

The City Council of the City of Charlotte, North Carolina convened for a Budget Workshop on Wednesday, May 15, 2013 at 3:05 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Pro Tem Cannon presiding. Councilmembers present were John Autry, Michael Barnes, Patrick Cannon, Warren Cooksey, Andy Dulin, Claire Fallon, Patsy Kinsey, LaWana Mayfield, James Mitchell and Beth Pickering.

**ABSENT UNTIL NOTED:** Councilmember David Howard

Mayor Pro Tem Cannon called the meeting to order at 3:05 p.m. and said this is our time to discuss the FY2014 and FY2015 budget adjustments and we've got at least three hours dedicated to this and whether we need that or not I'm going to let you all be the judge, but I would hope that I could frame that by saying we can be in session up to 6:00 p.m. but we don't have to be.

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#### **ITEM NO. 1: INTRODUCTION**

**City Manager, Ron Carlee** said Randy Harrington is going to be our Tour Guide tonight as you lead the Council through this process. I will turn it over to Randy to tee things up for us.

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#### **ITEM NO. 11: UPDATE ON BUDGET PROCESS**

**Budget Director, Randy Harrington** said this is your Budget Adjustments Meeting and following this meeting the next Budget meeting will be the May 29<sup>th</sup> Straw Votes and after that would be your June 10<sup>th</sup> scheduled Budget Adoption. Typically it has been Council's practice that items discussed or proposed today that receive 5 or more votes, we will take those back and run the analysis on the proposals and considerations etc. that might be around the decision package, bring those back to you at your May 29<sup>th</sup> Straw Votes meeting and at that meeting it has been Council's practice that any of those items receiving 6 or more votes we would include in the Budget Ordinance that you would see on June 10<sup>th</sup> for your consideration for adoption. I just wanted to touch base on that in terms of the process and these next two meetings focused on those particular changes that Council would like to make to the Manager's recommended budget.

Mr. Carlee said are you looking for confirmation from Mayor Pro Tem on those?

Mr. Harrington said just as a FYI on past practice, whether or not Council wants to continue that and that is certainly your choice and your desire, but that is typically what has happened in the past.

Mayor Pro Tem Cannon said it is a practice that has worked well for us so if there is no objection I would suggest that we continue to go through that same process and allow us to move forward.

Councilmember Kinsey said I just want to let everybody know that I will be leaving early and I apologize, I did not get this meeting on my calendar and I scheduled a flight out at 6:00 p.m. I will stay as long as I can, but I will have to leave early.

Mayor Pro Tem Cannon said it is for other public service business.

Ms. Kinsey said it is the National League of Cities Board Meeting.

Mayor Pro Tem Cannon said you will not be along as some other members will have to probably take off while we are doing some things, but come back to rejoin the meeting.

Mayor Pro Tem Cannon recognized the Council and ask if there are any thoughts, suggestions or ideas as we consider this budget. The floor is open.

Mr. Harrington said I don't have an amendment, but the one item that I did forget to mention earlier, last Friday in your packet we did send out some Q and A's in the agenda for this  
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particular meeting. At your place setting you do have some Q and A's follow-up from Monday night's public hearing. If you do not have either of those two items Pam Smith will be more than happy to bring them around to you.

Mayor Pro Tem Cannon said these are pretty much centered around compensation and benefits?

Mr. Harrington said correct.

Councilmember Fallon said I had asked Randy if we put the \$63 million back into the budget, which is taxpayer money, what difference would it make? Would it take down the rate that the taxpayer pays on \$100,000 or \$200,000 house? Do you want to talk about that Randy?

Mr. Harrington said I don't have any specific information and we would have to run the analysis to determine what the exact number would be but I think Ms. Fallon's question was if you took the \$63 million that was proposed for the Streetcar, the local funds, and applied that to the capital program, just as a rough estimate it would probably reduce the rate between .15 and .25 just as a range guesstimation at this point. It would probably take the rate just a little bit below 3 cents but the overall range or parameter; I think that was your question.

Mr. Carlee said we would need to drill that down a little bit further because probably not all of those sources would you want to reallocate, but for a range I would say that is a good starting point.

Mayor Pro Tem Cannon said the one thing you want to measure there is the level of investment in terms of reaching a goal that you may have, will it achieve that or not relative to be able to pull that back, utilize those different dollar amounts.

Ms. Fallon said it would be just applied to the bottom line.

Mayor Pro Tem Cannon said there were some other items that were talked about and maybe somebody had a request for more information. Would anyone like to raise those items?

Councilmember Dulin said this is a question about the 2% bump. Do we have any idea what the total cost is to the City for the pay raise this year?

Mr. Harrington said if you do the 2% Broadbanding and the 1% public safety marketing and the 2.5% or 5% steps it is about \$6.6 million.

Councilmember Mitchell said thank you staff for providing this material at our table because I think some of it came from Monday night and there was one question that one of the speakers from Solid Waste shared with us or made a request of 5% across the board merit increase. Is that question addressed here in the handout?

Mr. Harrington said in terms of what the cost of the 5% is?

Mr. Mitchell said yes.

Mr. Harrington said no it is not addressed in the Q and A. I can bring that back to you.

Councilmember Pickering said Randy, along that line, is it possible to get a comparison with other cities for our Solid Waste workers to see how we compare with other cities?

Mr. Harrington said in terms of pay?

Ms. Pickering said yes, in terms of pay.

Ms. Fallon said what is the criteria for merit? Why isn't it given straight across the board rather than merit?

Mr. Harrington said it is based on of performance and each department has its own performance goals and initiatives related to achieving Council's priorities. It has been Council's philosophy that the Broadbanding employees be on a merit based system which is pay for performance system to have an opportunity to reward for performance.

Ms. Fallon said aren't some neighborhoods easier to deal with than others so that the merit criteria would be different.

Mr. Harrington said you mean different by department?

