure out for the whole system is a dollar we don't have to worry about and they can find an alternative revenue source to get it done. We are talking about, to put it in perspective, \$119 million of an \$8 billion system. I don't see them as either or conversations, I see them as both and that is what we have to continue saying to our partners and I think people get it.

Mr. Howard said you make a good point and I think the trouble with two or three years of ... Michael we could get this. The folks up north and the folks in Raleigh, the folks up north had the folks in Raleigh saying the same thing about the Blue Line. That we are getting out in front of the Red Line, they had the State talking about maybe not supporting the Blue Line because it was out front and we've been here before. This is actually not a new thing, but the Blue Line moved forward because it made more sense at that time for New Start Funding. The Red Line did not make sense for New Start or Smart Start. This is about the fact that we have to do things with the system for funding at the time it makes sense. This is the exact same argument, maybe not but because it was in the CIP, that is the way the folks up north felt about it. They were ready to fight us in Raleigh to make sure that we didn't get that money.

Mayor Foxx said I will say to you that I spent of time on DNC last year, but I probably spent about as much on the Blue Line last year trying to go get the money for it. I know all of you did too. You met with Brogoff and with others. This is not easy stuff but either we are going to do

this or we're not going to do it and when I say we I mean the region and I mean the City. We are either going to do it or we've not going to it. If our ambition is to have one fixed rail line then let's stop talking about it because that is what we are going to have if we stop talking about it.

Mr. Barnes said that doesn't make any sense to me.

Mayor Foxx said I think we've just got to clear out some of the confusion and be consistent in what we are saying, but you can prioritization when you have money, but when you've got no money you don't.

Mr. Barnes said that is why I keep talking about the funding piece.

Mayor Foxx said that is what they are going to talk about and they are supposed to come back to us by the early part of April with some thoughts. The other complication is remember how much revenue we control. We don't control revenue sources many of them, so we're going to have to do a lot of diplomacy in Raleigh to try to get, even if they come up with answers we're going to have to work to try to get those answers as part of law and then we're going to have to, in some cases, convince the public this is a good investment and in other cases maybe we have some control over it ourselves, but to me that is a long ball conversation. I think what Jill and David could help us do is to get some clarity around what sources makes sense to deal with an \$8 billion problem. While we are doing that, there may be other conversations along the lines of other infrastructure that folks may want to enter into the mix and we have to deal with that. That could take a year or two years, who knows how long it is going to take us to actually have those resources in place.

Mr. Howard said James just asked about the 2030 Plan and actually ... with all the Councilmembers, so he is going to make sure everybody gets a copy of it if you haven't seen it. The other thing what can we do Dana, we talked yesterday about rebooting our own relationships, which we need to work on, but what about rebooting our relationships with Raleigh. Is there anything, does Council going to Raleigh more often complicates your job, be honest, but if there are ways that we can be more helpful with relationship with advocacy outside of the League, how does that work? I think a message should go out of this Retreat media that we want to do better with our relationships with Raleigh. We don't want to keep spinning out of control. There is a new administration now, new leader and if we are serious about building relationships with them so that we can share in how this moves forward as the largest city in the state.

**Dana Fenton, Inter Government Relations Manager** said I think I would start by saying that when you talk about complicating my job, don't talk about that. I work for the City so it is about how everyone works together for the City. I guess there are a lot of things I would have to think about before really arriving at a complete answer but if I could digress just a little bit just to let you all know about some of the things I've learned over the past week or so and about the current situation that the letter to the editor and things like that. Over the last several months there have been a lot of people in our community who have contacted their legislators about the streetcar both pro and con and a lot of people who are against the streetcar have asked the legislators to do something to prevent it from being built. I don't know who those people are. We've seen a lot of talk like that over the last several months so I think a lot of that is getting in the way of what is going on right now. The General Assembly pays very close attention to communications like that from the general public. That is why we are seeing a lot of what is going on right now and why it is going on. Something else I've learned also is that there is still a lot of work to do with the MTC on things people have brought up to me about the streetcar and how it fit into the 2040 Plan and their perceptions on it. If it is a great idea to come up to Raleigh to work with the legislators up there and with the leadership but those are issues that they are going to bring up.

Mr. Howard said for instance the presentation Mayor that you've done and that Curt did for us to talk about that pie wedge and what we could do to grow the city, the whole reason the CIP was shaped the way it was done, I can't think of a time other and maybe Danny you did it one on one. We didn't do it at the Legislative Breakfast and unless they caught it in the paper. They haven't been educated about why this matters to us so I just feel like there is a need spend more time

explaining why we are. Maybe it is seen as a sense of arrogance up there but down here it is a sense of survival. I'm not sure that message is being sent as loud and clearly as we can. I think it is going to take more trips to Raleigh than we are probably accustomed to doing, or more meetings with people when they are here at home on the week-ends so we can explain this is what is going on. Sometimes I think they need to hear it directly from us if that helps.

Mr. Fenton said I believe probably meeting with them more often here one on one or just a few at a time could be very productive. Let them hear from you and other members of Council about the things you are doing to try to make our city a better place would be very helpful.

