

The City Council of the City of Charlotte, North Carolina convened for a Workshop on Monday, March 4, 2013 at 5:17 p.m. in Room 267 of the Charlotte Mecklenburg Government Center 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

Mayor Foxx called the meeting to order at 5:17 and said Ladies and gentlemen it is great to have you here today and I'd like to do some rearranging because Mr. Mitchell is not going to be here until 5:30 and requested repositioning the Small Business Opportunity program revisions. Perhaps we could start with our ... are one and two related? Do they need to be done in sequence, the first and the second items?

**Interim City Manager, Julie Burch** said we can go ahead and do DBA now if you would like.

Mayor Foxx said okay. Let's go ahead and do that.

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### **ECONOMIC DEVELOPMENT: UPDATES TO THE CITY'S US-DOT DISADVANTAGED BUSINESS ENTERPRISE PROGRAM**

Ms. Burch said this is simply an update to the Disadvantaged Business Enterprise program associated with U.S. DOT. This is a briefing on changes that are required and in part driven by Federal regulations and Carolyn Johnson from the Attorney's office will be briefing you on this this evening. You will be asked to take action on these revisions at your March 25<sup>th</sup> meeting. Tonight's just meant as briefing and to give you an opportunity to ask any questions that you might have about the proposed revisions. With that, we'll turn it over to Carolyn Johnson, Senior Deputy Attorney.

**Carolyn Johnson, Senior Deputy City Attorney** said this evening I'm here to present a brief overview of the updates to the City's DBE program. What you will find is that I will give you a brief overview of the program and I would ask that you would keep in mind, as you hear this presentation, that the DBE program is a totally separate and distinct program from the City's MWSBE program. I will highlight that by going through some of the key elements of the program history and its program components and then I will briefly give you a summary of the proposed revisions and the approval process that we will ask Council to undertake.

Historically, the reason why the City has the DBE program is because it is a mandate of the Federal regulations of the United States Department of Transportation that in order to receive grants of \$250,000 or more for capital development planning operating expenses, the City must have a DBE program that is approved not only by the City Council, but also by the United States Department of Transportation.

The City initially approved this DBE program in 1999 and at that time the program was applicable only to the grants we received for the airport and our transit system. One of the key elements that is a program distinction of the DBE program is what actually constitutes a DBE - a Disadvantaged Business Enterprise. That is a business that is at least 51% owned by individuals who are both socially and economically disadvantaged. Those individuals must manage and operate the daily business operations and no individual who is considered a DBE can have personal net worth that exceeds \$1.3 million dollars.

Also, other historical things that distinguish the DBE program is that it is only applicable to Federally-assisted transportation contracts and that the DBE program places emphasis on achieving DBE participation through race-neutral efforts first. However, if that cannot be achieved through those types of mechanisms then contract goals and good-faith efforts are utilized so long as they meet the requirements of 49 CFR or part 26 which are the applicable Federal regulations.

Another key distinction in the program is that the DBEs are certified by the North Carolina Department of Transportation through what is called the Unified Certification program. Certification of DBEs do not occur here in the City. We utilize the list that is maintained by the State.

Councilmember Cannon said can you explain how they may have derived at that net worth number?

Ms. Johnson said I'm not quite sure how they derived at it. I will say Mr. Cannon, that the net worth had been \$750,000 and it was increased through the changes to the most recent Federal regulations to \$1.32 million to reflect the increase in inflation.

Mr. Cannon said thank you, Ma'am.

Ms. Johnson said two of the key operational changes that occurred within the City that necessitated us looking at the program updates at this time include the fact that we are now adding as sub-recipients to our Federal transportation funds, Engineering and Property Management and the Charlotte Department of Transportation. Engineering and Property Management will be handling the construction contracts for the BLE projects; so therefore, they will have to comply with the DBE regulations as the Federal funds would be involved in that. C-DOT, of course, in conjunction with NCDOT now, through municipal agreements may oversee road projects on State roads or roads that fall within the City's ETJ, so there was a need for us to include C-DOT in this program.

Also we are incorporating technically the language of the State's Unified/Certified program. That requirement was a part of the 1999 plan that Council approved, however, the State had to actually implement a program and that had not been implemented. Now that it is up, it is running, we are now making that technical conforming change to make sure that the written program reflects that we actually follow the Unified/Certified program.

The two key Federal changes that mandated some adjustment to our DBE program included the increase of a personal net worth limit to \$1.3 million. As I had indicated, that had previously been \$750,000. Also, the Feds are encouraging the DBE programs to incur small business participation so we are now amending our plan to reflect that we will have some strategies to include SBE participation but this doesn't really reflect a major policy change either for the City because we've always had some history of looking at breaking up mega projects into sizes that small businesses as well as DBEs can reasonable perform and also with unbundling contracts.

That just takes me again to the end where we talk about the approval process. As I indicated that the United States Department of Transportation must also approve this plan and it has been tentatively approved by the Federal Aviation Administration and the FTA, Federal Transit Administration, as the operating agencies through which we get our grants.

Councilmember Barnes said you're actually providing us with a lot of great information and it's so dry that it's literally sailing over my head and although I'm reaching up and pulling some of this down; I wanted you if you could to talk about on the previous slide what I think would be a really big deal for a lot of small business people; that is the breaking up of mega projects into smaller sizes to allow, I suppose, more people could participate. Do you have any more background on that?

**Councilmember Mitchell arrived at 5:25 p.m.**

Ms. Johnson said my understanding is this. If you had projects that would be done in multi-years, multi-phases, we would break those projects down; instead of there being one contractor who would get the multi-year contract, that might be broken down into phased contracts and then each of those contracts would then be broken down even further or looked at to be broken down even further so that you could then decide whether you can increase and enhance opportunities for small businesses.

Mr. Barnes said and do you think that the ultimate intent there would be to allow more DBE, participation in contracts?

Ms. Johnson said I think that is the intent of the regulatory change was that if you enhance for small businesses, you're going to naturally incorporate DBEs into that pot as well.

Mr. Barnes said right. Thank you.

Ms. Johnson said as I was indicating the program must be approved also by the United States Department of Transportation and through its operating agencies, the Federal Aviation Administration and the Federal Transit Administration. It has been conditionally improved subject to Council's approval of the program as well. We would be coming back before Council at your March 25<sup>th</sup> meeting to seek that approval.

I meant to try to keep this a little bit short and brief, but if there are any questions, I'm happy to address those.

Mr. Barnes said we may as well talk about this report. Tell me where we see most of our DBE programs stationed. Is it at the airport? Is it in CATS?

Ms. Johnson said Mr. Barnes, I'm going to have to get back to you on that. It's been a while since I've worked with the DBE programs directly, but we will get that information for you.

Mr. Barnes said I see a lot of them with the airport, which is great so, SBE, DBE, it would be great to know where the bulk of the participation is.

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## **ECONOMIC DEVELOPMENT: SMALL BUSINESS OPPORTUNITY PROGRAM REVISIONS**

Councilmember Mitchell said I would love to introduce this. First I've got to give a lot of kudos to my committee, though. Vice Chair, Patrick Cannon, Warren Cooksey; David Howard and LaWana Mayfield because we have spent a lot of time on the revision and I have to say, staff, thank you for your patience and enduring a lot of questions, a lot of feedback and any stakeholders we have here at present.

We think we've got an exciting program for the community and I would turn it over to Brad with one caveat; Cindy White has done a tremendous job from the leader's standpoint. Cindy, first I'd like to thank you.

**Brad Richardson; Neighborhood and Business Services** said we've run several strategies and policies through you and through committee. This one has taken a while, but it's been well done in my opinion. We tried to balance practical measures with legally-defensible measures. I'm going to give you a little bit of a background as a refresher as to where we are. I'll talk about the approach taken on this very important issue. Six recommended program changes that have come through committee. One slide on resource need if we try to implement the program. Kim McMillan will help me on some marketing and communications. Then I'll conclude with the schedule of what's next.

First of all, by way of background; 2011 we completed a disparity study and looked at the City's expenditures across all categories from the year 2005 to 2010. The purpose of the disparity study is in that second bullet. It identifies disparities and our utilization of minority and women-owned firms for certain industry segments.

Two charts. This one is primarily construction and subcontracting. The columns on the left are industry segments that we work within and across the top axis you see various ethnic groups and minority groups. The "X's" indicate where the disparity done by MGT of America found underutilization is where you take a look at the availability of opportunities in the marketplace, the actual utilization of dollars over that time period of five years and you assign under-utilization, over-utilization parity.

The "X's" show, in this category, under-utilization among those certain ethnic groups and non-minority women. These are the other five industry segments. A&E stands for Architecture and Engineering, both prime and subcontracting professional services, other services and goods. The  
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point of the slide is two-fold. One, there was under-utilization found and documented and the second point - we'll come back to this. I want you to have this in mind when we talk about goal setting later. Whenever we begin to talk about goal setting to remedy the under-utilization found, we'll be setting goals but they'll only apply to these categories where you see under-utilization. I hope that makes sense and you'll remember this.

The action that we're operating under now comes from a June 25<sup>th</sup> Council meeting where you directed us to begin to develop a new MWSBE, Minority Women's Small Business Enterprise program, but utilizes both race and gender-conscious measures and race and gender-neutral measures. That was the background.

Let me just talk about the approach - two slides on this. The point is to share this has been a very long, exhaustive work and, Mr. Mitchell, you're right, you're committee has had monthly updates since June, often times hour-long discussions. Thank you for your help in this. We've done a legal review. That's where Cindy White and your team have been very good. We've talked to the School of Government, the North Carolina Office of Historically Under-utilized Business, the HUB office, for short. We may come back to that later in the presentation; that's what that is.

We've taken a look at recommended program enhancements by the consultants that worked on the disparity study and looked at other programs some nationally. We had a focus group in this City with some of our other partners in the State. You've given us two good groups of stakeholders to work with. One, the Disparity Study Advisory Committee and the other one is a broader group; but they are also charged with advising us on the SBO program. We've utilized them heavily. We've held two community forums in this room attended by both subcontractors and prime contractors and as we said before, the committee.

Six recommended program changes - if the Council is okay, will be taking action on this Thursday in their committee meeting. Let me walk you through each of these. The first one; let me briefly touch on it. Race and gender-conscious measures, expanding the geographic area or what we call our relevant market area, how we will register M's and W's, Minority and Women-owned firms, changes to our formal bidding threshold, how we'll set goals will change and then how we treat good-faith efforts will change. Good-faith efforts, by the way, you have a handout in addition to this presentation, you have a one-pager that's got some red type on it. I'll refer to that in just a few moments. That's a good-faith effort document.

The first change, we'll begin adding race and gender-conscious contracting goals where there is identified need. Remember the chart I showed you where the X's are; that's where we're going to be targeting disparity. Two sub-bullets here; one is an aspirational MWSBE goal. It's not new. Every time you approve your focus area plan for economic development, we have an aspirational goal for all prime contracts; currently its 5%. We exceeded it last year. I think it was 7% was what we met. Every dollar spent, we try to spend some of it with certified SBEs. The same will continue here. We'll also be setting sub-contracting goals now for MBE's, as we discussed before.

Second change, this talks about geography. This is a change for us. We have a relevant market area. We have to define this to run our program to register folks to see who meets the goals. It's a 13-county area called the Charlotte Combined Statistical Area. The counties in yellow are the ones that are being added and this is not one we chose. This is one the data drove us to because 80% of all the expenditures in that five-year window came from that geographic area. By virtue of that fact, that became our relevant market area; we didn't chose it, so wanted you to see that this now the relevant market area, the CSA that we'll be using going forward.

Councilmember Barnes said Mr. Richardson, if you could just repeat briefly the part that you explained about how that blue area was determined?

Mr. Richardson said the blue area was the eight-county area ...

Mr. Barnes said I'm sorry. give me the grey area. I can't tell this is grey.

Mr. Richardson said it's yellow to me.

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Mr. Barnes said wow; that is yellow?

Mr. Richardson said not to you, obviously.

Mr. Barnes said I can't see it, but okay.

Mr. Richardson said we started out adding up where we spent our money in that five-year period from '05 to '10 to determine where that disparity was. Eighty percent of all our expenditures came in this geographic area and that lead to the conclusion then that this is our relevant market area.

Mr. Barnes said I guess the struggle I have is why a number of us have expressed in the past concerns about going outside the county; the county piece. Going outside the county I get. Going outside the State is a bit of a problem for me. Are we legally required to do that?

Mr. Richardson said I believe the answer is yes and I'll point out that we've been in South Carolina for a while. York County's always been in our area. I'll ask Cindy if my answer was correct. A simple yes, and maybe an explanation is warranted.

**Assistant City Attorney, Cindy White**, said yes, you're correct. It was determined by the disparity study. That's one of the first things they did was to define what our relevant market is and the legal standard is we can only remedy discrimination in the City's relevant market, so they sought out to define that by looking at where companies are located that we spent our money with.

Mr. Barnes said could we redefine relevant market areas and take out York, Chester and Lancaster, South Carolina?

Mr. Richardson said no. You said could we?

Mr. Barnes said yes.

Ms. White said if we wanted to have another disparity study.

Mr. Barnes said in other words, if we're going to be pumping half the money into the South Carolina, it seems to kind of defeat the purpose.

Mr. Richardson said two things happening here. One is the relevant market area that is driven by the data where we spend our dollars. The second thing we'll talk about later in the presentation is how we will resource the program through certification outreach marketing. We have the ability within our organization to target most of our registration marketing of development services, things that make small companies and minority-owned companies better able to compete for City projects. We certainly can't accommodate the same level of service in that 13-county region. From a marketing and staff resource perspective, we'll be focusing that on Mecklenburg, if it helps. Cindy may have more on this.

Ms. White said there's one other comment we should point out and that is the disparity study determines where the market is for the race and gender-conscious aspects of the program for the MWBE piece. We do have flexibility in drawing the SBE market and we could make that narrower but there was a lot of discussion about that among staff and some on the committee and it was felt that it was really best to have the two markets be the same to avoid confusion.

Mr. Richardson said that was the second change. The first one was adding goals for minority women. The second one was geographic expansion. This relates to our registration of M's and W's. We'll be using the certification provided by the State. It's a way to save us resources. Companies must be registered as a minority or women-owned business with the State HUB office. I referred to that group earlier and they must have their principal office in the 13-county CSA as we discussed. We'll continue to register and certify SBEs ourselves with the staff that we have. We'll also be registering M's and W's that have been certified with the State so long as they're in our market area. That's the third change.

The fourth change; this relates to our formal bidding threshold. Right now it's \$200,000 for construction. That means anything over \$200,000 we must publicly advertise, provide notice and then anything under \$200,000 does not have that requirement that we publicly advertise. We still solicit bids and we have to do that for anything over thirty, but this enables us by raising the formal threshold from \$200,000 to \$500,000, which by the way, matches the State's program and was recommended by a task force a couple of years ago. This enables us to be more targeted as we try to remedy those areas of under-utilization. For instance, a \$200,000 construction contract now would be formally posted and advertised publicly and you would receive bids based upon that advertisement. Under this program the City would not have to post it publicly. We could target areas of under-utilization, solicit the required number of bids and then choose among those, taking the lowest responsive responsible bidder. The idea here is raising the threshold, opening up more opportunities for informal bidding where we can remedy based upon analysis of trends of disparity. Does that make sense?

How we will set the goals is the fifth one. We'll be using the Federal Transit Administration's goal-setting formula. We chose this because as we did some analysis, it's predictable, the methodology has been tested and it is familiar. It is used by the Federal government for their DBE program. It is used by NC-DOT, who received a lot of Federal funds for their projects. We think this is a more appropriate goal-setting methodology going forward using M's and W's. It makes consistent across several audiences. The sub-bullet here again talks back to that graph of where the X's of under-utilization are. When we set a minority goal for a private ... we will only be counting those firms that meet one of those areas of disparity found. If you'll recall, under construction and sub-contracting, Asian-Americans, there was no evidence of under-utilization in construction and sub-contracting construction. When we set the minority goals for construction, an Asian-American-owned firm would not be able to meet that goal. They can still be used by the contractor, you should know that, but for goal-setting and achievement purposes the Asian-American Firm would not qualify based upon that disparity study.