Mr. Fallon said different by the area that they cover.

Mr. Harrington said I don't know if I can answer that. I don't know if you could restate your question.

Mr. Fallon said what I'm getting at is that merit is such a subjective criteria and after listening Monday night, would it be fairer to just give across the board and maybe have some kind of bonus thing for someone who was really exemplary.

Mr. Carlee said there are a variety of different pay plans approaches. I probably have worked with all of them over my tenure and one of the things I will be looking at going forward are the pay plan structures here. Obviously I couldn't do that in this initial period of time. There is obviously some subjectivity in valuation for any positions. The idea is that supervisors do establish performance standards so the employees know what the expectations are and then the financial rewards are based upon the degree to which they are achieved. Having some variation of pay is I think generally considered a sound approach to personnel pay systems. What is not done here, which may be worthy of further consideration in the future, are some across the board increases in order to keep up with market. Some pay plans have an across the board component to it and then some variable pay that is sort of a hybrid system. One of the areas that I will be looking at in preparation for 2015 is specifically around our field workers and what our competitiveness level is there and what their longevity is and what is the appropriate system for field workers. As you know we already have two pay plans in the City, one for general employees and one for public safety. I will want to look more closely at field and based on the consultant's study, I will be looking more closely at Aviation and whether or not we have pay plan that is competitive with our market in Aviation relative to other City departments and authorities.

Ms. Fallon said I was just trying to get at, after listening to them on Monday night, how is the moral in the department because they seemed to feel, at least what they said was, it is unfair to have some employees getting more when we work as hard. They are not our highest paid employees.

Mr. Carlee said I understand that. I actually met with the supervisory staff in Solid Waste this week and I will be going out and meeting with field staff next week and getting a better sense with them and what their issues and concerns are. As I said that is one of the areas I will be doing reviews on going forward.

Ms. Fallon said it was difficult to listen to especially since they get a raise that negates everything they have with the medical.

Mr. Carlee said actually it does not negate everything so I think that is one of the really important points. This is illustrated in the work that Randy prepared for you today. Employee, while the percentage increased in medical, depending on your plan, may be higher than the percentage increase in your pay, the base of the pay is so much larger than your payments for your benefits, you end up in a net positive position.

Mayor Pro Tem Cannon said I know that you've gotten some requests. Make sure there is a clear distinction between what the ask was on Monday night. I thought what I heard was we want 5% and not to be based around performance per se.

Mr. Carlee said that is what I heard.

Mayor Pro Tem Cannon I just want to make sure all understand that because in your place of business you can only work within certain confines of what you can give at a run that practice by. Let's just make sure we are evaluating things across the board as we ask staff to go back and find more information for us.

Mr. Carlee said in that regard, the two things that I ask a specific request for information coming back is what would 5% cost and the second question was how does our Solid Waste compensation compare with other jurisdictions?

Mayor Pro Tem Cannon said those are the pointed questions that must be asked.

Councilmember Barnes said Mr. Harrington and Mr. Manager, I wanted to talk to you about the information you all provided on April 10<sup>th</sup> regarding funding impacts from state tax reform. You had indicated a potential for \$52 million impact to our general fund budget. I wanted to know if you have any updates on that and then I wanted to propose some deletes.

Mr. Harrington said at this particular time I'm not aware of anything new other than I think it was about a week and a half ago the General Assembly, Senate side, made some introductions of a new package related to tax reforms. Other than that I don't have any other additional information at this time, but the pieces that we did identify there were about \$52 million worth of potential risk areas with the big question being how much of that would be offset by any broadening of sales taxes or other revenues that the legislature might consider.

Mr. Carlee said all the representations that have been made to me is that none of those would go into effect until FY2015.

Mr. Barnes said what I'm hearing is there is no indication about whether those cuts will be more or less likely. I have a couple concerns on the operating budget side, one is the rental assistance program. It is proposed to be a \$2 million payment from our general fund and hope to have some other funding source after this fiscal year. I'm not confident that will happen so I'd like to take that out as a delete until we essentially see how next year is going to look. I also want to keep those Charlotte International Cabinet positions where they are, meaning don't put them in Neighborhood and Business Services.

Mr. Dulin said isn't that like \$156,000?

Mayor Pro Tem Cannon said are there any other proposed or suggested ideas as to where it might go?

Mr. Barnes said leave it where it is, separate office. What I'm suggesting is, not that we would never ever, ever consider it because we can always consider things. I'm saying that in light of some of the uncertainty with respect to our potential cash flows that we leave it out of our budget for a year.

Mayor Pro Tem Cannon said we can list everything first and then come back and check the hands or we can do it now. Is there a preference by the body?

Councilmember Cooksey let's see them all first.

Councilmember Autry said I have a question about compensation for City employees. If we are going to find out what it would cost to add 5% to the salary, could we also find out what it would cost to bring City employees up to AMI?

Mr. Carlee said Area Median Income? Yes, we can calculate that.

Councilmember Howard said how do you calculate that? Based on the position, because area median income is actually \$64,000 so everybody makes at least that?

Mr. Autry said I'm just asking what does it cost. I'm not making a recommendation, I just want to know what that number would be.

Mr. Howard said does that include City Council?

Mr. Cooksey said Mr. Autry and Manager Carlee, I would suggest that one of the difficulties of that request is that area medium income is based on family size. If you want to start talking about investigating every staff member's family size to figure out what the appropriate area median income measure because the figure Mr. Howard cited at \$64,000 is for a family of 4, but for a family of 2 it will be different and for a single person it will be different. What do you mean by area median income and how deeply are we supposed to get into that kind of a study based on the family size of an employee?

Mr. Autry said what I'm really interested in is what the total pay package for FY2013 is for Solid Waste Services folks after they pay their insurance premium of \$27,750. This is the response that was handed out today on page 2 and if there was a family of 4 where the breadwinner was employed by Solid Waste Services how much difference at \$27,750 net after the premium and that is not really their net, that is the gross after their insurance premium because they are still withholding taxes, etc. Are these folks qualified for affordable housing?