Mr. Howard said for instance when we were dealing with the Design Standards for Residential Debra, Ruth Samuelson picked up the phone and called me. We have a good working relationship that she felt comfortable asking me what was that about. At different times Bill Brawley has done the same thing. Just making sure we have those lines of communication.

Mayor Foxx said I don't disagree with that. I also think the working group would help a lot with that. I just think the more there is conversation with everybody at the table, you can't imagine how much it meant to have the MTC members here the other day so they were hearing what we are hearing. Part of what we have is information vacuums that happen when the City Council is doing something. To give you another example – the alcohol ads. You guys felt put upon by the alcohol ads and MTC was like what is the problem. Those disconnects can happen and you feel like you are having to deal with something somebody is throwing on you and they have had the same feelings about the Blue Line and about the streetcar. I think it is a communication thing but it is a subtle communication thing. We just have to work with this together and that is what you are hearing from me. I also think it would be a good idea for us to maybe pass a resolution in support of finding a way to fund the 2030 Plan because we are out of money and state that we are out of money and we are looking to figure out ways to get that done by an expression of support from the Council for that Plan I think would be helpful.

Mr. Fenton said you brought up the alcohol ads. Could I just relay to you all that that too was brought up in discussions. Comments inaudible.

Mayor Foxx said it happens in a lot of context and that is why we have to continue talking at the same table and that is what I'm hoping you guys can figure out.

Mr. Howard said if you noticed yesterday while they were in the room, normally as a Council we ask about the Blue Line, we ask about other funding sources and we rarely ever as a Council ask about the Red Line. Every time I'm in the room with them I make sure it comes up because there is a feeling from them up north that we forget about the part of the Red Line that is in Charlotte because so much of it is outside of Charlotte we almost just don't talk about that. It is kind of what they said about the Blue Line, they kept saying all this energy seems to be going to the Blue Line and you never talk about the Red Line. That is what the Red Line Task Force and the State and people involved with getting money from the state to fund the consultant. That is where all that came from because they kept saying the City of Charlotte doesn't care about anybody but the City of Charlotte. Those folks want to know we care about their line. We care about I-77. I live in Steele Creek but I spend a lot of time going up to Huntersville, Cornelius, Davidson and Mooresville to represent this city just to show them I'm here we care.

Mayor Foxx said what do we want to do out of this? We going to have a presentation on the 2030 Plan that is going to be distributed out to people and maybe we will get educated on what the Plan contains. I think that is a start. You are going to get a memo from Bob on this question that you asked about the Council's ability to actually go forward with the streetcar.

Mr. Cannon said isn't there a 2035 Plan out there somewhere?

Mayor Foxx said if there is it is also unfunded.

Mr. Cannon said I think there is and I think I've got a copy of it.

Mayor Foxx said is everybody all hearts and minds clear at least for now on this?

mpl

Ms. Riley said as your Cruise Director for the last couple days I want to say that it has been both my pleasure and my honor to be asked to do this and then to do it. As a citizen in Charlotte I have a big investment in all of you. You represent me and all the other folks in Charlotte and as a Charlottean over the last 8 years this city is a wonderful city and a city that has grand potential. Just being a part of your process has been an honor for me and I want to say thank you for your participation, for your engagement and for your support. I wish you well. The Mayor and Julie particularly the staff has been very helpful and each Councilmember who spent some time with me to educate me I appreciate it. Thank you so much.

Ms. Burch said I would add in conclusion, not only do I want to thank the Mayor and Council, these have been important and necessary discussions I think we've had for the last day and a half and I thank you all for your engagement in that and working with staff. I want to thank Barbara for being facilitator and I want to particularly thank some key staff that were involved in this. Pat, Debra, Danny, Randy, Greg Gaskins in particular who have been part of the upfront kind of work, working on the virtual tour yesterday and the budget and finance presentation. I also want to thank Kim McMillian and her team for the Corporate Communications support and media relations and again work behind the scenes that were very important. I certainly want to call attention and great thanks to Carol Jennings, Kim Oliver and Alvin Burney. You just have no idea some of the work that needs to go into planning logistics and making sure that everything is going to flow well and I want to thank them as part of this too. With that this concludes the Retreat portion of this program so we will be adjourning that and of course we have a couple of other pieces of business to attend to for Council and the Mayor.

#### **CLOSED SESSION**

Councilmember Dulin read the motion to go into closed session: Adopt a motion pursuant to North Carolina General Statute 143-318.11(a)(4) to go into closed session to discuss matters related to the location of industries or businesses in the City of Charlotte, including potential economic development incentives that may be offered in negotiations. Councilmember Howard seconded the motion.

Councilmember Dulin read the motion to into closed session: Adopt a motion pursuant to North Carolina General Statute 143-318.11(a)(6), to go into closed session to consider the qualifications, competence, performance, character, fitness conditions of appointment, or conditions or initial employment of an individual public officer or employee or prospective public officer or employee. Councilmember Howard seconded the motion.

#### **ADJOURNMENT**

The meeting was adjourned at 11:02 a.m.

---

Stephanie C. Kelly, City Clerk

Length of Meeting: 11 Hours, 51 Minutes  
Minutes completed: March 22, 2013