The last bullet speaks to the fact that if you are a certified small business enterprise and a minority-owned enterprise, utilizing that firm would count toward both goals when we're setting the different goals.

The last recommended change by the committee has to do with good-faith efforts. I'll direct your attention to the hand-out there. What are good-faith efforts? Just as reminder, they're documentation of the bidder's efforts to meet the goal. When they are not able to satisfy the goal, we often look to see whether they met the good-faith efforts. It's a point system today, if you meet enough good-faith effort activities, we can award the contract to you despite the fact you may have fallen short on the actual goal.

Our recommendation and we've been through committee several times on this, is change the number of allowable categories of good-faith efforts from 20 to 10. The sheet in front of you shows some in red and some in black. The ones in black are the ones that would be retained. These are the ones also used by the State. The ones in red we've marked for elimination and we will accomplish some of the work in another way. For instance, there's one using participating in the City's mentor/protégé program. I don't want you to read that and think that the City would do away with a mentor/protégé program. We would remove it as a way to get points against a good-faith effort total. We still plan to do mentor/protégé work, but it wouldn't quality as GFP's. That was the sixth change and the final change that we're recommending.

One slide on resource considerations. The jury is still out a little bit on the statute that we need to do this work. We're realigning some things within our office. We have to have an update for the committee on Thursday, but we wanted you to know that we're looking for staff support to market the new program and these are the areas that we would do. Increasing utilization. That's the whole reason that we're doing this. Improving recruitment and outreach, technology. We've got an ERP, enterprise resource system coming online soon. There are implications there. I mentioned mentoring earlier. The committee really drove us hard to look out into the future. Where are the opportunities coming down the road? What's the next big project? What are some big projects coming? How might we identify those ahead of time and work to achieve them?

I'm going to pause for a moment. I'll take any questions now, but Kim is going to talk to you a few slides on marketing and branding. One of the things we really want to do is do this part well so we launch into the community with clear communication and Kim can talk best about that.

**Kim McMillan, Corporate Communications** said our communication strategy, we started presenting to the committee back in January and we basically presented a framework for communications and marketing and it consists of four phases. I think it's worth mentioning so that you know; we benchmarked against San Antonio, Denver, Atlanta, Greensboro, Durham, Los Angeles, San Diego and Milwaukee in order to prepare our communication strategy. The point for this evening is to share part of the brand development, to get your response and your feedback. Our brand development phase included a name, graphic elements and a brand promise. What you're going to see this evening are two logos that have been executed in black and white. We're going to bring back, based on the one you choose; we'll bring back a color pallet; we'll bring back a whole created campaign. It's really important to keep in mind that a logo needs to work well, first and foremost, in a black and white environment because not everybody has color printers. These are some of the considerations that we took when developing this.

The four phases included the brand development, the communications and marketing plan, the education and outreach and the ways we're going to measure the success of the campaign. Council told us that the key areas that they wanted to convey about the new name and a position in the marketplace was that we are working to diversify our spending. We are focused on equity and inclusion and we have a desire to build good will. The input from the stakeholders - I just want to take a minute to thank the community. They have been phenomenal in their engagement and their input and this is just a partial listing of who we engaged to test the name and the brand promise.

We had excellent survey results. We had 184 responses to rank your preference for your top name and we had 179 responses to select the top brand promise. The two names that resonated - we actually brought the committee three names, but the two names that we put out there to test were Charlotte Business INclusion and Prospect Charlotte. The two brand promises that ranked the highest were connecting MWBEs with opportunities and Charlotte's business opportunity program.

Charlotte Business INclusion is the name that the ED committee recommended that we move forward to execute a logo and brand development. This evening we're going to introduce two logos. The first logo is called INclusion at The Center and the rationale for this is this logo and type treatment emphasizes the philosophy of making inclusion the centerpiece of doing business, providing resources and extending training and development. The second logo treatment is entitled Embracing INclusion and the creative rationale for this logo is this type treatment projects a philosophy of embracing inclusion where our partners and vendors feel like they are surrounded by services, resources and staff. I'll present a slide with both. I don't know if you want to give me some feedback or comment at this point.

Mayor Foxx said I like the first one.

Ms. McMillan said well, that's good, Mayor, because that's the one that you recommend that we move forward in execution and create a color template and a campaign around. Was there any other comment?

Mr. Mitchell said we're doing it informal.

Mayor Foxx said this is kind of like American Idol. Everyone offers their own opinion.

Mr. Mitchell said Mayor, informal, we had about six votes for the top.

Councilmember Dulin said it's got a good beat and you can dance to it.

Mr. Mitchell said Andy, you know which one we had a lot of fun with, but it didn't make the top list.

Mr. Dulin said yes sir.

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Ms. McMillan said you can still do a networking event. I promise you that. Okay, the next phase. We'll go ahead and execute the top logo. Some of the work that we have ahead of us in March and April will include an internal education campaign and this is so important because we are changing the way we do business and we need to make sure that we have all of our City departments really pushing and promoting this. We'll be developing FAQ's, a new process and procedure manual. The internet will be an integral part of the City's communication effort and I believe Nancy has a lot of training with our liaisons and internal meetings scheduled. This time around we're also going to collaborate with our communication colleagues throughout the City. I'll give you an example. It will be very critical that our communication staff in procurement are onboard and they're also promoting the program.

Our timeline - we've got a lot of work to get delivered in March and April and we'll come back with a detailed timetable and some of the education and outreach efforts for phase three will include database marketing. We think this is going to be critical. Our databases, we need to take our existing databases and make sure that they're connecting and working for us and then we've got GovDelivery which is our two-way communication electronic newsletter. We really need to build capacity there. One way that we plan to build capacity is to create an opportunity map. This concept was well received in the ED Committee and the opportunity map is taking our existing databases and plotting where we're already doing business and then gauging the gaps and aggressively going after those areas with direct mail and a target campaign.

We'll continue to leverage our partnership, the Charlottebusinessresources.com. That is not going away. That will be incorporated and that will fold in to our overall marketing. We will maximize our partner relationships with the Chamber and all of the groups that we've been working with. We'll need to develop a media strategy, both paid and unpaid.

Again, the timeline is in front of you and one of the key things and we don't want to do anything unless we can measure it. ROI will be very important in this process and one of the things we'll be doing is just gauging increased registration as a result of the marketing and additional data that we can get from the State and cross-promote and cross-reference. We're very excited to have this opportunity and can't wait to get started.

Mr. Richardson said this is the final slide that speaks to the next steps, assuming there's no major changes you have tonight. Our plan is to ask the committee for a recommendation Thursday. There's a required public hearing that we're going to do and plan for March 25<sup>th</sup> with program adoption at your first business meeting in April. Then it really begins the hard work of implementing. This has been a lot of work. The hard work's ahead of us. We want to make it legally defensible. We want to make it practical. We want to make it understandable so we've got a lot of work to do to launch it in July.

If you have questions that are really operational, Nancy Risotto is an excellent program manager. She can handle those legal questions. Cindy's been at our side the whole time; she can answer those. If you have no questions, we'll continue with the committee on Thursday.

Mr. Barnes said Mr. Richardson, I recall some time ago, a year or two ago, we talked about the amount of spending we do with MWBEs. Refresh me as to what that number is.

Mr. Richardson said I don't have it in front of me.

Mr. Barnes said \$7 million or \$8 million, it wasn't a lot of money.

Mr. Richardson said do we have that answer, Nancy?

Nancy Risotto said I don't have it with me.

Mr. Richardson said the source for that is our year-end report from last July. We can give you that information pretty quickly.

Mr. Barnes said tell you what, tell me, if you could; I'd like to know what amount we spent, again, as of the last fiscal year; what amount if any we are hoping to target as a goal and also tell me how it matches with the State's program? You know, like their spend with the WBE's on a percentage basis.

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Mr. Richardson said okay, we'll do our best .

Mayor Foxx said I want to you Mr. Chairman and the committee for all the work and to the staff. This has taken an awful lot of time and effort from the staff, so Pat Mumford and your team, we want to thank you very much for your efforts on this very important issue. I would like to make some requests for additional information on some other fronts in this space, particularly in the area of money managers. How much are we spending on money management firms and to what extent are we using minority and women owned businesses to do that type of work for the City? I just want to get some general information so that I have a sense of it. There's an awful lot of resources that get managed through the City and I don't think those types of businesses are scored in our SBE Program. I'd just be interested to see what that number totals out to. With that, are there any other comments or questions? This will be coming up March 25<sup>th</sup> for public hearing and then April 8<sup>th</sup>. How long has it been since we started talking about it? From beginning to end.

Mr. Richardson said the disparity study concluded in November of '11. The referral was in June, so, eight months or so of hard work by the committee.

Mayor Foxx said for some reason I thought it was about two years.

Mr. Mitchell said it just feels that way.

Mayor Foxx said okay, thank you very much. Another interesting thing would be to know if the City lost the control of the airport, to what extent would any of these programs be carried over? I know the Federal government has certain programs that it requires, but what would get lost in the shuffle? It's kind of an interesting question.

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## **COMMUNITY SAFETY: PEDICAB ORDINANCE**

Councilmember Pickering said Councilmember Cannon, who's chairman of the committee, had to step away so he's asked me to sub. As many of you know, the Community Safety Committee is composed of the Councilmember Cannon as chair; I'm vice chair; Council members Barnes, Dulin, and Fallon complete the committee. Back in July you'll recall that a referral was made to the committee to review and consider the regulation of Pedicabs within the City of Charlotte. That's what the committee has done and Mr. Thomas Powers from the City Attorney's office will walk us through the ordinance.

**Thomas Powers, City Attorney's Office** said again, I just want to present to you our Pedicab ordinance. What is a Pedicab? Right now, to the best of my knowledge, we're aware of two styles of Pedicabs. This is your tricycle-style Pedicab which is a bicycle that is attached to more of a two-seater passenger compartment. We're also aware of the bicycle and carriage Pedicab which is a bicycle that is attached to a carriage. These are two separate devices that are actually hooked together to make the Pedicab, as well as the Party Peddler which is a much larger type of Pedicab that operates in the City.

Currently under our ordinance right now, the City of Charlotte regulates Pedicabs under Chapter 14 and Article 6. Our ordinance more or less is very basic in its terms. The only thing we have is the applicability, the brakes requirement, lamps and operation. The definition of Pedicabs is again, three or more wheels which are peddled by one individual which is used when people are transporting passengers. This is under the current ordinance of Pedicabs. How did this become before Council? The Pedicab Association which was comprised of the owners, R&R Pedicab, as well as Cycle Taxi USA, came to Council requesting a stronger regulation and enforcement of Pedicabs within the City of Charlotte. Right now, again, to the best of our knowledge, we are aware of R&R, Cycle Taxi USA as well as the Charlotte Pedicabs as being the companies within the City, but there's also other independent operators that are established within the City.

To give you kind of a framework, during the Charlotte Panthers games, you'll see a lot of Pedicabs that will operate transporting passengers from Panther Stadium to venues that are in downtown area or also around Epicenter, you may see Pedicabs that are parked and stationary to transport patrons from the Epicenter to any location in the downtown area. Right now, again, we  
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are aware of 22 to 26 Pedicabs that are operating within the City. During large events such as Panthers games, we are seeing an influx of other Pedicabs from other cities.

When the Pedicab Association came before the City, one of their main concerns was getting to us have some criteria for the operation, such as the type of Pedicab, the lamps and brakes as well as an application process. They were also seeking to have proof of a driver's license for any driver who operated a Pedicab within the City; also minimal requirements for insurance and they also asked for and seek a modification of the ordinance to allow for operation on sidewalks.

Councilmember Mayfield said can we go back one please, just for clarification, why, if what we're looking at is the Pedicab, which is a non-motorized vehicle, do they need to show proof of a driver's license? Say if you have a college student that's a visitor so they only have their student ID and that's their part time job while they're here, why do they need a North Carolina driver's license?

Mr. Powers said the reason why the PVH office which will oversee the Pedicab ordinance and the Community Safety Committee agreed to the driver's license provision, it's simply because Pedicabs will be operating on the City streets. One of the things that staff as well as Community Safety Committee identified was a need to have the Pedicab drivers understand the rules of the road and also to not put a passenger who's in a Pedicab in harm's way by having them to operate a Pedicab or an actual vehicle in ways that are unsafe or possibly will put the passengers in danger. Because they're operating on roads, we want to make sure they have a driver's license. We also want to use a driver's license to check their background. That is why that requirement is there. Also, the industry indicated that as part of their insurance that they would have to cover their businesses, the insurance companies require that drivers also have a driver's license to operate the Pedicabs so that is why also that information, the driver's license, is included in the ordinance.

To the actual Pedicab ordinance, there's going to be placed in Chapter 22, this will be a separate article than the current Passenger Vehicle for Hire Ordinance. Now, it is similar to the Passenger Vehicle for Hire in some regards but this is a separate ordinance that will be enforced and regulated by the actual PVH office. When crafting the ordinance, the Community Safety Committee looked at the Austin, Dallas, Houston, and Orlando and Phoenix ordinances in the process of drafting the actual Pedicab ordinance for the City. The general overview of the Pedicab ordinance, again, is seven revisions. Your first is the general overview. We have the company operating certificate, the drivers permit as well as the Pedicab equipment requirements, Pedicab operation requirements, fines and then the Pedicab Appeals Board.

Now to the first division which is the general overview. Again, the purpose of Pedicab is just to ensure that we're preserving the health and safety of all citizens that are riding in a Pedicab in the City and also the protection of any property that may be damaged by the operation of a Pedicab. Under this particular revision, we have multiple definitions that go to the types of Pedicabs, the application requirements, also times of day. We also have that as part of the definition section. We also outline the types of Pedicab service which is getting to the exclusive which means you're transporting a passenger from one destination to another, a group ride which has multiple individuals going to one destination and a shared ride which is multiple individuals going to multiple destinations.

Under this section we also have application requirements and fees requirements related to the applications and inspections. I will note that the fee schedule has not been determined at this time, but will be identified as part of your legislative process.

Now, to the company operating certificate; similar to the passenger vehicle for hire, a company's operating certificate will be valid to one year. To have a company operating certificate you will need to have only one Pedicab operating within the City limits. You would have to have a background check on individuals that comprise the company. The Company Safety Committee has adopted a minimal of \$500,000 for insurance to cover a Pedicab company and also we would require that any citations that are issued to Pedicab companies be paid within 30 days.

For driver's permits, we require an annual drug testing and annual background checks. The permits for Pedicabs will be valid for two years, due to the seasonal nature of the actual industry.

This is separate from PVH which is year-to-year type of drivers permit. We also have restrictions on inappropriate clothing and Pedicab citations will need to be paid within 30 days.

As to the Pedicab equipment, we require headlights and tail lights that need to be visible at least from 500 feet, reflectors, mirrors and horns. Pedicabs will not be any wider than 54 inches at its widest point. To put this in perspective, your normal bike lane, as I have been informed, is about 48 inches. Your Pedicab is going to be roughly about six inches wider than your normal bike lane. That will become also something that I will explain in the operating section in regards to bike lanes and how they're operating on the road.

Any passenger that is in a Pedicab needs to make sure that they are not exposed to any rust or sharp edges, ripped upholstery or chipped paint. Pedicab will also be required to have electronic devices so that way a passenger can be able to pay by credit card or debit. There is no advertising requirement on a Pedicab, however, Pedicab companies can place their logo or insignia on the Pedicab.

We'll like to differentiate here that if a Pedicab company, let's say is owned by ABC Pedicab, they can only put their logo on that. If a restaurant decides that they want to operate a Pedicab within the City, they can put their restaurant logo on the Pedicab to ride around and advertise and actually draw patrons to their venue. I want to make that distinction that there may be a restaurant's logo on there, but that has to be a Pedicab that's only picking up patrons to drop them off at that restaurant. It cannot be a Pedicab with a restaurant's logo that is traveling all over the City and dropping them at different points.