Mr. Cooksey said I'm sure they are, depending on the household size.

Mr. Autry said I'm just curious, when we are debating here 3.17 cents and we have folks doing the work for the City in affordable housing taking home \$27,500 what percentage difference does it mean that they are falling short of AMI for a family of four?

Mr. Cooksey said I can't emphasize enough that I don't think we should assume a family of four for every employees nor should we assume that a City employee is the sole income earner. What you've got is an extraordinary number of variables to have to take into account where you have a sanitation equipment operator's average salary FY2013 has total pay less current premium of \$27,750. There are going to be several categories of household size, number of income earners in the household and the like. I don't know how you go about suggesting we analyze the pay based on a person's household side and how many income earners there are in it.

Mr. Autry said how about if we narrowed that question? Could I know what the percentage difference is between \$27,750 and the AMI for a family of four in Charlotte?

Mr. Howard said the easiest way to do that is just say everybody should make what AMI for one person is. I'm a little concerned about kind of hyper bowling the salaries past what the market says they should be. Then you kind of throw the whole chart off. If a position in comparable cities are actually a certain thing for a certain position and we artificially make it something else based on something else, a social mission, that kind of gets our whole pay scale out of whack. Now you have to push everybody up and it is not just the people at the lowest because if they make as much as their supervisors when you do that, the supervisor has got to make more so you are pushing that up.

Ms. Pickering said the turnover rate for Solid Waste is 9.1 % in comparison to 3.5% for the City. I wonder if you consider that to be high and could we also compare the turnover rate to other cities?

Mr. Carlee said yes we can do some benchmarking of that rate. 9.1 is not extraordinarily high, but it is high relative to the benchmark that is in here that was of concern to me was of other maintenance job category. I don't think it is a good comparison to all job categories, but you can see on our other maintenance job categories we are at 6.8% which is actually a pretty good turnover rate and I would consider that pretty favorable. The 11.3 compared to 6.8 is high in Solid Waste and does merit for the research.

Mr. Mitchell said the 26-mile Cross Country Multi-use Trail, Randy you said was a partnership between the City and the County and I'm all for collaboration. I'm struggling with the amount of \$35 million so I would like to make a recommendation, and since we partner, to reduce that

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from \$35 million to \$20 million on the City side. I would still like to get some information about how many neighborhoods would that touch and how much is the County putting in since it is supposed to be a partnership between us and the County?

Mr. Harrington said let me follow-up on that.

Mr. Autry said to add that I would also want my colleague to see the Michael Gallis report on the economic impact that we saw in Transportation and Planning. I think that would be beneficial.

Mayor Pro Tem Cannon said Mr. Mitchell, you want to reduce that down to \$20,000?

Mr. Barnes said do we know what we would get for \$20 million? Would it be worth doing at \$20 million?

Mr. Carlee said that is part of the answer we will have to bring back to you.

Mr. Barnes said we are going to be voting on this in a moment.

Mr. Carlee said the vote today is for us to put it on the list to review and bring you back information as I understand it.

Mayor Pro Tem Cannon said the process is for something to get 5 or more votes and then for that to come back on the 29<sup>th</sup> as we go through the straw voting process. That is when we are firming everything up budgetary wise to be prepared to adopt a budget soon thereafter.

Mr. Cooksey said to help clarify the CIP that might help inform the report in two weeks, as I recall there are three separate segments to it. There is a north, a middle and a south, so one of the approaches we could take with a reduced amount in the CIP is to fund two legs instead of three. That is one way to approach it when you come back to us. That is something I think would be worth seeing. What would \$20 million do for the entire 26-mile stretch or what could you lop off and maybe keep a middle and a northern or two of the three, that kind of thing. I remember they had different amounts to them as well.

Mr. Carlee said I would typically take all of these request liberally so that we could bring you back alternatives. We will tell you exactly what you ask for but then we would provide you with other alternatives and other scenarios. For instance the three segment alternative here, and it may be different amounts of money. The 5% request we would probably show you that in half percent increments so that you not only get the answer you want, but you see what other flexibility you may have.

Mr. Howard said the amount for the Cross Trail is how much in the CIP?

Mr. Mitchell said \$35 million.

Mr. Howard said I'm looking for the economic development piece. I wanted to share with Mr. Mitchell how much that impact was.

Mayor Pro Tem Cannon said that is in your May 20<sup>th</sup> Package.

Ms. Fallon said can we get some kind of estimate about how many people would be using it?

Mr. Harrington said we know that approximately 80,000 people live adjacent to the trail and there are approximately 90 plus jobs that are associated or businesses along there that employ that many people.

Mr. Barnes said what Mr. Howard is looking for is on Page 25 of the March 20<sup>th</sup> handout and has the projected \$370 million and 1,200 jobs.

Ms. Pickering said can we see how many jobs it would be for the section that we are considering?

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Mr. Harrington said on Page 12 of the March 20<sup>th</sup> Workshop packet does list the Cross Charlotte Trail in terms of the total economic impact. The value was estimated at \$151 million and an estimated 582 jobs. The other piece I'll note is that on Page 160 of that same packet for March 20<sup>th</sup> there is some information from the Committee Review Process from this past spring that the Transportation and Planning Committee reviewed and there are about 6 or 7 slices that go into a little more detail on the Cross Charlotte Trail, the neighborhoods it impacts and the jobs.

Mayor Pro Tem Cannon said that information will show you that this trail is supposed to stretch from Pineville to Cabarrus County. It is pretty lengthy but I think you make a good observation there in terms of what it might mean on the economic side of things. This will come up in a moment in terms of whether to move forward with it or not.