Ms. Mayfield said I hear the distinction you made, but what I'm trying to understand is why we would have the restriction in where the Pedicab cannot have a sponsor or be able to help build their business by having Charlotte B-cycle having an ad on the side to encourage people to get out and ride or if it's Carrabba's off of South Boulevard, if they decide that they wanted to have an ad on there to let people know about it, why are we creating a limitation where you can connect to one restaurant and that's it? Why are we putting that particular limitation on their ability to expand their service?

Mr. Thomas said this provision is a continuation of the Passenger Vehicle for Hire provision. For taxi cabs and black cars that are in the City, they are not allowed to have advertisements on the vehicles. In regards to the Pedicabs being that they are a vehicle to transfer patrons to and from locations, this advertisement provision also carried over from PVH as well. It is more or less to make a uniform provision that anyone that's taking Passenger Vehicle for Hire services, paid service for transportation, that vehicle will not have any advertisements on that vehicle at all.

Ms. Mayfield said I hear the possible logic in that, but a cab that's driving all over the City opposed to a Pedicab that's really identified for a certain area because that Pedicab is not going to be riding that bicycle from uptown to the airport or outside of the general uptown area, I'm not understanding why there was a disconnect to say, "Okay. This is clearly a separate type of a business that we're putting under our umbrella, so we need to possibly look at other ways of addressing this particular piece, just given that blanket, well, since cabs can't do it, then the Pedicab shouldn't be able to do it;" that seems a little un-level because that cab driver is going to have a lot more access as far as how wide that radius is opposed to that Pedicab driver that's riding the bicycle up and down uptown which is what, three to five miles of the area? Any room for discussion on that for the committees?

Mr. Thomas said in regards to the committee perspective, the only thing I can say right now is that the committee looked at the advertisement provision as to whether or not advertising should be placed on Pedicabs and by consensus, the committee decided they did not want to have advertisement on the vehicles. As to the discussion or the point about the actual traveling, when I get to the next section, one of the things that the committee looked at was actually limiting the perspective area for Pedicabs to the downtown area. The committee decided that they would actually allow Pedicabs to travel any city street as long as the actual speed limit was no more than 35 miles per hour. Information that staff received and was also presented to the Community Safety Committee indicated that some Pedicabs are actually traveling to the NoDa area from downtown as well as to the south end area and back sometimes in a given night. For that reason,

again, we didn't limit the actual area for which they could go, geography-wise, but to advertisement point, the Community Safety Committee looked at that issue and decided they did not want to have advertisements on there to make it consistent for the City.

Mr. Thomas continued the presentation and said annual inspections will be conducted on Pedicabs to ensure that they are meeting the equipment requirements.

Now, to the operation of a Pedicab; again a Pedicab must operate as close as possible to the street curb or in the bike lane when actually riding through the streets. No Pedicab can drive or ride upon the sidewalks at all. Now, again, as I stated earlier, the Pedicab industry wanted to have the ability to ride upon the sidewalk, but C-DOT, as well as staff, indicated that they were opposed to such a requirement and the Community Safety Committee adopted that requirement saying that again Pedicabs must operate on the City street.

Again, they must provide a receipt if a passenger requests that. All accidents shall be reported to the company for the PVH office to then be able to look at it and inspect.

Fares are agreed to by the passenger and the driver before the actual Pedicab service actually commences. The staff did not recommend an actual establishment on the fare. The Community Safety Committee did look at that and agreed that once an agreement has been established by the driver and the passenger, then the service could commence. Now, if midway through that service, the passenger wants to actually change the destination, then the driver and that passenger again must re-establish a new fare before commencing to that new destination. You would not be allowed to park on the sidewalk unless designated as a Pedicab stand by C-DOT. At this time, C-DOT is still looking into establishing Pedicab stands but there has not been anything officially indicated as to where these Pedicab stands will be located.

Again for Pedicabs, a driver cannot drive on the sidewalk unless directed by CMPD. The reason why this provision is included is that there may be circumstances where there is a large volume of traffic on the streets and it may be necessary for officers directing traffic to move a Pedicab off the road to allow the traffic to move more freely. At that instance, because the officer is directing the Pedicab onto the sidewalk, we wanted to have that option to not allow the Pedicab to be in violation of the City ordinance. A driver cannot operate the Pedicab in a manner that endangers the passengers. This may be an instance of let's say, taking the curve too fast, popping a wheelie, having the Pedicab at an inclined angle. Also, a driver will not be able to use tobacco or profane or indecent language while operating the Pedicab or travel upon streets that are 35 miles per hour or higher. If a driver consumes alcohol within 12 hours, then under the ordinance, they would not be allowed to operate that Pedicab. A Pedicab must have some form of communication device to ensure that if anything should occur in regards to an emergency, that they will be able to contact the company or 911 in regards to the situation.

The actual established fines start again at \$20 is the minimal fine and increase to \$25 to \$50 depending on the category. These are the initial fines. If a driver or company happens to get multiple fines within a one-year period, then the fines do escalate depending on the particular classification. Again, the Class A fines are typically your higher fines simply because these are requirements to operate within the City and ensuring that the customers have the safety and security of being able to transact a payment as well as making sure that there's insurance to cover them. Your lower fines are more or less, again, not having a driver, to use tobacco, taking a passenger to a destination that the passenger did not request.

As to the Pedicab Appeals Board, the Community Safety Committee is not recommending to the full council for the creation of a new board; instead the Pedicab Appeals Board will comprise three members of the current Passenger Vehicle for Hire Board. The chairperson of the PVH Board will designate three members that will hear all Pedicab appeals and would also designate a chair person who would then run the meeting. They would hear all appeals under the proposed Pedicab ordinance and once a decision has been rendered and written and provided to the appellant, that appellant would then have the ability to appeal it to the Mecklenburg County Superior Court for further review.

For Council, the next step in the adoption would be at the March 25<sup>th</sup> business meeting and the proposed implementation date would be as of July 1<sup>st</sup> of this year.

Mayor Foxx said thank you for that very comprehensive summary of this ordinance; very well done.

Councilmember Cooksey said I know this is presentation and not debate, but I'm going to go on and say this is going to be one of the easiest no votes I'll ever cast. Here we have a job opportunity that's just tailor-made for young people, in fact, your healthy folks and this is going to make it 20 pages more difficult to do. This was not instigated by customers who felt they had a problem with the industry. It was instigated by members of that industry who are trying to shut out competition and I want this City and I have voted for this City to be friendly to small business, to promote small business opening and I am not going to vote for this kind of restriction in favor of existing businesses just so it can avoid competition when there's high a demand.

Councilmember Autry said I just have a question, Mr. Powers, Division 3, Driver Permit 22396-C - In one of your earlier images in the presentation, the two Pedicabs, the tricycle ones that were yellow with the gentleman on it, they were wearing T-shirts. Are T-shirts not to be allowed? Is that the operator's logo that we see on both of those T-shirts there where the breast pocket would be?

Mr. Thomas said I would surmise it is because it does appear on the actual carriage, this similar logo as well.

Mr. Autry said I don't feel threatened by their appearance. Can you help me with why T-shirts were not being allowed?

Mr. Thomas said in regards to T-shirts, I think the reason that T-shirts were not allowed, I think there was a more of a preference for collared shirts, more than T-shirts. I think when the Community Safety Committee looked at this issue; they were wanting to have a preference for a certain standard or a level of dress in regards to the drivers for a Pedicab and didn't want to have someone just having a regular T-shirt or any kind of tank top that would be operating a Pedicab. Again, some of this also is carried over from the PVH ordinance as well, in regards to the standard levels of dress.

Mr. Autry said the guy behind the wheel of the taxi cab is putting his foot on the accelerator. These guys are putting both feet on something completely different and I just don't see - it's not a taxi cab, it's a Pedicab and it's human powered. I just don't see where we're slighting the potential passenger by having the guy doing all the pedaling wearing a T-shirt.

Mr. Thomas said the only rationale I can give is that the Community Safety Committee wanted to make sure there was a certain standard of presentation on behalf of all drivers in the city and that's why I think their preference was for collared shirts. As a member of Council and this full entire Council, once this comes before you for the business meeting on the 25<sup>th</sup>, if there is wanting to be any changes in regards to the dress, then that can be considered by the Council at that time.

Councilmember Dulin said I sat in on these meetings and some of this was to with the idea of our visitors that come to the City of Charlotte and access uptown, for the idea of them having a more unified experience and a safer experience if they happened to step into a Pedicab without knowing that driver, who that kid is, man or female, there are lady Pedicab drivers as well. With having some unified, not only appearance, but unified standards for which they are so that we don't have worry about getting a telephone call or opening up the paper in the morning and finding out somebody's been killed or run over. It might happen. Accidents happen all the time. I sat in on taxi cab conversations for four years before we got the airport right and got those things to where that fleet is changing over. Is it a little bit of a push to say a collared shirt? Yeah, when you hear it out loud like that? Yeah, it might be. Obviously those two guys are wearing the same logoed T-shirt. It's cheaper for the operators to put a logo T-shirt.

Some of this and Mr. Cooksey, I agree, we're not trying to stifle entrepreneurship although this might have some of that effect, but Charlotte is open for business and competition will tell us how many we'll do. One of the problems we have in the Pedicab business and by the way, the committee has spent way too much time on this. We've spent as much time on the Pedicabs as

we need to spend. One of the problems these two gentlemen that came to us is the same problem that the taxi cabs and the black car industry were having with “pirates,” and what happens is folks on a game day or a big event that’s happening downtown from outside our City, from outside our State, load up a Pedicab in the back of a pick-up or fold up two Pedicabs in the back of a pick-up, they park in south end somewhere and they drift into town and they’re picking up fares. They can pick up fares, the problem with that is these gentlemen and others like them that are operating out of Charlotte are paying privilege license taxes. They’re paying City of Charlotte taxes. They’re legal to do business in Charlotte. One of the reasons I so adamant on the black car industry push was to help those folks that are doing business in our community legally can continue to do so.

They can have it. I don’t care one way or the other. I’m not getting into one of them, but if five more guys/ladies want to come to Charlotte and open up a business legally, have at it. We are open for business. I think these, by the way, these guys came to us asking for our help and they got more than they really wanted. Sometimes be careful what you wish for because we started getting in there and twisting on it a little bit and all of a sudden, what do you know? We’ve got collared shirts. I don’t care if we back down on collared shirts or not, to tell you the truth. What I was very adamant about the nose and tail of these vehicles being lit. I was very adamant about reflector. The last thing we want is one of these guys to change lanes and get nailed by somebody looking up at the top of the building. We can go over it all you want to. I am pretty comfortable with where it is. It’s way away from being perfect but I think it doesn’t limit entrepreneurship, it just defines it and if more want to come, fine. It certainly makes it harder for the pirates to come and take business from a legal Charlotte entrepreneur. That’s about all you wanted out of that isn’t it?

Mayor Foxx said Yeah, I’ve got lots of ways I can go with this.

Ms. Mayfield said Andy, I hear and I appreciate the fact that you’ve been able to attend the meetings so I’m not going to say that I did attend a lot of them, but I am concerned about how restrictive a lot of this language is. For me personally to feel comfortable to even support this, there does need to be some tweaking because as Councilman Cooksey mentioned, when you look at our young people and look at this possibly being jobs for them, not all of them are going to fit into these requirements that we’re talking about. I still have concerns about someone that’s pedaling a bicycle at the airport that’s not motorized needs to have a license when you can right now until the law changes, you can be on a moped and ride around and that is motorized. I have a concern with us having it in writing in Section 22396-C how they should be dressed and then not take into consideration our weather temperatures. If you are in our summer months, that is going to be absolutely ridiculous to expect someone to be in necessarily a collared shirt. They need to be as comfortable as possible. I understand having hats on, weather or not, making sure that they have their logo and they are just not wearing any type, but they need to have a uniform but that uniform can look just as what we’re looking at is this picture. I don’t see how any of this stops those people from parking their vehicle at South Park and still coming in. None of this that I’ve read through captures, unless we’re going to figure out a way where we actually know who all our registered Pedicab drivers are and be able to say, “That one’s one of ours; that one’s one of ours; that one’s not one of ours. Sir, I am going to need you to stop. You need to show me identification right now.” I don’t see anything in here that’s really in place to address people coming in for a special event for weekends, but I see a lot of restrictions that will be fine for a cab driver. I support these but for someone who’s doing this type of work, we’re not taking into consideration the climate. We’re not taking into consideration the physical activity that they’re going to be doing and making sure that they’re going to be comfortable and be able to do all this riding back and forth. The way it stands right now with me just seeing this this past week-end and reading through it, I cannot support this the way that it looks right now.

Mr. Thomas said if I may address one of those points, in regards to the actual background checks, the reason why it may be disproportionately affecting young individuals; the reason why we are requiring the background checks is because one of the things that staff became aware of is that some of the current Pedicab drivers are operating Pedicabs in the City while wearing ankle bracelets at the events around Panther Stadium and other major events like CIAA. One of the things that we were concerned about is that if there is a driver who is right now currently on probation or has some other conviction out there that may put a passenger in jeopardy, we want to ensure that that person has at least been screened by the City to determine whether or not

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they're putting this person at more of a risk than someone else. We want to make sure that all of the drivers that are operating the Pedicabs are the individuals who are law-abiding before we put them or give them the ability to operate a Pedicab and get money from the passengers. That is the reason why there is a requirement in there about the background checks.

In regards to the point about whether operators outside the City are coming into the City, one of the very mechanisms that we're requiring, it does not matter if you are operating in the City or operating in Concord or even Raleigh and you want to come into the City of Charlotte and operate during a major event for that weekend. If you come in here and provide Pedicab service, you have to get a permit. In order to get a permit, you have to go through the entire application process. You have through the inspections. You have to make sure that you have the required insurance and you have to make sure that your Pedicab is meeting the minimal standards. Once you have done all of that, the Passenger Vehicle for Hire Office would then issue a company operating permit that would then be attached to the vehicle. An officer or a PVH inspector is out on the streets in the areas where we know Pedicabs are operated and see the Pedicab that is not licensed by the PVH Office, that Pedicab is automatically in violation of this ordinance and would be then issued a fine relative to that violation. We do differentiate between those Pedicabs that are already under this authority that the Council's considering and those that are coming in fly-by-night to provide Pedicab service and then the next day disappear. We do try to do that in regards to balancing those two interests. We're not intentionally or trying to make sure that we're being over-restrictive to drivers but one of things we do have to ensure that if any passenger that is getting into that Pedicab, that driver is going to be the most law-abiding person possible to ensure that passenger's going from point A to point B safely as well as taking any kind of credit card information that will not then be used for credit card fraud. We do want to make sure that we are balancing putting the most responsible person in there versus that person's interest to operate the Pedicab in the City.

Councilmember Barnes said for the benefit of myself and perhaps share information with Ms. Mayfield and Mr. Cooksey and Mr. Autry, I actually started out where you all are on this issue because I asked at the committee meeting why are we doing this? We don't need to be doing it. This is an industry trying to get regulated to keep competition out. As we got into the discussion, a lot of issues arose that led to what was presented tonight. Keep in mind that our job, the committee's job, was to do safety. It's a Public Safety Committee, we were trying to work on safety elements with regard to this particular mode of transportation and I actually frequently think about the position of one of my parents or one of my kids or my wife in dealing with a situation where they're on a vehicle like that with somebody who is a sex offender or is unlicensed or uninsured and there are a number of issues that seem quite simple but once you actually start digging into them and especially around liability issues and some of the true safety issues, I think they become more compelling than they may appear tonight. Is the ordinance absolutely perfect? No, but I can't think of one that is. The T-shirts, for example, were a matter of us saying that we want to have Charlotte put its best foot forward and the people should look great. In the summer time, you put on a white polo shirt, fine. The reflector issue that Mr. Dulin raised is again was an issue around safety that we were trying to pay attention to because you have people leaving the Epicenter; sometimes they've had a few too many and they get on one of these things and we want them to be as safe as possible while they're getting out of them, especially if someone's cruising along in a car beside them or something.