Mr. Mitchell said I have one more add and I would like to speak to it. I call it Charlotte Constituent Intern Program and the gist of it is to allow us the flexibility to have one intern to work in our City Council Office. You know over the years our roles have changed tremendously. Our City has grown and from a staffing level I think it is unfair to us to put so much pressure on the great staff we currently have so other cities have used the intern program as a way to get people to understand the City as well as to take some relief off of Councilmembers. If you look at the Universities we have between Davidson, Johnson C. Smith, UNCC, CPCC I think it would be a great opportunity to get some of those students who are majoring in Political Science or Public Administration to work strictly on constituent service and I keep emphasizing constituent service only. We don't need anyone working in our office who has other agenda or we use them differently, it strictly should be constituent service. We have had examples and I can tell you personally when I was elected in 1999, I had one from Johnson C. Smith and they helped me create a District 2 director, made up of all my business leaders and church leaders. Councilmember Howard has used one recently who helped with our Youth Council. LaWana Mayfield is using one now and it is very helpful to us when you think about all the neighborhood meetings we have to attend, I don't think it is fair for staff to have to work after 5:00 so I would like for us to consider it. The dollar amount I would say is between \$82,940 to about \$160,000. The low end, \$82,940 is based on each one of us having a constituent intern in our office at the minimum wage of \$7.25 so I came up with \$7,540 multiplied by 11. Councilmember, it is your prerogative if you think you need one or if you don't need one, but I think when you are talking about how we are serving our constituents it is definitely something that we need to look at in more detail.

Mr. Howard said since you mentioned it, I actually have had great success with it. Actually the Youth Involvement Program is something I started with a former intern and she has actually gone on and is now working in Kay Hagan's office now so it was a great launching point for her as well. More recently we have been using an intern to help organize things and we know how we get behind as well as communicating with our constituency and actually she has moved on to help Ms. Mayfield. I think it was a great experience and for me growing up when I have potential in-terms that became the work experience that I used to get a job. If we can make it happen, I think it would be helpful.

Councilmember Mayfield said Mr. Mitchell and I have had this conversation. Personally I say \$10 as opposed to \$7.25 because I don't think the minimum wage is \$7.25 today. Also another part of that was 20 hours a week, but I know for me personally with my District there are a number of meetings which we all have. We have some of our neighborhoods that have their community meetings on the same evening at the same time or within 30 minutes of each other and it has been helpful when I'm at one event having someone that is representing not only me but also the City in a positive way. When we are looking at interns and looking at those Political Science Majors interns, giving them the opportunity for some actual hands on experience as opposed to only being in the office for filing and things like that which we need. If we are looking at it I think what we discussed was around a 20-hour work week, but only for those Councilmembers that have a need. It is not automatic that every Councilmember will have access. We are looking at best practices through our colleagues through National League of Cities and other areas even around the Carolinas as far as how they are able to respond to the constituents in a more effective and professional manner outside of utilizing the amazing three staff that the 11 of us have. It will be a great opportunity to not only expand our internship program but also recognizing that at the end of the day you can't go to the gas station and just

smile and they will fill up the tank. Even though we have limited pay we need to look at how can we make sure that our in-terns have get real work experience for when they move on to wherever the future holds for them.

Councilmember Kinsey said I think I heard Ms. Mayfield say what I was going to say, but I'm not sure. Were you suggesting that maybe there would be a pool of in-terns, not necessarily one for each of us, and I think we would have to be very careful because there is a limited amount of money if we go in this direction. I think we would have to be very careful of how often we use them, but I do agree that although Robin does one hell of a good job for all of us, and I don't know how she does it all, and of course Kim and Alvin have other responsibilities and how they manage I don't know. I've very appreciative of everything they do for me personally, but I think some extra help would be good, but I'm sure the Manager would do some kind of program so it wouldn't be a runaway thing. I think if we start with a pool just to see how many of us use them, and some will use them more than others. That is a thought and I think maybe that is sort of what you were saying.

Ms. Mayfield said it is very close because if you think about the in-tern that I have now it was a shared in-tern between David and myself. The idea of having someone and the pool will be helpful and why I say bump that dollar amount up a little bit and looking at a 20-hour workweek which is about the average time of in-terns. If we are able to identify the funding for those that need the additional assistance we will have already discussed it and looked at a way to offset some of the costs and I'm thinking more so the financial costs of that intern with the impact of them committing to their volunteer hours, but also looking at real life work experience for them.

Ms. Kinsey said I think whatever we do it should be a pilot program. If we go in this direction I would like to see it be a pilot program.

Mr. Barnes said I just heard Ms. Mayfield say volunteer hours and I think that is exactly what it should be, a volunteer program. A lot of the value of internship programs from just being at the place and getting the experience of being with people like you or people like David. In terms of us creating another cost center in the City government I don't think we should do that.

Mr. Dulin said Mr. Mitchell this is add and deletes so you've added up to \$160,000, what are you going to delete to pay for it?

Mr. Mitchell said if you remember as we continue to go I've got another way we are going to have some additional cost to pay for it. Or I can ask staff to bring back some resources to identify additional income.