What we were trying to do as a committee was address every element of safety that we could in order to provide for, not only the safety of the general public, but also a quality business within the City so that you have some standards that people have to follow and also create some confidence among the general public that we know what we're doing in terms of licensing taxi cabs, licensing black cars, licensing Pedicab operations.

Mr. Thomas said if I may also add, one of the things we did hear from the industry again was in order for them to get insurance for their business, they required a person to be 18 years or older and that was what their insurance company told them as part of their business plan. This is not something that the staff actually created. This is something that the insurance companies told the Pedicabs. As one of the mechanisms for having a minimal level insurance within the City, most of the companies would have to have persons operating Pedicabs that were 18 years or older. I want to make sure that I do make that distinction in regards to those that are under 18 that could

be operating Pedicabs, if the Council wanted to move in that direction, there may be some tie-in that we'd need to either have the insurance lowered or possibly done away with in its entirety.

Councilmember Fallon said it may seem like minutia, but once we, as Councilman Barnes said, once we got into it, our main concern was the public safety; keeping them off the sidewalks which they do go on and coming into traffic in front of cars and making sure that people that were riding them were protected and there would not be a liability to the City; that they had the right number of insurance and we checked into other cities that did have Pedicabs. It seems like we took a small, little molehill and made a big mountain, but as we got into everything, more things turned up and it was always in view of public safety.

Mr. Cooksey said could we go back to the slide that shows what the current regulations are? We require brakes. We require lamps and we have the regulation about operation on sidewalk. As much as it pains me, I understand the regulation on taxi cabs because that, from my recollection, was in part customer-driven. We had done customer surveys and there were issues about the appearance of cabs and how people felt about the City from taking them, but then again when you're talking about having to use a cab to get around the City, you don't always have a voluntary, especially if you're a visitor, it's not necessarily a voluntary transaction. You've got to get around from one place to another.

Every Pedicab operation is a voluntary transaction. You don't have to get in one of those things and if it didn't look good to me, I'm not going to get in it. I think that we should have some respect for the intelligence of customers rather than try to do all their thinking for them. I'll conclude by noting that if safety is our concern, then I look forward to this Council at some future date, putting on the legislative agenda a requirement that every rider of a bicycle have a license to do so. I almost hit people who clearly didn't have any understanding about the right of way to ride on a road with a bicycle and it would have been my fault, not theirs, even though they were the ones who were riding across towards me in traffic and the like. If safety is our concern about all of this about being on our roads, let's get the cyclists, all the cyclists, too, not just Pedicab drivers.

Mr. Barnes said just appreciate, if you would, Mr. Cooksey, that what we're talking about would be you and your wife come to Charlotte; you get on a Pedicab because you want to ride from the Epicenter back to the Ritz or back to the Western or wherever you need to stay if you walk to the Ritz, to the Western, for example, and we are wanting to create a situation where you have some confidence that the person pedaling that bike is insured, is licensed, is of age, is competent, is trained because from my perspective, it goes beyond simply hopping on a bike and riding around because you're actually taking generally two strangers from point A to point B. I agree with you that we perhaps should make sure that people are qualified for our bikes, but I don't think that is as practical as this because it's a fairly finite number of people who are operating these Pedicabs as opposed to the gross number of people operating bikes in Charlotte. And I can't believe I'm even fighting for this thing but what I would submit to you is that appreciate it from the perspective of two strangers or yourself, just you, getting on the back of one of these bikes, riding from the Epicenter over to your hotel someplace and you want to know, or at least I would expect that the person pedaling the thing is again of age, his competency is assured, has a license and is properly trained and so forth. That was the angle that I wanted to ultimately appreciate.

Mr. Cooksey said and, I understand that and yet we have a 20-page ordinance where instead of an item F, saying all Pedicab operators must be insured and must have a sign on the Pedicab indicating that they are insured, thereby showing as we've heard from counsel, that if they've got a license, if they've got some sort of - because the insurance companies take care of that for us. We don't have to pay staff to investigate that. All we have to do is require that they have insurance and that they post that. An out-of-town Pedicab comes in to operate on game day; they're not showing that, we've got an indication. They're not showing that they're insured. Let's check out. Are they paying their business privilege license or not? One single item, Item F, they must be insured and have a sign on their Pedicab showing that they are insured as opposed to 20 pages of regulations. That's amazing to me.

Ms. Fallon said there's another consideration in a city in the north, they took three or four people in a Pedicab and they went 10 blocks and charged them \$300 because it was not a specified how to charge and I think we put something in saying you would negotiate before and  
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could not be changed unless you add to go further because you don't want that in Charlotte. You don't want people to come and say they got rooked here.

Mayor Foxx said let me say this, Thomas, you've done what was asked of you in terms of developing this set of ordinances. It's now in the hands of this group to figure out to figure out whether this is the approach we want to take or not. I have to tell you, I don't know what I've been drinking, but what you said, Mr. Cooksey, was where I was when I started listening to this presentation and I still am although we have a little time between now and the time this thing comes back up, but it just seems like we are over-regulating this. There's no other way I can say it. And, I know there will be some people shocked to hear me say that. But, that's the way it seems to me. I look forward to more debate and discussion. I also am very sympathetic to the point that this industry, and I don't even know who we're talking about when we say the industry. I know some people came up to the Council and said that they wanted us to look at this and we agreed to look at it. I don't know how big the industry is. I don't know who's speaking for the industry, but there is something seductive to the idea that when we start putting all these specifications on these things, that you start boxing people out of this space and, anyhow, we'll see what happens. Do we have a hearing on this?

Mr. Thomas said there will not be a hearing. This will just be on your agenda for the 25<sup>th</sup>-consent agenda.

Mr. Cooksey said Consent agenda?

Mr. Thomas said I'm sorry. I apologize. I misspoke. It will be on your agenda but not your consent.

Mr. Howard said why isn't there a public hearing for it?

Mr. Thomas said it is not required.

**City Attorney, Bob Hagemann** said it is not statutorily required. Speakers will be able to sign up like on any agenda item. Certainly you have the prerogative if you want to notice it as public hearing, but it's not a legal requirement.

Mr. Barnes said to be quite candid with you, I don't recall - there were some folks who spoke and said we want you all to look at this issue and as Mr. Dulin may recall and Miss Pickering, when we got to committee I said ... and so; if we want to vote tonight to table it, that will be fine with me because I don't think we should put everybody through this because for the persons who haven't been on the committee and haven't been a part of those discussions, it does seem "out there." And, for a few of us who are on the Committee it seems "out there". What I am saying, I don't think this should turn into a big Council fight about who's going to support and who's going to try to kill it. Madam Vice Chair, taking your lead on it; if you all want to table it or send it back to committee for tabling or whatever we might do with it that is fine because there's a way we can deal with it at committee.

Mayor Foxx said I'm open to suggestions. We could notice this up as a hearing and hear from the public more broadly. I'm happy for the committee to continue wrestling with this.

Councilmember Kinsey said I hesitate to ask this since I was not here for the first part. I figured I'd miss the whole thing. Was there an explanation up front as to what the Pedicabs can do now?

Mayor Foxx said yes. There was.

Ms. Kinsey said this is it.

Mr. Thomas said what is being proposed to the Council is in line with the other cities that the Community Safety Committee looked at.

Ms. Kinsey said I know. I looked at it, too. I like the idea of Pedicabs. I think they're great. I would just hate to see - if we don't act on this; it would mean that they would go away. That was the only thing.

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Mayor Foxx said some suggestions on how to go forward. I appreciate Mr. Barnes' point, trying to keep the guard rails on. .

Mr. Howard said I'll make a suggestion, since the Chair is not here and I think the rest of the committee is here, maybe before we do anything - just to have him there in case he had anything else to add, maybe we do table it for a while until he has a his say-so on it and matter as well.

Mayor Foxx said is he coming back tonight?

Mr. Howard said I don't think so.

Mayor said why don't we not have this on our agenda on March 25<sup>th</sup> and have some discussions at the dinner meeting. Give us about 10 minutes to re-discuss it in a couple of weeks with the benefit of having the chair here. That might be the best thing to do.

**Interim City Manager, Julie Burch** said determine the next steps on the March 25<sup>th</sup> dinner, but no action that night?

Mayor Foxx said no action that night. Why don't we do that? Thank you all very much. That was a good discussion about that.

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## **TRANSPORTATION AND PLANNING: MPO PLANNING AREA BOUNDARY EXPANSION**

**Interim City Manager, Julie Burch** I don't know if Councilman Howard would like to introduced, but it has been in Transportation and Planning.

Mr. Howard said yes, and actually this body has actually heard me talk about the fact that this matter was coming before us and because of the complexity of it; this is one that I intend to seek your directive vote on and because of that, we need to get you up to date on where we are with it.

Mayor Foxx said can you explain what a directive is just to make sure everybody knows what that means.

Mr. Howard said as a representative on the MPO, I actually in most situations can vote as a representative of the City on my own. Occasionally there are issues that arrive that I think go beyond me making decisions on my own and I'd like to bring to Council. The last one was the Eastfield Road alignment and in this situation, this is kind of a whole shebang. This is how the MPO will operate for the next ten years until we learn what our new organized area is. The Transportation and Planning Committee has actually heard this at least twice and there are some outstanding issues. This is just to inform you, I'm not sure we're looking for any formal vote tonight. This is just for information.

**Bob Cook, Planning** said I'm Bob Cook in the Planning Department. I also serve as secretary to the Mecklenburg Union Metro Planning Organization and I wanted to talk to you about the expansion that we're going through.

First I want to talk a little bit about background, why is it happening, and discuss briefly the memorandum of understanding. I want to talk specifically about two issues; voting also MUMPO fees and local match and then go into some next steps on what's happening with this project.

To start with a little bit of background; just shy of a year ago, the Census Bureau released updated urban area information for the entire nation and they do this after each Census. An urbanized area is an area with 50,000 residents or more. It has characteristics where you have a very dense urban core, which of course we have here in Charlotte, about 1,000 persons per square mile. Surrounding that dense urban core you have adjacent qualifying areas of about 500 persons per square mile as the density decreases somewhat but still relatively dense. There's also a high degree of impervious surface that's looked at by the Census Bureau when they're

determining an urbanized area. If you've got a lot of paved area, it's certainly an indicator that you're an urban area.

Lastly, they look at non-contiguous territory and how that might be connected to the main urban area, if you will, and they use the term "hops and jumps" and that is actually language used in the Census Bureau's criteria. If you have an area that meets urban standards but isn't directly connected to the main urban area, but is relatively close, you can connect those areas and that's kind of what led us to the situation we're in today with the expansion of the Charlotte urbanized area. Just one note. This is an automated process; the delimitation is totally automated. It's very little in the way of human involvement.

This map here shows and you also have a map attached on larger scale attached to the presentation you have in front of you really what took place. Our urbanized area expanded substantially; if you recall the news articles that came out at that time. On this map, that darker, yellowish, greenish color was the 2000 urbanized area. Obviously, Mecklenburg heading down into Union County, along the 74 corridor; that was pretty much our urban area. Some bleed-over into York County, South Carolina. Then the yellowish color, the lighter yellow color is what happened in 2010 and you see how dramatically the urbanized area expanded after the 2010 Census.

A lot of us assumed that the urbanized area would go as far north as Mooresville; none of us really expected it to go as far north as Statesville and past I-40. It also expanded further into Union County, as you can tell and further actually into York County and into Lancaster County for the first time. Into Lincoln County and actually in two small areas into Catawba County, jumped the Highway 150 bridge, took in a very, very portion of Catawba County and also the same thing happened with Gaston County over the Highway 16 bridge. The major impact were in Iredell and Lincoln Counties and there were some lesser impacts in those four other counties; Gaston, York, Lancaster, Catawba and Union. Just to give you some comparison to go by; in 2000, the urbanized area had a land area of 435 square miles and a population of almost 759,000 people. Charlotte, at the time, was 243 square miles and 541,000 in population. The urbanized area increased from 435 to 741 square miles and jumped up to 1.2 million in population. It was a huge increase and we were one of five urban areas to exceed one million in population for the very first time. This is a pretty substantial growth, in land area and in population.

This had a big effect on the MPO because metropolitan planning organizations are required to implement the metropolitan planning process in urbanized areas; that is at the absolute minimum at which you have to implement the process. You also have to go approximately 20 years into the future and what you expect to be urbanized in the area, but at a minimum, you have to plan in the urbanized area. There is going to be a significant expansion of a planning area boundary as a result, as you saw on that map, going into Iredell and Lincoln Counties. We are going to have to re-write our governing document, our Memorandum of Understanding and then in terms of some of the other counties that were affected, Gaston, York, Lancaster and Catawba, we aren't planning on extending our planning responsibilities to those counties; they have functioning MPO's in those counties or they are nearby MPO's that are willing to take over the portions of the Charlotte urbanized area in those communities. We'll be working on reaching an agreement with those MPO's in those counties.

This is the proposed MPO boundary at this point in time. The blue area is the new area and you can see, hopefully outlined in red, if not on the screen on the maps in front of you, the current boundary of the MPO. Union County, we're seeing a slight expansion in Union County to take in the town of Marshville so the MPO will include all municipalities in Union County at this stage. The expansion into Lincoln County, roughly the first about one-third of Lincoln County and then Iredell County up to the South Yadkin River community. We've received approvals by the Lincoln County Board of Commissioners and the Union County Board of Commissioners on the boundaries. We're still waiting some action by the Iredell County Board of Commissioners. They've seen this proposed boundary and at least seem comfortable at this point. They are waiting more information on fees that might be involved in taking part as a voting member of the MPO; and also the MPO endorsed this boundary as well.

Let me talk a little bit about the Memorandum of Understanding (MOU) that's been occupying quite a bit of our time over the past several months. Again, it is the MPO's governing document.

Some have likened it to the Constitution, if you will, to try to give you some perspective although not nearly as involved as that. It sets forth the roles and responsibilities of the MPO, lists its membership, essentially lays out everything we need to do. There are also bylaws that get into the details but the MOU looks at things at a high level and we have to update this document to bring in the new members and also to reflect any change in circumstances that have taken place since 2003 when the MOU was last adopted following the 2000 Census. There are all sorts of things going on; some of them relatively mundane; some of them a little bit more on the complex side. What the MPO did to facilitate this process was that it formed a subcommittee of 11 members. We have eight current MPO members serving from the city and towns of Davidson, Huntersville, Matthews. Mecklenburg County is involved, Mint Hill, Stallings in Union County and with our last meeting, they actually added a representative from the town of Wesley Chapel to fill a vacant seat and then there is a representative from Lincoln and Iredell County Board of Commission and also there is a representative of the three Iredell municipalities. There are three communities in Iredell County that will be in the MPO's planning areas; Statesville, Troutman and Mooresville and the decision was to have one person, the Mayor Pro Tem of Statesville, represent those three communities.

They've made some recommendations so far. One is a new name that will be taken to the MPO this month for formal adoption. They selected the Charlotte Regional Transportation Planning Organization for the new name. They felt that we needed to be better identified geographically, that Mecklenburg/Union or Mecklenburg/Union/Iredell/Lincoln really didn't convey to the world where we were located, but Charlotte would convey to the world where we were located. They also thought that transportation needed to be in the name, too, because Metropolitan Planning Organization really doesn't tell anyone what you do as an agency. They thought transportation should be in there as well. That's the new name that will be presented to the MPO at their meeting later on this month.

They also talked about stream-lining processes, adding consent into procedures, simplifying the transportation improvement program amended process. Another thing they've acted on is participation. Right now the Memorandum of Understanding limits participation to communities that have a population of 5,000 or more and there are about eight or nine municipalities that don't meet that threshold right now. They will be invited to participate in the MPO process; however, the MOU subcommittee has made it clear that you also do have to pay any necessary fees to participate in the MPO.

We've been in touch with some of these communities to see if they are interested. They are awaiting more information from us, namely in relation to the fees.

Voting has been one of the more difficult subjects the MOU subcommittee has addressed and I'll spend some time talking about that. First I want to talk about the current structure; that is a weighted system. There are a total of 38 votes in the MPO right now. Charlotte has 16 of those votes. Mecklenburg and Union County are assigned two votes each. Municipalities over 20,000 get two votes. There are four of them right now. Municipalities under 20 get one vote and then, as I mentioned, municipalities 5,000 or less, do not get a vote and the North Carolina Board of Transportation gets one vote. For your information, the current city population shares 66% of the vote and based upon the expanded planning area noted on the earlier slide, that city share will become 60%.

Mr. Howard said before you leave that one. Can you go back Bob? Just a point of information for Council. From what we understand, going back and trying to figure out how we came up with this allocation that Charlotte would get 16 out of the 38; from what we understand because if you do the math, that you get one for every 20; that means Charlotte would have 27. Of course, the feeling there was that would mean that nobody else would show up for a meeting because Charlotte could just vote the way it wanted to. That 27 was based on the population of about 550,000 people last time is where I'm going on Bob. But, the understanding on this one is that going back and talking to people that were involved the last couple of times we've done these MOU's, they based in on more of a principle and that principle was that Charlotte and Mecklenburg, the two bigger of the areas the last time they had to do this 10 years ago, would have to have at least one other municipality to carry the day on any one subject. That means that Charlotte – Mecklenburg being two votes and then one other one would be necessary to carry you over the - what is more than half of 38? Nineteen. So that's what it would take to get a  
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vote. Just remember that principle is more about what it would take to carry today and that will come up later when we start talking about what is being promoted now.

Mr. Cook said so the current structure and this is what Councilman Howard was talking a little bit was that Charlotte requires four additional votes for a motion to be adopted and a minimum of two additional jurisdictions. The City would have to team up with at least two other towns to get a motion adopted.

Mr. Howard said or the county and a town.

Mr. Cook said it could be Mecklenburg County plus Huntersville or whatever combination is taking place on that particular vote. The MOU subcommittee met in December and took action on a proposal and this proposal assumes that all jurisdictions are voting members and that would come to a total of 73 votes. The likelihood is that not all jurisdictions within the future planning area will become voting members. We do not, for example, I phoned the town of Hemby Bridge in Union County which has a couple thousand people. I have not gotten a phone call back which seems to indicate that they're probably not terribly interesting in participating in the MPO. It is a very small community, probably may not even have the designated thoroughfare in its boundaries, so we assume that some communities will not participate, but for the purposes of this exercise, we're assuming everyone's a voting member. And, also assumes that Charlotte would retain its current vote percentage of 42% of the total number of votes.

In their proposal, municipalities other than Charlotte, receive one extra vote per 20,000 people. Now, only one municipality is affected by this. It would be the town of Huntersville, which its population plus its sphere of influence population is about 46,000 or 48,000 people. In this scenario, Charlotte would require six additional votes for a motion to be adopted with a minimum of three additional jurisdictions; those three having at least two votes each.

Mr. Howard said I brought up the previous point because the second bullet under the second headline, that is assuming that Charlotte retains current voting percentage. This is the first time actually; you notice already, I didn't make this meeting. I was actually out with the surgery and I would have actually thought they would have waited so I could be here, but they didn't. They went on and voted and then came back with this percentage idea that right now we have about 41 – 42% of the votes and they would propose we stay at the same percentage. My point is that this percentage was not the way it was decided what our vote total should be before. I'm hesitant to change to this without a lot of direction from you guys. Two or three additional votes may not sound like a lot to a lot of the small towns, but when it comes to things that we're trying to get done in the City, sometimes it could mean a lot. Right now what's going on in several of the small towns, Lincolnton, Iredell, Union actually already kind of organized around trying to just make us do this whether we want to do it or not. That's the kind of thing that makes me uncomfortable going forward because given some of the major issues that we have to deal with, it doesn't sound like a lot more but I think giving up any ground right now is not something I want to do without a lot of direction from you guys.

Mr. Cook said to compare to that a work group of the technical coordinating committee, which is a staff group which makes recommendations to the MPO, met a couple of days prior to the last sub-committee meeting on February 18<sup>th</sup>, and they came up with a proposal that was very similar to the MOU sub-committee's proposal. It, too, assumes that all jurisdictions are voting members, so again you have 73 votes. It also again assumes that Charlotte will retain its current vote percentage of 42%, but it eliminates receiving one extra vote for 20,000 is eliminated. That one vote is eliminated for the town of Huntersville. It does require that Charlotte have six additional votes for a motion to be adopted with again, minimum of three additional jurisdictions. It's virtually the same as the MOU sub-committee, just with that one provision being eliminated about the 20,000 increments.

In terms of some examples of what takes place; and we've kind of covered these to a certain degree; with the current vote structure, Charlotte with its 16 votes would require Mecklenburg County plus Huntersville to come up with 20 votes out of 38 for a motion to carry. Under the sub-committee recommendations, Charlotte would have 31 votes, so plus Huntersville, plus Mecklenburg County, plus Mooresville would bring you to 38 out of 74 votes. The motion would carry and very similar with the TCC work group recommendation, very similar set-up

only requiring 37 votes because we're losing one vote because of that provision that was eliminated. That's how it does play out under the current structure and then how it would play out if either of those two recommendations happen to be implemented.

With that, I'll move into the fees and the local match. Let me first start with the MPO fee. This is a fee that is assessed annually to all voting members and the purpose behind it is to help supplement the Federal funds that in the past have proved to be somewhat insufficient for the MPO to carry out all the requirements necessary to implement the planning process. It's a rather cumbersome process we use right now, admittedly, to assess those fees. It's based upon the dollar value of transportation improvement program projects in both counties. There's currently a cap of \$150,000, not per jurisdiction, but total of what we collect and that is based upon what at the time in 2003, was roughly equal to providing two, full-time staff engineers. For your information, the current year contribution will amount to close to \$51,000 for the City of Charlotte.

As the local match, as you probably know, all Federal funds or most Federal funds at least, do require a local match. The planning funds we get Federal Highway Administration require a 20% match. The transit planning funds we get from the Federal Transit Administration require a 10% match. There's a 20% match required but NC-DOT picks up the other 10%. Right now, the City covers the local match entirely with one minor exception when they sub-allocate some of these dollars to the local communities to implement local transportation planning projects; they are responsible for the match. But, by and large, Charlotte picks up the full local match. This year the estimated contribution will be \$390,800 on the local match.

Mayor Foxx said what's the theory behind that?

Mr. Cook said behind Charlotte picking up the local match? It probably is one of those things, Sir, that went back a number of years ago when Charlotte was probably the only municipality in the MPO and was managing every component of it. That tradition has just continued over the years.

Mayor Foxx said what are the politics of Charlotte paying the percentage of votes that we get?

Mr. Howard said that actually is coming up on the next slide.

Mr. Cook said that is under consideration and as you see, a reasonable response how it's done, based upon population of voting hasn't been fully flushed out but it hasn't been tossed aside by any of the members. I think a lot of them do recognize that there is some need for shared responsibility. One thing we are looking at doing is also retaining the local fee but combining it with the local match so that there's just one payment that the city or town would make to the City of Charlotte. We also are talking about phasing in this process so it's not too much of a shock to these communities when this gets rolled out. I think it has been reasonably well received, some concept of it.

Mr. Howard said let's talk about that one before you move on. One of the things that I've asked for because of the tension around this, and the committee we talked about this. Mr. Barnes actually honed in on it a great deal when we met about it as a committee is that whereas the City now does the match where we pay our dues, there are some other things that Charlotte does to support the MPO that are not being considered in this. I asked for a total city contribution just so were about what Charlotte's doing and this is as close to it as we can get. Why don't we let you explain kind of where we are with this one please?

**Phil Reiger, C-DOT** said just to give you a sense of why I'm up here. C-DOT is the administrator of the funds for the MPO as well as provides technical assistance for the MPO's. What we passed out is simply an accounting of the actual expenses and revenues incurred during FY2012. The numbers that Bob just showed were for budget year FY2013. We went back to get a full year's worth of accounting so that you can get a sense of how this plays out. In the first box is simply a full accounting of the expenses of the MPO, or expenses to support the MPO; so what we're looking at is about a \$2,000,000 business. The next box is the revenues that come in to reimburse those expenses and then we did a little bit of math; expenses minus revenue were \$444,000. Charlotte's contribution to the match in FY2012 was \$302,000 and that leaves a remainder, the difference between what the expenses minus revenue was to the match is about

\$141,000. To sum it up, the total contribution that the City of Charlotte made in FY2012, including its match was \$495,193.

Then I have just sort of outlined there at the bottom of the page how the fee structure was administered; the dues which was capped at \$150,000.

Mr. Howard said so as best we can tell, Phil, what we are thinking is that there's another \$140,000 worth of expenses that Charlotte is absorbing, which also, not in this number, if I'm reading this right, Bob, is anything that TCC members, being Bill Cox and others actually do, this is not including their expenses at all, right?

Mr. Cook said generally, that's correct, yes.

Mr. Howard said so, really what we're saying is the budget for MUMPO is a lot bigger. That's important because if you look at the numbers that Bob just showed you, we went from 700 or some thousand to 1.2 and we are covering more land mass. That means the level of support from a staff standpoint to cover that, which we still haven't gotten a clear number on, will grow. As a matter of fact, one of the consultants working on this, told us that MPO's our size normally have 15 to 20 or so staff people. Is that right?

Mr. Cook said it can even be higher in some cases. There's some confusion as to regional planning commissions. I think his was at 11 to 15 for an MPO of our size.

Mr. Howard said we have three.

Mr. Cook said we get to staff support from C-DOT.

Mr. Howard said and, we have staff support from planning from C-DOT and from a bunch of other people; but that will increase is my point. That's the way it's being done right now. That will grow. Then, also, for Charlotte that match is going to grow as well. We'll get more money but the match that's required for the money will grow as well.

I just wanted to put all that on the table so we're clear that what I've been pushing as your representative is that; if you're going to fight me on it, and I know we're just talking about three or four more votes; but if you're going to fight me on that, then we're going to talk about actually dividing the whole pie and talking about how we all pay our part of it. Am I missing anything Ruffin, Bob? Anybody? Am I missing anything that we should put on this before we start?

Councilmember Barnes said it was important to me during the committee discussion to look at the complete array of expenses and revenues and this really helps a lot because what I've been trying to figure out is what comes out of Charlotte's pocket? I think it's important for us as we work with our partners at the MPO and MUMPO, to have a voting structure and a cost structure that are fairly representative of the entities involved. If we're going to have a proportional voting structure, that's fine; but let's also have a proportional cost structure. Certainly if they're going to keep pushing the way you indicated they were, Mr. Howard. I think this information's very helpful and again I'm willing, as I said during the committee discussions, to look at the TCC recommendations as long as we also take some real look at the expenses and the way they are treated on a proportional basis.

Mayor Foxx said thank you for your hard work, Mr. Howard. We appreciate it, and I know you've dealt with a lot on our behalf, so thank you Sir.

Mr. Cook said we've got one more slide. In terms of some next steps I have kind of a parallel process here. For the MOU sub-committee and the MPO, they will both be meeting again on March 20<sup>th</sup>; sub-committee meeting at 4 o'clock. We'll have additional discussion of voting. I don't expect there to be any decisions at that time. We're certainly at a staff level, not pushing for any decision on that topic. I think it needs several more discussions and of course, other issues that still need to be hashed out as well. Following that at 7 o'clock will be the MPO meeting where there will be possible action on some relatively minor issues, we hope, the new name, for example.

Again, on voting, we are not requesting any action. On City Council, I will go back to the Transportation Planning Committee for another update and report. At some point in this process, Council will have to direct Mr. Howard's vote on the draft Memorandum of Understanding. The MPO will have to authorize through their standard practice in the past the draft MOU, if you will, for me to take out to all the cities and towns to ask them to execute that document so that I know that what I'm taking out there to everybody is what the current MPO is interested in seeing put out there and then Council will authorize the Mayor's signature on the revised MOU, Memorandum of Understanding.

Mayor: Thank you very much.

Mr. Cook said thank you.

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Mayor Foxx said we have 15 minutes before our statutorily designated time for the Citizen's Forum.

Councilmember Barnes said I have an item if I might Mayor. Over the last few weeks we have been hearing that there are people, both elected and not elected who that Mayor Fox and the City Council are attempting to divert money from the Airport to our General Fund for use in Police, Fire and Transit and that is not true. The FAA prohibits it, but I want to ask Bob Hagemann to provide us with a brief opinion indicating what can happen and perhaps what cannot happen with the Enterprise Fund that is the Airport's.

Councilmember Howard said I would like it in writing.

Mr. Barnes said in writing yes, because there are some statements that the Mayor made in the State of the City Address that has been inflated and corrupted and it is not fair to this City Council and the Mayor, nor to the people of Charlotte so I would like the City Attorney, if he could to provide that in writing and I would further like Corporate Communications Department to disseminate it to the media.

Mr. Howard said what I understand since we are hearing from a lot of people saying what we would do, is that there is a lack of trust even staff will tell them in Raleigh exactly what the truth is. I would like for us to go a step further and get something clarified from the FAA themselves that say this in writing which would be nice I think.

Mr. Barnes said there is a document that details the rules that are promulgated by the FAA that you could provide as well, Mr. Hagemann?

Mayor Foxx said we have an item later on tonight but since we have a little time I'm glad you opened that subject Mr. Barnes because there is a perception, I don't even know if it is a perception as much as it is a school of thought that this Airport issue is arising out of conflicts within Charlotte. That is an interesting concept, but not one that I think I see any evidence of. I think what is going on with this issue, and I'm trying to be as temperate and straight forward about this as I can be, but in a real sense it feels like an end run around local government because the choices we made, not only about the Airport, but across a range of things, are choices that we make because that is what local government does. There are several myths that have been cast out there that does deserve a response. The first that the City Council was politicizing the Airport. I have never seen this Council or any previous Council I've served on "politicize" the Airport. By the way – what does that really mean? It is people who are elected can politicize the Airport through an authority. It strikes me that what that sounds like is that decisions are being made about the Airport that are at variance with the best interest of the Airport. I've never heard not one single person around this dais, nor any current, past or future City Manager say that they want to do anything than run the Airport as a low cost, high output enterprise. The governing philosophy of the City has not changed. The other thing that I've heard, and Mr. Barnes you mentioned it, was this issue of diverting funds from the Airport to fund other City businesses. The hard thing about proving a negative is proving that what is stated is not true, but for purposes of argument there is law that even if this Council wanted to it couldn't. This Council has never expressed an interest in diverting funds from the Airport.



Third, and I have to be very blunt as I've heard it, people saying this Council just isn't up to it, as if this Council spends 24-hours per day over at the Airport micro-managing the Airport's business. In a real sense it is something of a frontal attack on the Council/Manager form of government to be honest with you because what we do is we hire a City Manager to run the business of our government and that just doesn't extend to the Airport, it is garbage collection, Police and Fire, it is a whole range of things and what seems to be embedded here is that professional management of our City isn't the way that we want to go so what is our alternative, making the whole City an authority? I'm not suggesting that because I think it is a good idea. The last thing and this concerns me very deeply in this subject. We have some things we can't control; we can't control the direction of air traffic locally; not even an authority can do that. We get a lot of complaints from citizens about air traffic etc., but I do worry about the ability of an authority to be responsive to the community. I don't think that is a political term, I just think it is being a good neighbor and all these airport authorities that I know of in North Carolina don't exist within the city limits of a city like ours. In this case the Airport is 100% in the City of Charlotte. It is hard to argue against perceptions that are unsubstantiated and the more we make the argument the more it just seems to roll on itself so maybe an opinion from the City Attorney will help us. I hope so. I'm worried and it feels to me like we are an occupied City and what I'm really hopeful of is that this issue will get slowed down and that we will have a chance to inject some reason into this. I'm going to Washington tomorrow and one of the things we've been working on since I came into this particular role was getting our Air Traffic Control Tower moved to a better location, which requires because of how the FAA works, a lot of gymnastics because we are asking to do something that is a little different than they are used to doing. I worry about whether something like that will even happen when there are questions about the governance hanging in the balance. How quickly can we actually get that to happen would obviously be good for the Airport. I just hope reason ultimately prevails, and I want to say publicly that I had a brief, but good discussion today with the Governor. He did express some willingness to help pump the brakes on this issue and slow it down some and in this case that would definitely be helpful. When it comes to issues of local decision making it strikes me that the way this City has always worked is that people have come together and they've said okay, we'd like to see the Arts facilities happen, let's put a task force together, let's figure it out and then at the appropriate juncture we are going to go off to Raleigh and ask for help. What it seems like, and by the way I have no indication whatsoever, even though people are saying the business community is behind this, I have no indication whatsoever that the Chamber of Commerce has played a role in this. None, so I don't know what the business community is that they are talking about. It feels like a few people went to Raleigh to try to get a solution to a problem that hasn't been defined. I don't even worry about that just in this instance, I worry about it long-term because if local government now is irrelevant than that has a whole lot of implications. I'm glad that we are going to take the time to discuss the study tonight. I was going to save these comments for then, and I hope the study is something that doesn't collect dust. I hope, not only we, but our friends in Raleigh, will also take a look at it regardless of what it says and I have no idea what it will say. I am worried about whether local decision making is still relevant in this era, because if it isn't relevant it doesn't matter, then we are in a lot more trouble.