Mr. Dulin said the \$63 million for the Streetcar is going to suck up every dime in this City and there is nothing stopping one of us from having an in-term. Matter of fact you guys have had an in-tern working just fine. If you want an in-tern have at it and we can use a program to get at your in-tern, I don't know how David got this nice young lady, I think she is in the room today, but that is great, but there is zero reason why we need to start paying a whole other cost center to start paying college kids to come help you clean your office, or whatever it might be. I've been down here 8 years, I keep my own calendar, make all the meetings, had two last night. People call me I put them on my calendar. Our staff, Robin is doing a great job and is bringing the level back up to where we needed it after a couple others that weren't up to it. With that can I get to some deletes? Mr. Manager, you were really kind in one month figuring out where we have an extra pot of \$63 million. When we got the \$25 million grant for the starter line that is under construction, we had to scramble to find \$12.5 million to come up with our part of the starter line project and all of a sudden we've got \$63 million. With that in mind I'm on Page 142 in our book and that is Preliminary CIP Plan – Joint Communication Center \$68 million. I'd like to pay for that and I'm going to take that \$68 million out of the CIP and pay for it with \$63 million that the City Manager has identified as available because interestingly enough if we go for a federal grant for \$63 million, a federal match for 50% of that \$129,000 and we don't get it that money would apparently still be there. So \$63 million gets us there and I'd like to delete \$2 million from the Rental Assistance Program, that is \$65 million and then go back over to our Financial Partners on Page 93, Non-departmental Accounts, we are scheduled to give the Arts and Science Council \$2.9 million a year for the next three years. I'd like to take the remaining \$3 million, \$1.5 million out of that budget for a two-year period in FY14 and FY15 to make up the



difference and that gets us to \$68 million for the Joint Communication Center. That is \$63 million from the pot of money that the Manager has found, \$2 million from Rental and \$3 million from the Arts and Science Council, \$1.5 million for two years. That gets us to \$68 million and we build the Joint Communication Center on Statesville Road which we all say we need. Now back to Page 93, the UNC School of Government, you all have talked me back into that a couple of times. We really use the School of Government for resources when our folks either aren't up to it or we are just snowed under. Is that right?

Carolyn said that is correct. We use them for their expertise and legal issues that maybe we don't always have expertise in.

Mr. Dulin said do we know how many hours, do we keep track of the hours?

Carolyn said we probably don't keep track of the hours, but we probably call them once or twice a week or sometimes more depending on the issues.

Mr. Dulin said I'm going to leave that one alone and Mr. Manager, no offense but the ICMA Host City – I don't know anything about that. It is not for FY13 but for FY14 and FY15 it is down for \$50,000. Is that us bidding to be the host city for their convention? When would Council find out about that other than right now in our work up?

Mr. Harrington said this is consistent with what we've done in the past. As you recall in the early 2000's the City hosted the ICMA as well as other NLC type conferences and there is typically a city contribution portion that is required to fund the event. This is the ICMA portion and as you know in three years is the NLC conference which is scheduled to be in Charlotte. That would probably be a similar piece where there is a city component contribution to make that event succeed and occur.

Mr. Dulin said how many visitors do we have for the ICMA conference?

Mr. Carlee said I think it is somewhere in the 3,000 range. This actually will be the 100<sup>th</sup> anniversary conference.

Mr. Dulin said we are bidding on it for FY14 or FY15?

Mr. Carlee said it has been awarded based on the representations 7 years ago probably/.

Mr. Dulin said so we've already got it.

Mayor Pro Tem Cannon said leave that alone Andy, that is a good deal.

Mr. Dulin said then my pet project, I would like to delete the Centralina Council of Governments, \$175,542. That is a delete with nothing adding back, that is just a straight delete and we can use that money for anything we want and I would like to put it towards sidewalks. If somebody has a better idea where they would like to put it, that is fine.

Ms. Fallon said the Park South Drive Extension that would be in FY16, delete \$8.63 million.

Mr. Dulin said that is the only project in District 6 in the CIP and it is ridiculous.

Mr. Cooksey said delete the proposed property tax increase however you want to reference that. It is for the capital project. Part two delete the General Fund CIP; part three add a provision in the budget to initiate the process for a referendum for a property tax increase for November 2013.

Mr. Howard said when we spoke about the CIP a couple of weeks we were presented with four scenarios. There was a scenario that only did a tax increase of 2.75 I believe but still got all of the projects, and just pushed them out further. I would like add that as a way that we proceed with the CIP. One of the things that I heard over and over again last year while we were going through this conversation about the CIP and I said this that day, that there was a huge concern

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about raising the tax rate too high because of the economic circumstances that our constituents find themselves in. It makes no sense to me to raise the property tax higher than it needs to be if we can get all the same projects and the scenario you brought to us actually got us all the same projects, pushing them out. This is a long view that we are doing for a cheaper rate and if it is really about the taxpayers then I don't see why we wouldn't do this scenario. That is scenario 4 and I continue to feel that way. The next thing is that I would like to add back the Informatics at UNCC for \$10 million. I think you guys have been very clear about what the economic impact of that could be and I would say adjust the property tax accordingly to accommodate that \$10 million add. I guess we need to see it with the 2.78 and the 3.17. Part of this conversation that we continue to have about our mass transit system is about the fact that we are out of money. One of the reasons why the Gold Line is even brought up is because we were talking about the fact that without doing something our mass transit system is really going to stall for years, not a couple of years, but for years because the sale tax is not throwing off what it needs to throw off. I've been making the argument for a while and you will hear it out of the committee of leaders that the MTC convened and it was a very across the board representation of people from our community and they understand that we have to keep this system moving. Losing momentum is just not an option. I would like to propose that we keep going on all fronts. I think the Gold Line is a way and the scenario that the Manager brought us is a way to keep that part of it going, but I'm really concerned about the fact that we are not doing anything to keep the Red Line Portion of the system moving as well. In addition to the add that I'm getting ready to put on the table, I think we also need to continue to find ways to include in our Legislative Agenda how we ask for the support we need from the state and from the federal government as well. You will be hearing more from me on how that.