Mr. Barnes, thank you very much for getting us on that and I may have more to say later.

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## CITIZENS' FORUM

### **Credit Card Machines/The Town cars (black) that sit at Hotels**

**Vinson Parson, 4630 Woodstone Drive** said I'm going to start off with the credit cards. We the drivers feel that we should have the option of using credit cards and debit machines in the cabs and taxis. Because of our daily situation, gas, the third party processing ... time procedure or law is ... to our lifestyle. I experience in the PVH Office, they don't take credit cards, debt or personal checks from drivers for renewing permits, paying citations or medallions. I feel like other drivers that this is only a one-way street with us, the drivers. This is very unfair. I've talked with drivers before and this new law about credit cards and debit machines just basically never came up. They were just put in the cabs and taxis and made law, you use them or be cited.

Shortly we the drivers, petition about the credit card machines and over 40 drivers signed the petition. I have a couple copies here if you all want to see it.

I also want to address the black cars, the limo drivers at the hotels, night clubs and ... As we know black cars, limos, because I've been driving a taxi for 15 years in the City of Charlotte, and the black cars, limos are taking up 40% of the taxi business. The black cars occupy 15 hotels, malls and night clubs combined; 12 of which are downtown. If we go by the City Ordinance these hotels, night clubs and malls and limos are breaking the law or operating an illegal business. In Part 2 Code Chapter 22, Division 1, page 4, "no limo shall engage in cruising or be operating on call or demand. Part 2 Code of the City Ordinance, Chapter 22, Division Section 6, 22-212 Paragraph (a) "Every passenger vehicle for hire shall be operated in accordance with the laws of this state and the section of this Code and city ordinance and with due regard for the safety, comfort and conveniences of passengers; for the safe and careful transportation of property; and for the safety of the general public". If this is law, hotels, night clubs and malls and limo are operating an illegal business because one article goes along with the other. I never saw the contracts that the black cars say they have.

Councilmember Howard said Mr. Manager, do you think the issues he just brought up are something we could get a small report back on, just what are the rules that relate to black cars and how they operate in those venues as well as the issue – I actually support the credit cards being used in cars, but the whole thing about how they can pay with the PVH and how that works.

Councilmember Barnes said to that issue unfortunately the Chair, Mr. Cannon is not here but these issues have also been thoroughly vetted by the Public Safety Committee during the whole PVH and black car discussion and I think Mr. Campbell can provide the notes from that meeting to us, but it has been thoroughly vetted by the Committee.

Ms. Burch said we will do that.

### **Funding for Bank of America Stadium Renovation**

**Joe Huss, 1813 Crabapple Tree Lane** said I apologize for being a little bit late, I've never had to work this late in 10 years on a Monday.

Mayor Foxx said that's totally fine, it's your time.

Mr. Huss said what I want to talk about, I talked about this before but had a chance to do more thinking in trying to make a better proposal for lack of a better word. Financing the stadium, we're talking about raising the taxes by 1% if we can get it through. The problem with that is this is going to only get more expensive as time goes down the road. If we put a 1% tax on that, I don't think that's going to accomplish what we're going to need in future years. 10 years down the road, 15 the max so I'm afraid we're going to do that 1% and then we're going to need another 1% on top of that, well actually probably two or three or something in the 15 year period. I think we need to do some more long term thinking. I still think that this is going to involve several pieces of a solution instead of one little 1% tax and it's solved. I don't think that's going to do it. We need to think about fundraiser, I still think that's the viable option I'm on their corporate community. Also we need to look into basically the money we're already taking in. We're taking in like 3% because I know on top of normal sales tax there's almost 10% tax when I go out to eat. We need to look and see where all that money is going and then we also need to challenge our city manager, our city manager that's basically his job, to make basically two plus two equal five and we need to encourage that and so that we can have that happen. I think that's a definitely reasonable challenge for him. That's what they're supposed to do. Those are the top ideas I have right now on that and I just want to encourage you. Also I don't know if we get any money from the Light Rail but when we built this thing we just facilitated people to move to South Carolina. Because I've got a whole passel that I work with, a whole giant room full and they're moving to South Carolina and taking the light Rail into North Carolina so they don't have to pay our taxes.

I think If we could work it, it's probably not going to be very popular but the people who move into South Carolina and that's fine, that they have to pay double the rate of the people that live in

North Carolina. I think we should be able to look at that, maybe that sounds outlandish I don't know. I haven't done any investigations, just throwing it out there. Also another thing to think about, make sure that the light rail the people that are paying on it, paying the tickets, the prices that they're paying is enough to replace the maintenance on it. That way it frees up all the money for that to go to other lines that we're trying to propose around the city. Thank you very much and have a good day.

Mayor Foxx said thank you Mr. Huss, appreciate your thoughts.

### **Report from Inter-City Wellness Center**

**Betty Marlin, 508 Beatties Ford Road** said I put some things in everybody's box last Monday, but if you are as busy as I am you probably didn't read it. I'm here to give my annual report on inter-city ministry of wellness, cleanliness, holiness would like to invite you guys to you also got these in your box. We'd invite you to our annual wellness walk. Its march 16<sup>th</sup>, it's on Saturday rain or shine. This is the fourth year we've done this and we give an award to the business that's most improved external features and to the home that's most improved. I'd like to report that on the North West Corridor, people are moving back to their parents and their grandparents home and fixing them up. This has really made a difference in the West End.

Expansion for the Diabetic Heart Kitchen, we've seen over 10,600 clients. We've been there 25 years, the purposes of the practice is to get people well and keep them well, for us to die well, that's my bottom line. On the back of the PowerPoint that you got we have spent \$35,000 doing the basic things; air, plumbing, so forth for the Diabetic Heart Kitchen and Teen Wellness Bar. I'd love for you to pray and support that, we've got people who don't know how to cook properly. Teenagers that are chronically and terminally ill that don't have a safe place to go. That's my prayer that they can have that.

I want to tell you that inside your little folder here is an editorial that I wrote in a class at Central Piedmont and praise the lord for Central Piedmont because you can take free business classes and can get scholarships to go and that's been a real blessing to our practice. I had an 88 year old lady in the practice, living in her car. No healthcare, no insurance. We've got to start promoting wellness. In every section of town and am with brother Anthony that everybody has a right to good health care, to primary preventive care. I'm seeing more people in the practice, young retired couples; no insurance, no healthcare, no way to get another job. Plus the children and I guess that's where my heart just goes out. We have 5000 homeless children. Every August we have free ... on the third Saturday. Anybody that can help me with those that would be a blessing to you because a lot of these kids are locked out.

Mayor Foxx said thank you very much. We appreciate your report, thanks for sharing that with us, very powerful.

### **Brown's Cove on Lake Wylie**

**Sam Perkins, 2508 Flintgrove Road** said I assumed you all did not want another email in your inbox, so I thought I'd come and take advantage of this opportunity. This is once again about Browns Cove which really I am harping on this but there are a lot of other issues on the Catawba River base and including Mecklenburg County but I really feel like this is one of the most pertinent given the history. It's an issue that will not go away until the settlement does. I just wanted to provide a brief update on the case. If you haven't read the memos I've sent, with those if you have any questions I do encourage you to contact me. As I understand someone from the city attorney's office, Robert Phocas is going to be looking into the issue and providing his assessment. I understand I may appear to be a tree hugging hippie to some of you, I understand that but I think he's going to come to a lot of the same conclusions. The bottom line here is that nothing short of a complete dredge is acceptable. The necessary result is simple, if a fisherman with a mid 90's bathymetry map goes into that cove it should work just as well after the dredge. This is also something we're emphasizing because this is not just a Brown's Cove issue. This is a Charlotte Mecklenburg issue especially along Mecklenburg County south of Highway 49. This is a settlement issue associated with construction. I've met with John Gear, Rusty Russell, people trying to work so that they can better enforce what is with the city ordinance and with state law especially the 1973 settlement inclusion and control act. That's something especially with the

Storm Water Advisory Committee we're going to continue to work with and try not to take up too much of your time. Again, please I encourage you to look at ways to dredge this cove as soon as possible. I propose to you all a TIF grant system similar to what is being afforded to Tanger. I simply ask that for the decade plus of sacrifice this cove has seen in the name of development for hundreds of millions of dollars of tax pays in this cove, that you afford the dredging operation the same opportunity, on the order of one million dollars for a complete dredge. Five-six million dollars is what is being allotted for the city manager to negotiate for the Tanger project. I simply ask for the same opportunity and certainly to see if the promises that have been made by the folks who are doing this Tanger project, if their provisions, their larger sediment basins and their double fencing will actually be adequate. Again please ask me any questions by email, personally if you have them.

Councilmember Howard said Mr. Perkins, you actually did email us and I forwarded your email to a couple of folks on staff to get their opinion on whether or not a TIF could be used for such a type of project and I think the city attorney got a response if you could Bob.

**City Attorney, Bob Hagemann** said I've not seen the emails. I know we're taking a look at the issue but one of the legal questions is; as I understand it Browns Cove is not within the city limits and isn't proposed to be annexed. There is a limit on where we can spend city tax money. It's an issue that will be looked at as part of your overall look that Rob Phocas is leading but the fact that it's not within the city limits may be problematic.

Mr. Howard said not only that but I'm not exactly sure there's a TIF to be used on this. TIFs are usually given to businesses as incentives so there's not one in this situation. My point is not that there's not going to be an effort like Mr. Phocas is doing I just want to clear up the fact that I didn't think that one was a legal solution to what you were proposing and I just haven't had a chance to send you back that email yet.

Mr. Howard said Sir a quick response. Just a quick one.

Mr. Perkins said the southern half of the Cove is city property and the northern half is still county. The southern half was annexed a few years ago. I understand with the cove itself waterfront this is something that's kind of a grey area. If a TIF is not the appropriate structure for founding this sort of a dredging project I encourage the city to look at other options because the projects that caused the settlement to go in were city property.

Mr. Howard said we're still trying to figure that part out but I think we already heard Mr. Phocas is looking into it and leading an effort to try to figure this out. Other options are being explored, that's all I wanted to put on the table to you.

Mr. Perkins said thank you Councilman Howard.

Mr. Howard said thank you Bob.

### **Charlotte Pedicab Ordinance**

**Max Nicholson, 2730 Picardy Place** said I'm a proud owner of two small businesses in the City of Charlotte, one of them being Charlotte Pedicabs. As the largest and longest running pedicab company in Charlotte. I want to thank you for what you're doing to ensure that we have uniformity and safe practices while serving the citizens and visitors of this city. There are three items I'd like to address with the ordinance. Advertising, the pedicab company's main source of income is advertising. We offer a green alternative to the typical advertising methods. I'd like the committee to rethink the restriction and open up the advertising but maybe limit the kind of advertising that you put on the bikes.

Two, the drivers' license portion. It's critical for the drivers to understand the rules of the road. I feel that this is a limitation in offering the opportunities to those who have chosen not to pursue a drivers' license as they don't own, be able to afford or have access to a car. We see many students and avid cyclists who have a desire to work in this field.

Number three; operation of a pedicab. Number 17 states that pedicabs cannot operate on streets that are closed to vehicular traffic by barricade or similar barrier. I would ask that this be refined  
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to make exceptions for special events such as Panther's games where additional streets are blocked off but suitable and safe for pedicabs to take people to the events.

Lastly I would be more than happy to provide more of my time and insight on the business; I have over seven years of it. One item that did stand out, yet it doesn't affect my business personally, but affects the safety of passengers, this is bicycles with trailers attached. You have defined those as pedicabs; those are bicycles that have attachments on the back. Those have been banned in New York, Scottsdale, Phoenix and Charleston to name a few of the large tourist based cities that have outlawed these because they are unsafe. I'm a parent and I'm husband and I would not let my family or friends ride in one of those vehicles because they are not capable of holding the weight and are not safe. You're putting a tremendous amount of force on a bicycle that is not engineered to carry that kind of weight. The accidents that we've had in Charlotte in the last two years have been strictly on the trailer style pedicabs. I appreciate your time and the opportunity to speak. I'd like to really make myself available, also a side note, the two gentlemen that brought this before you, that we were chuckling about. Asking the city to give us rules, both of those companies are not here today, they're actually out of the state working in other people's cities doing what they are trying to get people not to do in their town. Thank you I appreciate your time.

Councilmember Cooksey said thank you for coming down to speak. I have a question for you right quick. This council has been told that in order for a pedicab company to get insurance, its drivers must have drivers' licenses and yet the driver's license requirement is a topic that you have an issue with. How are you obtaining liability insurance?

Mr. Nicholson said I have liability insurance for each one of my bicycles. My particular insurance carrier has allowed me to operate in that capacity. When one of my bikes damage a car, I have to pay out of pocket for it. My insurance covers the passengers only. It doesn't cover the damage to my bike, it doesn't cover the driver. It covers the passenger only. I can't speak to their policy, I can only speak to these guys not being here. I didn't find out about this until Friday and I'm here in full force and I'm willing to answer any and every question that we have. Does that answer your question?

Mr. Cooksey said you did answer it. I'm more confused than when I began, but I'm answered.

#### **To correct and distinguish between taxis, limos and vans**

**Romulus H. Goodridge, 1528 Newfound Hollow Road** said thanks for giving me the privilege to pass on my grievances. I'm in the taxi business. My colleague had passed on all the information but I know in the Charlotte you run three transportation systems. You got buses, vans and limousines. As I'm driving a cab, I'm an independent driver and we have been we deprived from picking up fares because of limousines. That makes the customers feel that we are hustlers. We register the cars with the city, we want to serve the public but you deprive us of work but we have to pay fees. We're asking the city to please correct that problem for us because it's creating problems between the limousine drivers and the taxi drivers. If you can correct that for us we'll be happy.

Mayor Foxx said thank you, that was the most to the point of anybody tonight.

#### **Taxi and 2005 Car**

**David Laverette, 8030 Bella Vista Court** said I'm a veteran, 20 years. Been driving a cab for 18 years and believe it or not I'm here tonight; this 05 that the city passed, I have a 05. The birthday is 4-0-205. I got taxis that I paid, I got license for a whole years, I pay taxes for a whole year, I paid insurance for a whole year but the PVH told me, I got to throw my car in the trash in April. That's not right. I'm 60. I can't afford a 30,000 dollar vehicle so all I'm asking you do; if you said eight years, give me the eight years. See what you're doing to me is just like my mother had me, she was pregnant for nine months but I'll only be 60 on my birthday. What you're telling me, I'm 61. Because when that vehicle came from General Motors it had a birthday for 04-05. I'm not here to try to be funny, I'm a hardworking man. I used to have 12 vehicles. I can't even keep one up now because I had Maxine Water and I carried her to SouthPark. One of your

town cars was trying to charge us \$60. Maxine Waters she could afford \$60 but she said Hell no. it's not funny.

Then I talked to this young man who's the manager of PVH now and explained my situation. I have a young lady who's vice president of Human Resource at Bank of America. I pull up to pick her up at 6 o'clock, this lady is always prompt, and she's very prompt. But long story short, I had a young man come out of a rich car to tell me, "hell no, you can't park. I don't care who you're picking up. This is private property." My point being from Georgia, when you say private property it means stay off. Mr. Mayor I think you know what private property is. I think most of you guys know what private property is. My point is; if hotels are private property then we as cab drivers - I had a license. So we're illegal cab? That's my questions to the PVH manager sitting right there. Are we illegal? If we're illegal Mr. Mayor you should tell me tonight. Like I said there's all my paperwork.

Mayor Foxx said Bob Hagemann, or who is the right person to address this issue? Is it Thomas Powers? Mr. Powers, I want to hear your response to this.

**Thomas Powers, Legal** said In response to the issue of taxi cabs at the Hotel. This issue has been before the PVH board numerous times and all that has been reported to the Community Safety Committee. What has been the position of the PVH office has been taxi cabs can drive along the city but as private property and hotels can actually restrict who they would like to be on property. What the hotels are actually doing at this time is that they're contracting with black cars to stage outside of the hotel to pick up the residents or the actual guests taking them to certain locations. The hotel is restricting some taxi cabs from parking on the property. The PVH office has indicated that they cannot go in and tell a private property owner that they have to actually allow taxi cabs to stage in their property. There have been sort of friction between the taxi cabs and the black cars in this regard. The PVH offices have indicated that we can't tell the private property owner how they can manage their business in this regard.

Councilmember Howard said our question is actually with the gentleman's first point and that's the whole issue with charging him for a whole year worth of fees and him not being able to keep the car because of the rules we passed. I think I'd like to report back on that one because I'm sure that was unintended consequence at least for me when I voted on that for that to be somewhat of a point against them if they have a car that goes over to the next year but get charged a fee. Can we just get a report on that, I don't know if I need something back on that tonight.

Councilmember Mayfield said I guess mine will kind of be a possible amendment on Councilman Howard's because staff is going to be bringing back a report. I would like to know what has the numbers been since we passed this ordinance last year as far as what has the impact been on the cab drivers versus black car. If we have opened up the door for hotels to be able to specify one form of transportation over another, I have a concern that we've created this ordinance and this policy but we're creating an unjust hardship for the cab drivers. If possible it would be helpful for me to see what the numbers are as far as the numbers that have access at the airport. What the numbers have been in the uptown, when we're looking at black cars versus cab driver.

Mayor Foxx said okay, so that's an information request.

Ms. Mayfield said please, I want to see the numbers.

Mayor Foxx said you all got that, is it doable? This reminds of the pedicab issue.

Councilmember Barnes said all thoroughly vetted by the Public Safety Committee for about a year.

Councilmember Mitchell said did you do this this year?

Mr. Barnes said yes.

Mayor Foxx said we have people who run their own businesses that are getting kicked out of them. I'm going to take some time on this issue with the staff. Thomas I'd like to get together  
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with you at some time and just talk about this ordinance and what it's doing because I actually think that this issue of the medallions that was brought up a while ago - I know that we're a city that likes to pride our self on supporting industry and all this other stuff but I just think it is out of whack. I think the balance is out of whack with the drivers, the car owners and so forth. We litigated that already but I'm going to talk to the city attorney maybe there's a different balance we can strike because this doesn't feel right to me.

Councilmember Fallon said I don't think the intent ever was to put anybody out of business and I think that maybe the age of the car is causing so many problems. Isn't there an inspection that they can do that says the car is roadworthy even though it's not four years old?

Mayor Foxx said yes there is, but the thought process behind the time limitation was to ensure that the stock of vehicles used would be of a certain quality.

Ms. Fallon said they are built now to go longer?

Mayor Foxx said we're just now coming in to the time when these vehicles are starting to be cycled out and the thought process just to get down and down the layer is; if you have a car company, like a cab company or a black car company, those companies can replace those vehicles. It's going to cost them money.

Ms. Fallon said If they generate more money right?

Mayor Foxx said but the problem is if you're an individual driver and that's your business, it's hard to just up and buy a new car every 6 years, 8 years or whatever the number is. Eight years, we upped it to eight. I get where we are, I just want to have some more conversation with staff. I know you all took some time.

Mayor Foxx said okay, that ends our speakers for tonight. A lot of good conversation I want to thank all of you for coming.

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## **AIRPORT GOVERNANCE STUDY**

Mayor Foxx said we had some conversation about that. Julie I want to thank you and the staff for the work you've put into getting this put together in a relatively short period of time. You have sought comment from our various stakeholders and love to have you just give us a very brief kind of bullet point, on what you've heard back.

**Interim City Manager, Julie Burch** said just a quick point to make sure that everybody has a copy of the request for council action that went out in a memo on Friday, if not we have additional copies. I also laid at your places the revised scope of work based on those stakeholders' comments. As you know I sent the draft scope of work last Tuesday night to a number of folks including the legislative delegation, all members, Jerry Orr the Aviation Director, all members of the Airport Advisory Committee, representatives of US Airways, representatives of Norfolk Southern, the Charlotte Chamber and the CRVA.

From those folks I received five comments via email and the revised scope of work that's in front of you reflects those additions and those comments in one way or another. We can walk through this to whatever degree that you would like or we can just begin to generally talk about the steady parameters that I've placed before you.

Mayor Foxx said can you generally just bullet point the feedback you got.

Ms. Burch said okay, I had comments regarding the language and interpretation of the language in the current Senate Bill 81 which I believe would actually be better served or better addressed in another way other than this particular governance study. That was one of the comments.

A reference to any savings that may be accrued to the retirement system as a result of any change in governance, also a comment regarding general purpose fund support for infrastructure that may have been provided to the airport over the years or currently. That last piece is reflected in  
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what you have in front of you. There was a comment that we might want to look at ways to avoid negative impacts to major stakeholders in the event of any change in governance, impact on stakeholders in terms of any change in governance.

A comment from one party to be sure to include an assessment of the kind of succession planning each form of governance undertakes and that is noted in the scope that's before you now. That really summarizes all of the sensitive comments related to scope. There was a comment from a member of the delegation to reinforce the timeframe.

Mayor Foxx said okay, all right other comments on this?

Councilmember Barnes I recall in reviewing the information from Ms. Burch over the weekend that there was a proposed cost of up to 150,000 dollars for the study and I also recall that all but perhaps two of the proposed stakeholders has come out in favor of the authority. One, as I read it, I thought to myself are we spending 150,000 dollars for people to essentially keep doing what they want to do without really being responsive to some of what I think are issues that could be or should be discussed. Ms. Burch if you could, for my benefit talk about your true expectations with respect to the cost of the study. Also talk to us about your recommendations regarding the makeup of the stakeholder group and the fact that a number of them have come out publicly in support of an authority and some of the others have come out privately in support of an authority.

Ms. Burch said with regard to the costs council member Barnes, that is strictly an estimate. We have not had any detailed discussions with any potential consultant firms. We have identified four consultant firms that we believe are possible folks to talk to. Initial conversations with at least three of those indicate that they would be interested in pursuing additional conversation around the final scope of work once it's approved. I do not have a cost estimate. We estimate anywhere between 30 and 150 in terms of having an opportunity to be with you and seek authority, I wanted to have enough leeway on there so I wouldn't necessarily have to come back to you, particularly given the council calendar in march and the expectation of trying to have this study done within 60 – 90 days.

Mr. Barnes said I may have cut you off. I'm sorry.

Ms. Burch said I haven't addressed part two of that but if you want to pursue.

Mr. Barnes said let me throw this in there as you're about to answer part two, so this is 1-A. In light of the timetable that the legislature appears to be on, if the study takes more than 30 days is that too late? I noticed we've said 60-90 proposed here in the information but I'm wondering whether they are going to continue the pace they're on. I know they moved the vote from today I believe to Wednesday. I imagine it will be moving over to house fairly quickly and I'm wondering if we would have enough time to get a substantive study to our partners in Raleigh and get some sort of true dialogue established, what do you think?

Ms. Burch until we began having detailed conversations with consultant firms we don't know the final answer to that question, but the initial contact people have not said no because of the timeframe that we have put out there at this point. They've not said no we can't do this, although again they have not seen this final scope I have laid in front of you this evening. We talked generally about the draft scope I sent out last Tuesday because that's the best we had at the time. We've refined it obviously since then.

Mr. Barnes said when you say "they." Do you mean the legislature or the potential consultants?

Ms. Burch said potential consultants.

Mr. Barnes said and I want you to speak to the legislature in terms of the time frame piece.

Ms. Burch said what I understand and perhaps Dana can back me up on this or elaborate on it more. Our conversations with the delegation have indicated that they would like to have any study, if they were to allow time for that, to come back to them so that they can consider it during this session. My understanding is that they try to wrap up late May or sometime in June. I'm looking towards Dana to help me on this piece and therefore in terms of having the study ready so they can read it, review it, consider it, I think we're looking at no later than May 15<sup>th</sup> to  
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have the study done. That would be approximately 70 days, which I think is the time frame. Dana is that correct? And can you add to that please?

**Dana Fenton, Intergovernmental Relations Manager,** said I'll be glad to elaborate. Ms. Burch is correct, also in her initial e-mail that went out to folks she did put in a late May date for the end of the study. I don't think there were any negative comments. Comments inaudible.

Mr. Barnes said okay and then the stakeholder question.

Ms. Burch said as you know we're on a pretty fast track on this in terms of the conversation we had and the request from last Monday evening and in terms of getting stakeholder input, this was my take on stakeholders at the time. I don't believe that this list is sacred by any means in terms of adjustments, additions, changes; however council would feel in terms of - well lets back up. First of all are you comfortable with the idea of a Study Oversight Committee and then if so, what feedback would you give me in terms of who ought to be on that committee?

If the intent was to include stakeholders in providing the consultant with conversation and perspective at the very outset of this study, perhaps somewhere midway and then finally in terms of findings and recommendations. We're on a fast tracked so I don't see the committee meeting any more than about three or four times quite honestly because of the timeframe we're in. Does that answer your question?

Mr. Barnes said it does and it complicates things but yes it does. Your response doesn't complicate things, it's a complicated situation that has not been further clarified by what you said but that's okay.

Mayor Foxx said the reality is we're trying to study something that we wouldn't otherwise be studying but for the fact that there is a pending bill sitting in Raleigh that would change the governance of this airport that has not had a full airing and there's no sense of what is actually driving it.

Mr. Barnes said and we're spending tax money to do that.

Councilmember Kinsey said I want to make sure I understand, the stakeholders and the Oversight Committee are two different things.

Ms. Burch said I am proposing an Oversight Committee that will be made up composed of representatives and major stakeholders.

Ms. Kinsey said when you say major stakeholders does that mean that individual businessman that has to fly every week somewhere but is not with Bank of America or doesn't belong to the chamber? Do you see what I'm saying? Just the ordinary citizen who has to fly, does it for business but isn't part of one of the major I would say businesses or stakeholders here in the city.

Ms. Burch said in an attempt to get at that user if you will, of the airport, I'm proposing at least one public meeting as part of this process for broad public input that we would widely publicize to allow folks to come and offer comments. Again because of the timeframe it's hard to build in any more than that. We could see if we could and try to do it that way but that's how I would propose that we would get that broader public input on this matter.

Ms. Kinsey said based on some of what I've read and of course what I've heard, I think Michael said it earlier, some of the major stakeholders have already staked out of their position and I think we have to be careful with that. I don't see one of the city council members being on the committee and we're certainly stakeholders. We have to be very careful so we can get an open, honest report that nobody has swayed one way or the other.

Mayor Foxx said I'm glad you mentioned that point about this body because I was going to suggest that we do have a council member serve on this oversight group and I was going to suggest because it's in Ms. Mayfield's district that it be her. Because another concern that I had was the fact that there is not a neighborhood voice on the stakeholder group and its hard to pick one person out of one neighborhood of all the neighborhoods that you touched on this, so it might be the best substitute to have the council member who represents that district serving on it.

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Councilmember Cooksey said I want to pick back up on some of the things he said before we got into this. I'm going to support going forward with the study. It think it's something that we have enough confidence in members of the House at least to wait for but there are several realities here that are uncomfortable that we need to recognize them, acknowledge then and go forward in our discussions whether we like then or not. One of them actually can be expressed going back to the 2007, I believe it was mayor's race, when in a debate between Beverly Earl and Pat McCrory; representative Earl pointed out that one of the issues she had with then Mayor McCrory was the way he spoke to folks in legislature about public policy. Because she said, and I paraphrase somewhat; the mayor needs to understand we're his bosses and the way he speaks to us is not the way you should speak to your bosses. Then mayor McCrory when he was in the gubernatorial candidate trail, candidate Pat McCrory got a lot of rhetorical mileage out of that.

The fact of the matter is that Representative Earl was correct. None of us sits here with the constitutional responsibility of the government of the city of Charlotte. The general assembly is responsible constitutionally for local government. We serve at the pleasure of those who voted for us and the general assembly who created the city. The deck is stacked against us from the beginning and any kind of conversation about what local government structure should be because it's not up to us, it's up to them. They have the constitutional authority not us.

Another reality that is difficult to address but is nevertheless one that's out there, and I say this because one of the awkwardness of dealing with council and legislative relations is that there are 12 of us. We try to act as a body on decision making and each one of us individually has conversations and sometimes we can remember to share things that are said sometimes not. I will point out that it is known to our legislative delegation that when it comes to studies, this council, well the previous council funded a disparity study on city contracting. They got one result and after receiving that result this council sought a second consultant to get a different result from a new study. With that anecdote in their holster so to speak and you kind of see that in Ruth Samuelson's reply about the study, about the perceived trustworthiness of the study coming out of the city of Charlotte. We now have a reputation amongst some legislators as a council that if we didn't get the results we want, we're going to find someone else to see a different result. Feel free to shoot the messenger on that but that is a hurdle that we must deal with in discussing this issue. Frankly I'm not in favor of changing the governance structure. As a conservative I don't like change for the sake of change but something else we're going to have to do as we go forward with this, is recognize as these communication breakdowns have occurred over and over, another one that has occurred is that we're talking about the asset involved as the airport and we need to stop doing that. Because the asset that is of concern is not the airport, the asset that is of concern is the hub. Do not equate the two. It is possible to run the airport in two general ways. One as we have run it, as a hub where we have an airport far above what this metropolitan statistical area can support and it is our chief economic driver because of that. Hubs are fragile things. We can lose them, we've had threats in the past of losing the hub and we've worked to maintain those, so we have that track record. This is baggage from the past, having been on both the council and the Convention and Visitors Board of Directors in the past, I can remember several cycles where citizens had great concern about the costs of flying out of the airport.

Our response has strictly been that's a component of keeping the hub. The hub is our economic driver and so yes this has come and gone but there have been times in the past where you could drive to Greensboro, drive to Greenville, get on a flight that flew through Charlotte and pay less than if you originated here. It is possible to choose to run the airport for the benefit of the folks who live and fly out of here rather than for the benefit of the hub. It is unwise, it has not been the policy of this city ever that I'm aware of at least in the 16 years I've been in charlotte to do so, but that is a possibility.

That choice is faced every year by this council, future councils or a future authority is something to be concerned with. I bring that up because something we've missed in the dialog here or there was a lack of ability to have a dialog is that as I'm reading Senate Bill 81, there's no charge to that proposed authority on how to run the airport. In contract the Charlotte Regional Visitors Authority has a charge on how to run the buildings that it's charged to run with. It's in a business like fashion economically for the benefit of the people of Charlotte. These are the kinds of conversations we need to continue having to determine which structure serves this best.

Just some issues to be thinking of as each of us goes forward in these discussions that have come up. In closing, I'll pause for the sigh, I would like to request - I haven't been able to track down mpl

something that came out fairly recently at least as far as I was aware of, this reference to a study that was done during the Perdue Administration of various infrastructure assets state-wide. I've read references to it but I haven't been able to track it down. Can we get copies of that please? I'd very much like to see it because there's bluntly ...