How do we start to put the same energy that we've put in the Blue Line, Gold Line and into the Red Line and eventually the Silver Line because we have to move all of it? It is my thought that we have to move it in pieces right now because we are not going to get the big federal grant again anytime soon. I have talked to staff about what is that one thing we could do to make sure the Red Line is moving to the next level. I starting out just thinking how we could add it to our CIP, if there was a real capital way we could do it, but from what I understand what they are in need of right now is the equivalent to a traffic study, a rail study if you will that Norfolk/Southern needs to figure out how they would co-exist with our commuter line every day. Kind of giving the direction we've been going, regardless of what we do there is traffic study that needs to be about how it would all work together. Given the size of this project, it is not small. A study could be as much as \$300,000. The state has already come in and said they would do a portion of it. I think they have committed up to \$50,000 of it. What I would like to add is up to \$250,000 for that report and the way I would like to pay for that, I would like for staff to go back and look at all the sources we have transportation and otherwise just to see if there is a way to deal with that and come back as part of how we could potentially do that. I think we are going to have to inch along on every one of these lines. We are not going to do it in one big sweep anymore unless we figure out how to get it and the next big thing that needs to be done is this study if you will. That is what Norfolk/Southern is going to require. The route we are going right now is the state is talking about doing a white paper that could take another year and then that turns into whether or not we do a study and I think we have a unique situation right now where we are going to have attention in Washington and it would be a great time to start talking to Norfolk/Southern about a three P opportunity. Maybe they take over and they help with financing it, they help with operating it, however we go about doing this, the very first thing we have to get off the plate is this study and I would like to suggest that we move forward with it.

Mayor Pro Tem Cannon said Ms. Kinsey wanted to make a comment when there was discussion with regard to proceeding with scenario four with the 2.78 cent increase because I think there was a comment made with regard to not really maybe seeing the difference.

Ms. Kinsey said I just wanted to remind all of us that the longer we push it out the more expensive it may be. That is my only comment. But I am also going to have to leave so I would ask to be excused from this meeting.

Motion was made by Councilmember Cooksey, seconded by Councilmember Barnes and carried unanimously, to excuse Councilmember Kinsey for the remainder of the meeting.

Mr. Howard said before you take yourself out, just so we are formal because I did talk to her about the transit piece. Can we just go ahead and do the 5 votes on that one?

Ms. Kinsey said I'm not ready to vote for that because I want to see everything.

Mr. Howard said this is just to get back information on it.

Ms. Kinsey said I don't mind getting back information on anything, but I don't want us to vote on anything today and me be an automatic yes. That is the only thing.

Mayor Pro Tem Cannon said I think Ms. Kinsey does make a point and I think that was a point made also by Mr. Barnes as I recall about being able to do projects more so inside of producing for the taxpayers today rather than in future years out. One was expense by the way on top of already additional expense because nothing was approved a year ago. It is a cluster of an issue.

Mr. Howard said the point I'm making is that if it was about the taxpayers last year it would have been cheaper to do it all last year. All I heard over and over again was it was about this rate and the fact that the rate was just too much. My point is if it is about the rate and what it does to the consumer, if it was about now they are going to have to pay another \$50 per month, anything we do above that, I don't care how far we stretch it, is doing that. You just can't have it both ways. Last year it wasn't about the projects, and now this year it is. If it is about the rate I'm going to support leaving it at the 2.78 and not going up further than that.

Mr. Barnes said you actually make a good point Mr. Howard but I thought that what was underneath the surface of last year's debate was also the rate issue. At that time a 2.44 rate would have been rate neutral, taxpayer's wouldn't have seen any change in their tax bills and we would have gotten \$674 million in investment. There was sensitivity to that piece and then there was also sensitivity to the overall cost to the taxpayer, but I think that was tied very much directly to the 2.44 and since that opportunity is gone we are dealing with what you suggest 2.78 or 3.17 or some other number, I am concerned about pushing too much of it out into the future. I do want to say that each of these projects has been vetted by a committee. They have all come out of Committee except for Informatics and I hope we can figure a way to get that back because of the prospects of it generating two ... per month and throwing the applied innovation corridor which isn't my district, it is in Patsy's district. I think that would be a great thing to do. They all came out of Committee with positive support and six or seven of us supported scenario two so I think we are all trying to figure out how to move forward and do it in the near term because we will be fairly old in 2020.

Mr. Howard said you would have been a year younger if we had done it last year. My point is that last year the difference for me is that there were all kind of scenarios put out that cut a bunch of projects. The 2.78 we can get all the same projects, no cutting and we will get the CIP package in its entirety, but if it is about the rate and what it does to the consumer I still am confused about why we need to go higher than the bear minimum of what it takes to get all of the package done. We will vote in a few minutes and like you say if 6 or 7 go that way it won't make it, but I wanted to make sure that it was a clear. Last year it was about one thing and this year it is about something else. I'm trying to figure out what it is. If it is about the consumer, that should be the rate.

Mayor Pro Tem Cannon said I think it is about two things really. It is about service delivery and it is about the rate. This body has to make a determination about if you are in a catch 22 situation what is more, the level of service delivery to be able to grant it to the taxpayers sooner rather than later or is it more about the rate. I think either one of those can be argued well within the confines of any place that we go among our constituents and I think they get both sides of that so wherever you decide to land is where you land.

Ms. Pickering said to Mr. Howard's point for me it is about the rate and I'll get to some things in a minute but I wanted to preface the conversation by saying often Councilmembers hear that we just want to raise taxes and we should be talking about jobs. Mr. Barnes made this point the other night and it is a good one and we should keep stressing it. This budget as proposed by our City Manager creates 18,000 jobs. That is a lot of jobs so yes, we have to spend money but it is investing. By the same token I think it is important for us to note that we don't want to take a cavalier attitude towards taxpayers who really don't want to see their taxes raised. We can't afford to lose those folks. Charlotte can't afford for people to leave Charlotte for neighboring counties. We can't afford to have businesses and individuals who are considering moving to Charlotte also choose a neighboring counties because the taxes are lower. This is real, it is happening and we know that. I'm concerned about that and I'm also concerned very much, as we've talked about before seniors on fixed incomes. To some of us a \$100,000 home, \$264 a month, \$32 per year may not seem like much but the property tax goes up a little bit and the water bill goes up a little bit and the Storm Water bill goes up a little bit and food prices go up a little bit and maybe gas prices go up. These things add up and these folks don't have any wiggle room. There is no getting a second job. There is no increasing that income that they do have. The last thing I want to do is stress those poor folks who should be trying to enjoy their golden years. This is the balance that we fight. Again I think what we are striving for is an affordable tax rate for the City that allows us to attract and retain individuals and businesses to this City and how do we do that. What I did when I went through here was ask the question do we have to have it now? I think we need everything on this list and I support everything and I think we all do. All these projects are good projects, but the question is does it go to the issue of revitalizing the areas of the City that we have talked about that need revitalization, that is how we are going to bring this City forward. We can't annex or we're going to build up the areas that we have here. That was my major question – do these things go to that or could they be deferred? I'm going to suggest for deletion and it give me no pleasure to recommend any of this for deletion but I'm going to use the word defer. Can we wait two years for some of these things? The Traffic signal coordination, \$15 million; the update traffic control devices, \$19 million. The Police Stations and this one is a tough one, public safety is the number one issue for us, no question about it, however I would submit that some areas need a new police station more than others. I would suggest deferring the South Division Station and the Park South Division Stations and leaving the rest. That would be about \$20 million. I would also suggest some of our maintenance facilities upgrades, I hate to do it but I think we can defer Sweden Road Maintenance Yard replacement, \$22.6 million and Northeast Equipment Maintenance Facility \$8.5 million.

Mr. Howard said I'm glad that Beth and I agree that we should keep the rate low which means it sounds like you are going to support me on the 2.78 because I think what I'm understanding is that none of the jobs move. They move if you take out the projects you just ask for, but if you delay it based on scenario 4 you get the same job affect, the project just happens later so that still works. As far as the move around the seniors, if it is about the tax rate than that again would make the argument for 2.78 so whereas I was going to counter, I think I just want to say thank you because I think we agree.

Ms. Pickering said I'm glad we agree. The point is if we are going to raise taxes at all let's do the projects ASAP but I'm trying to bring down the rate because I am concerned about the tax rate.

Mr. Howard said it doesn't sound like we agree if that is how you feel about it but okay.

Ms. Mayfield said I have concerns regarding deferring the upgrade of our traffic signal system because we are unfortunately last year just as this year, we are seeing too many pedestrians that are in accidents that are leading to fatalities. Part of that is the combination, really three things that need to happen, we need to create an education awareness campaign and I'm not going to add that up there because that would be another dollar line item, but we also need to make sure that we are along with upgrading out traffic signals we are creating the additional crosswalks and islands and safety paths that we do need when we are looking at, and I'm only going to speak for District 3 and not the entire city at this point. Everyone that is a District Representative knows best what is happening on the ground in their area, but when I have seniors that are not safely able to cross the street because we don't have the island and the lights are not coordinated in a  
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way to give more than enough time for them to be able to cross safely. When I have citizens that are not seniors that are running into some of these same problems and when we are looking at the impact, this to me is immediate. This isn't something that I can support deferring when we are talking about upgrading the traffic control devices which to me the two go together. You cannot do one without the other and we are looking at the growth and I do agree with Ms. Pickering that we need to do the best we can to try to keep the citizens we have in the City, but at the same time we cannot forget that when we are comparing ourselves to other cities we still are that low cost city to move to. If we have 1 or 2 that may be moving out of the City we have 3 to 5 that are moving into the City and when they are moving in they are coming in and buying our right. There is that balance of what do you do to invest in a community as the community continues to grow. For me those two are not two that I'm willing to support deferring. I can agree with deferring the Police stations at this point if that is something we need to do, but I cannot support the traffic control devices nor the system signal coordination upgrade being deferred any more than they already have been deferred.

Ms. Pickering said to Ms. Mayfield's point I'm not aware that pedestrian safety is caused by poor traffic signal timing. I'd be more interested in hearing more about that. Sidewalks and pedestrian safety is here and definitely stays here, no question about it for \$60 million. I would absolutely not touch that no matter what.

Mr. Barnes said briefly on Ms. Pickering's suggestion I view the traffic control system as public safety items and the Police Stations are obviously public safety items. One of the concerns I have is with respect to the two division offices you referenced, the land down there won't get any cheaper. It won't get any cheaper anywhere in the City probably, but certainly not down there so I think that would be a stretch for me to try to figure out how to support that. To Mr. Howard's sensitivity about the rate, I would be interested in knowing what happens to the rate if we add Ms. Fallon's \$63 million to Mr. Howard's 2.78. I want to see what the rate turns into.

Mayor Pro Tem Cannon said maybe someone else at the dais knows this, but I thought I heard that you get the same number of jobs if you did this deferral. I don't know how you would get the same number of jobs with the 3.17 versus the 2.78 when those are construction jobs that will come into play for some of those police stations. That doesn't make a whole lot of sense to me and I don't know how you get the same number of jobs per se. Somebody needs to probably do a recount on that, but I too would caution where we are trying to go in this City relative to continuing to try to reduce crime in all areas of this community, not just in one or two and we will get to it later. We need to be real mindful of that, east, west, north and south. It is critical and we need to support our police department and our officers and certainly our Police Chief in those efforts. I understand why the ask because we are trying to drill down on numbers, but let's make sure we are not drilling down on quality of life issues and in this case public safety issues that would be something I think we should be mindful about.

Ms. Fallon said if you do the \$63 million and you add the Park South Division, which still gives you \$70,000 you still have a lower rate and you still get all the jobs and you get everything in there that you wanted to begin with. You get the Police Stations and the Command Center and everything else. All it does is take that money plus that Park South and we didn't figure the Park South in at the time, we just did the \$63 million. It does take the rate down but you get everything just the same.

Mayor Pro Tem Cannon said do you mean on deferring?

Ms. Fallon said yes.

Mayor Pro Tem Cannon said yes, but do you know what, people don't need jobs two years from now, they need jobs today.