Mayor Foxx said I think I got that Mr. Cooksey.

Mr. Cooksey said okay good. I look forward to reading that. I'd be interested in seeing that because there's something amusing about a Republican General Assembly carrying out a democratic governance policies. I hope that we can continue to repair some of the communications problems we've had in the past on this topic and try to follow more what I perceived this morning to be a phenomenal model for local state relations with the work that's been at the country side regarding fixing revaluation. That was lauded this morning as a great bi-partisan effort of country officials and legislative officials. If we can somehow get into that kind of mode and converse, we may have a better change of at least determining what is best for the city and what is best for the region in how an airport that - I agree with the Mayor, I haven't heard actual details about what the threat to the hub is. We need to have those conversations and I look forward to the study. That went far longer than I expected it to.

Mayor Foxx said there's a lot that I wanted to get on to.

Councilmember Howard said I'm going to do soap box for a second before I talk about this actual proposal. The thing that bothers me about this probably more than anything is that the folks that are leading this effort are former local elected officials and when they were local elected officials if this had happened to them; would any department they ever saw without any - from I understand from staff there's not been one request of one piece of paper about any financial report from anybody. Not one city department. Not finance, not the legal, not one department has been asked for a piece of paper and at the airport gave paper without telling us and that wasn't appropriate. Right now from what I understand they're making a decision with no business background of any type at all. Coming from being local elected officials and now going to Raleigh, and I have this kind of bur about the fact that these folks represent us as well. It's amazing they get elected to state office and they go up and they go up and become this thing called Raleigh all of a sudden when they come back home here every weekend and they represent us as well.

I asked one of our representatives why was this important and what she told me was that because we have a merger going on and we have a potential change in directors right now, that's important. I just reminded her we've had mergers before and we've had directors change before. There's a Parkway out there named after the last one that we had. We've done this before, we know what we're doing with this, at least the city does.

One of the things that's concerning about moving forward with this report at all is that we're responding to something that we still don't know what the problem is. I like several of you guys have talked to the folks in the business community, even the ones quoted in the paper about this and none of them say that they have anything to do with other than they have concerns. I'm really kind of saying to the media, I'm saying everybody involved, if there's somebody out there in the business community that can come to us and tell us what's wrong with the current setup that would really help me feel better about raising my hand and go forward with this proposal. This feels like we're responding to something that is just kind of what we've heard from Raleigh is that there's business community people that want it. What we heard from the governor today is that this is a Charlotte insider thing and Charlotte needs to figure this out. How in the hell are we supposed to figure this out if we don't know what we're talking about and that's frustrating to me. I'll be honest with you. The whole idea of Michael - you're right ... of actually raising my hand to vote for something that I don't even know what we're responding to doesn't make a lot of sense to me because we truly do not know what the business community's concerns are.

Okay now that I said that. One of the things that I'd like to say about this proposal going forward Julie is that there are also other ways of dealing with what type of governance that it could be. One of the things that I'm seeing is that we're going to study where there should be authority or other ways of doing it. It's really kind of me feeling like we are either talking about the city running or authority running it when there are hybrid models across the country as well and I'm

not exactly sure that we're seeking input on hybrid models as well. I know in LA they have one, I heard in Dallas they have one, I heard in other places they have these hybrid models where there's a more robust advisory body becoming somewhat of a commission that oversees the day to day, and the city still maintaining control so that you have access to the bond rating and other things that make it less expensive to run a property.

Given what we've seen in the paper happen in Nashville right now, everyone should take a pause and back off of this and figure out what the right thing is because this could go on and on for years. Damage in the hub, damage in the merger, damage in a lot of things because right now our backs up against the wall and we have no other way to deal with this other than to fight. I'll be honest with you, I'm very much prepared to fight it. I've said this privately and I'll say it publicly. If there is one reason that we can't figure this out I'll be the first one to raise my hand and approve whatever Bob Hagemann needs to fight this because there's a better way to do this and this is not the right way to do it.

Ms. Burch said Mayor can I make two comments in response to council member Howard?

Mayor Foxx said two comments, yes. Sure.

Ms. Burch said step one in this scope of work is an attempt to get at what you mentioned here just a few minutes ago in terms of determining the drivers for the interest and the change and actually asking the consultant to go out and do some reconnaissance if you will and interview stakeholders and others to try to get at what are the issues, who are the drivers for this change that's floating around the general assembly in the form of the senate bill. That a report be provided at the conclusion of that particular step. I suppose it's conceivable that we could ask somebody, an independent consultant to do that step and come back and report before we would proceed with any further study. That's one part.

The other piece in terms of the hybrid models under 2C, any other forms of governance theoretically could address or look at all those other forms such as the one you mentioned in LA and others. That's the intent behind that, doesn't use that word hybrid but any other form of governing an airport that might be out there.

Mr. Howard said one last thing Mr. Mayor. The last but I kind of have with all this is the rush to do it. If estimates are right I've heard all kind of numbers about this being billions of dollars worth in assets. Four billion dollars is what I've heard recently. Why in the world would you rush to figure out the right way to perceive with an asset that big? And I know that we have this thing in Raleigh and they're schedule's running this but I would hope Dana and others as we continue to communicate with them, that there'll really be some push to do the right thing and take the time to do it and not some rush, because of some artificial schedule out there of not handling this right. I know we don't have a lot to do with it, we'll probably do it in their timeframe but if we really all care and if they care as much as they say that they are and it's what this bill is about, we should take the time to do it right and figure out some legislative way to still give them the right to come back to it if they so place but to do it right and not be rushed by the end of May, just for the sake of doing by the end of May.

Mayor Foxx said I'm just going to add a layer of concern about the fact that we have today an Airport Advisory Committee. It is duly appointed by the city council, it has some regional representation maybe not as much as some people might want, but there hasn't been one iota of emotion within the Airport Advisory Committee to change the governance of the airport. I've not heard a thing and yet we have members of the Airport Advisory Committee quoted in the media saying the support it. Any other situation we would have in this city with an organization like the airport or the CRVA or you name it, you'd expect that there'd be some recommendation. That recommendation would come to us, we would consider whether to go forward with the study of it or not and then something would happen. Either we'd do it or we wouldn't do it. I think what our so called business leaders whoever they are, by the way I don't know who they are, and I wish they would state they are who they are. I don't know who they are but whoever they are, those business leaders are claiming to speak for other segments of the business community and they're actually claiming to speak for neighborhoods that are impacted by this airport and by the way they're also claiming to speak for you. They have taken upon themselves to in run all the

processes we have within this city and to go to Raleigh and propose a solution to a problem that has still not been defined.

I take your point Mr. Barnes and Mr. Howard about being a little vexed about this whole thing because we're ultimately studying something that other folks started instigating this conversation and we don't know what's driving. That's why the first thing they're going to look at it what's driving this. I hope somebody, by the way there's a constitutional provision in the state of North Carolina against secret political societies and I think that's what's happening here. The secret political society has decided that this is a good idea. I'm really concerned about how any decision at the local level can be made without having a look over our shoulders and to say to our leaders in Raleigh is this okay. If they want to take the time to run most of government because we got garbage that has to be picked up tomorrow morning, we've got police officers that need to get out on the street. We got fire people that are out there, we have water that needs to get done, there's a whole list of things

Councilmember Fallon said you talked about perception before. My perception from Mrs. Samuelson's letter is spin your wheel, it's futile because we're not going to listen and you know what? They got a letter from Parker Poe that told them the consequences of doing it. Our bond issuer attorneys, they didn't listen to that. What makes you think if we spend money on a study they're going to listen to that?

Mayor Foxx said all right that's a great question. Let me divide the answer into two spots. One is I know that they won't listen to a study that doesn't exist. In other words if they're not going to study it and we don't study it, there's nothing that will allow us to inject any bit of reasoning into this conversation about not only the intended consequences but the unintended consequences. In a proverbial, we can lead a horse to water, we can't make the horse drink but if there's no water we don't have any leg to stand on. That's mixing metaphors.

The second point is that from our standpoint we probably do need to examine what this governance change can mean to us anyway because if this happens and it becomes reality for us, it's important for us to know and to be able to plan how to manage.

Ms. Fallon said what we will be responsible for toward the airport.

Mayor Foxx said I tell you giving imminent domain to unelected group of people that is a massive amount ... that's amount of power I don't think the City of Charlotte has. We don't have that power. Do we have that power Bob? Do we have imminent domain power? We can just take stuff?

**City Attorney Bob Hagemann** said we do. We can delegate to the manager.

Mr. Cooksey said, but we can't delegate to the Manager.

Mayor Fox said okay, so we can do that.

Ms. Fallon said there was something in the paper about FAA rules and that is the roads leading around the airport have to conform to their rules. Can they do that? Because those roads belong to us.

Mayor Foxx said that's another good point. Anyways there's a lots of problems.

Councilmember Barnes said I wanted to refer briefly to an issue that Mr. Cooksey raised. When I use the term airport I'm talking about the hub, I'm talking about the gates, I'm talking about the dirt, that third parallel runway. The fourth one that they want to build all the parking decks, all the new potential air tower. All of that is what I'm talking about when I say airport. Also at some point it will be important for me to have an opportunity to list issues that I want vetted by this group as a part of the study.

For example, transfer of 800 plus billion dollars in bonds to that authority to free us up and relieving ourselves of some of the expense that we have out there in terms of police and fire and  
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others. Here's the point, something like this that hasn't been thought through and it clearly has not been thought through is not only a threat to the people of Charlotte, it's a threat to the state and the value of local government, to a point you made. If it's clear to every other municipality in this state that the legislature will not only look over your shoulder but step in and take control when it wants to, there will be very little incentive for people who are trying to make a difference in North Carolina to ever run for office.

Mayor Foxx said that may be the idea.

Mr. Barnes said in fact that may be the idea, that may very well be the idea and that's unfortunate. I want to have the chance to pose questions to the manager for the purpose of getting the study done around the bond issue around several things that are happening out there or not happening or should be happening or could be happening, but in terms of making sure that I'm doing my job to protect the interests of the people of Charlotte, I need an opportunity to do that, to ask those questions for inclusion in the study.

Councilmember Mitchell said I think all the comments that have been made tonight have been very appropriate. Julie one concern I do have, the Mayor touched on is the makeup of the stakeholders where Councilman Barnes raised some questions. I like the fact of having Councilman Mayfield because if I count how many members we have that would give us eight. I know some people say you always have an odd number just in case you want to vote. I'm very concerned though when you talk about like the Mecklenburg Legislative Delegation. What's the process of people joining the stakeholders? Are you sending a letter to Senator Graham who's in charge of delegation and asking for a representative. If you can just explain the process a little about those who will serve on the committee.

Ms. Burch if the council wishes to proceed with the Oversight Committee, what I would do, again given the timeframe would be on the phone or sending emails to people tomorrow. In that case of the delegation, yes I believe I would contact Senator Graham as the chair of the delegation and ask him to appoint or submit the name of a representative.

Mr. Mitchell said just one correct?

Ms. Burch said yes at this point, I was thinking try to keep it fairly compact. It wouldn't necessarily have to be everyone that's listed in these sub bullets. That was just kind of a really quick way to get the draft scope of work out. We're not wed to this list in terms of representation.

Mr. Mitchell said is that US Airways, is that the CEO Dave Park or is that Chuck Allen the local.

Ms. Burch said we would ask US Airways to give us a name of the appropriate individual. I would also like to suggest in terms of the Oversight Committee that we wouldn't ask Mr. Orr to be part of the Oversight Committee but certainly as a staff resource to the consultant. Just as a number of people on our staff with people to whom the consultant would probably turn for to for information whether that's finance, the attorney's office, budget and evaluation and down the list. Staff resources would be there to support the consultant in the sense of providing information to him or her.

Mr. Mitchell said Julie you mentioned earlier and I think it would be a good idea that maybe the first initial report is to give us feedback on what different models are out there. I think Councilman Howard made reference to it. Is there a hybrid model, is there the current model in this authority, any other models that we could consult. I think that will be helpful for us as we initially understand what model's out there.

Secondly my biggest concern is the timeframe based on the email that we received from Representative Samuelson, I think the sooner we can finish our work and give it to them, the better off it might be received. Dana shared with us kind of the timeframe and council member Dulin that they're trying to finish up first week in June, Memorial Day or they're going to wear a beard. How many days in June are they going to wear a beard, so they have a pretty aggressive schedule to get it done by Memorial Day which puts a lot of pressure on you to get a committee

and get this up and moving. I'm all for the study Mayor, I don't know if you are looking for a motion.

Motion was made by Councilmember Mitchell that we approve the airport governance study action to authorize the Interim City Manager to negotiate and institute a contract with an independent consultant firm. Cost not to exceed \$150,000 in conducting the study of airport governance models and issues associated with the transition to a different governance model at the Charlotte Douglas International Airport. Councilmember Dulin seconded the motion.

Mr. Howard said just a question, the concern that was expressed about Mr. Orr being involved in the study kind of concerns me too about the right consultant. Finding a consultant that is actually very versed with airports. That's a pretty small club when you're involved in the airport and aviation industry. Finding somebody that can be objective will be important for me and I know we don't have time to stop and choose who that is right now but just in your evaluation of who we pick for that, the insider club thing is not something that will give us the best result either. I know that's a small club when it comes to folks in aviation affiliated with all forms of it. Just in the four that you already, do you feel like we have something on it that could be a real independent thinker.

Ms. Burch said I think we need to have more conversation with each of those firms here in the next two or three days to really drill down on that part. Absolutely this has to be a very credible, independent review of this matter and I agree with that.

Mr. Cooksey said with reference to the hybrid again, it is worth noting that we have a nearly 60 year old example of that right here. It's been reference a couple of times already. The Charlotte Regional Visitor's Authority is an Authority that has the control, management and operations of property and improvements that are owned by the city of Charlotte. Ownership never changed hands, we built them, we funded them but by statute the Charlotte Regional Visitors Authority manages them and each of us can probably speak to our own experience with the effectiveness of that structure and how well it does in hiring personnel and managing buildings. That's all I'm going to say on that topic.

Mayor Foxx said that is pretty good. I think I've got it.

Mr. Mitchell said I think Mr. Howard brought a good point. Would it be fair to get a recommendation from Holland & Knight our Lobbyist Firm specialized in transportation. Once you get comfortable, let's just get their input on the kind of a biased firm that they would recommend.

Ms. Burch said we can do that. There's certainly room for any possible suggestion as far as potential firms. We can certainly contact Holland & Knight tomorrow and ask that question.

Mr. Barnes said just to highlight the ridiculousness of the exercise there will be people who will say you asked for a lobbyist for a recommendation of who the entity should be study the matter and so we don't believe it is valid and we're not going to pay attention to it. It's a ridiculous exercise and I actually appreciate where you're coming from with that Mr. Mitchell, I'm just saying almost regardless of what we do; you use your lobbyist to get a firm and they came up with this result and we don't know what the result is going to be. We don't even know what we are studying. But we need to call the vote and do something.

Mr. Howard said thank you for that Mr. Barnes but remember that this has also to be approved by the FAA and I think this is not just a study we would give to the folks at Raleigh, we'll be giving to the folks in Washington as well to say why we're not agreeing with it. Which is the exercise going on in Nashville right now as well.

Mayor Foxx said if we choose not to agree with it. What you just said will get set sent up to Raleigh and they will say well see they already ...

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Mr. Barnes said I think we need to just vote and stop all this.

The vote was taken on the motion and recorded as unanimous.

Mayor Foxx said that includes having Ms. Mayfield serve?

Ms. Burch said yes.

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## **CLOSED SESSION**

<p>Motion was made by Councilmember Barnes, seconded by Councilmember Mayfield, and carried unanimously, pursuant to NCGS 143-318.11 (a)(4) to go into closed session to discuss matters relating to the location of an industry or business in the City of Charlotte, including potential economic development incentives that may be offered in negotiations.</p>
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The Closed Session began at 8:51 p.m.

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Stephanie C. Kelly, City Clerk

Length of Meeting: 3 hours, 30 minutes  
Minutes Completed: August 5, 2013