Ms. Fallon said I didn't mean deferral, I meant just putting that money toward the budget.

Mr. Mitchell said what is reference to the \$63 million?

Ms. Fallon said the \$63 million that was cobbled together for the Gold Line. If we put that back into the CIP and you add the Park South Division you've got \$70 million that you can put back into the budget and have everything that we had on this budget without having to raise the tax percentage more than 2. something.

Mr. Mitchell said you are saying don't fund the Gold Lynx Line with that?

Ms. Fallon said right this moment, put that money which belongs to the taxpayers back into this budget so we can have a lower rate but get everything we need.

Ms. Mayfield said Ron there was a request looking in Neighborhood and Business Services for three additional staff for a project that we are anticipating. I want to look at what retirements that we have to possibly roll that position as opposed to creating three and possibly only creating one position, but looking at what our current staff capacity is. There is a possibility as was mentioned earlier where we are talking about interns. There are quite a number of interns that are in Neighborhood and Business Services but also you have some staff members that might not be utilized to their fullest capacity that are interested and want to be involved with a few more projects than what they are currently have. I'd like for us to look at that before we identify this standing \$250,000 plus that is going to be increasing over the next few years, what retirements do we having coming up, what current opportunities do we have within the current staff structure that is in Neighborhood and Business Services in order to make sure this is going to be a successful project and what the impact can be for one staff member as opposed to three.

Mayor Pro Tem Cannon said what we can do is go to the top of our chart and begin to take some votes on what we want to keep and/or delete. Ms. Kinsey has departed to catch her flight and I would ask this of staff, I would be interested in your analysis of what does get 5 or more votes in terms of the pros and/or the cons for the adds or the deletes.

Rental Assistance Program – Councilmember Barnes has this for a deletion of \$2 million. The number of hands for this to continue to move forward for deletion: Barnes, Cooksey, Dulin and Fallon.

Charlotte International Cabinet remain as it is now and not move to Neighborhood and Business Services –

Mr. Barnes said I think it is \$156,000.

Mr. Harrington said \$156,000 and a little bit of change but the net difference is zero.

Mr. Barnes said except for the retirement piece and benefits and all that. In other words they would be full-time City employees.

Mr. Harrington said I think it is essentially to keep as it is. Keep them as a financial partner at the current level.

Mr. Barnes said yes.

Ms. Mayfield said Mr. Barnes, just for clarification and I apologize if I might be mixing these two thoughts up, but I was under the impression that when we were having the discussion about transitioning Charlotte International Cabinet into Neighborhood and Business Services, is because there is a great possibility that it is not going to be able to continue for it if we don't help with the structure, but also I was thinking it was going to be more like the relationship that we have with CRVA where they are a part of us, but it wasn't going to be this really great financial impact on the budget in Neighborhood and Business Services.

Mr. Barnes said as I understand it the CRVA employees are not City employees. These would be City employees and the CRVA is a financial partner funded through a tax established by the General Assembly. These folks would be funded through the property tax in the General Fund. Early on I talked about whether this was some function the Chamber could adopt at some point.

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Mayor Pro Tem Cannon said Mr. Barnes do you want to move this along to get further information.

Mr. Barnes said no I want to say a delete.

The vote for Charlotte International Cabinet delete: Barnes, Cooksey, Dulin, Fallon and Pickering.

Charlotte Constituents Intern Program with a range from \$82,940 to \$160,000.

Mayor Pro Tem Cannon said is the Mayor's Office included in your arithmetic?

Ms. Mayfield said no the Mayor has got 6 people.

Mayor Pro Tem Cannon said are his interns paid?

Ms. Mayfield said when you look at our staff breakdown we have a total of 9 that are part of constituent services for Council and the Mayor's Office. Three of those are the three that Council utilizes. There are six that are on the payroll.

Mr. Harrington said my recollection is that the interns are not paid.

Mr. Cooksey said first of all could you clarify the distribution of those 9 staff members assigned to Mayor and Council because my understanding of it was that 4 are assigned to support the Mayor and 5 are basically considered Council support, one of those being Dana Fenton that as the Legislative Liaison he is a Council support position, not a Mayoral support position. Do I have that correct? It is a 4/5 split and not a 6/3 split.

Mr. Harrington said I would want to confirm that but I would be happy to bring something back that outlines where the positions are if that would be helpful.

Mr. Cooksey said yeah, if you could. The second point to this conversation is by way of general explanation on voting I'm not going to vote for an add that doesn't have a delete associated with it. If it doesn't make it through then we won't get the information, but if it does I want to get that point out there.

Ms. Fallon said isn't that other stuff the operating budget? The other people on that, not the capital?

Mr. Harrington said it is all operating.

The vote for the Intern Program – Autry, Fallon, Mayfield, Mitchell and Pickering.

Arts and Science Financial Partner – deletion

Mr. Mitchell is that the dollar amount that we currently give to the Arts and Science Council?

Mr. Dulin said no sir, we give them \$2.9 million. The larger issue is taking the Joint Communication Center which is a \$68 million item and I was going to pay for that with \$63 million the Manager was going to find for the Streetcar; \$2 million for the Rental Program and \$1.5 million from Arts and Science Council in each of two years in order to get the \$68 million.

Mayor Pro Tem Cannon said that looks like a bungle, do you want to vote on the bungle or vote on them individually?

Mr. Dulin said we just voted down the rental but I don't mind getting in here and finding another \$2 million real quick.

The vote to delete \$1.5 million for two years from ASC financial partners – Cooksey and Dulin.

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Centralina Carolina of Governments with the idea of having that money to be appropriated toward sidewalks –

Mr. Dulin said does anybody here know what the Centralina Council of Governments has done in the last year?

Mr. Howard said managing the sustainability grant they got from the Federal Government. They also have helped us with letters that we got that went to the Speaker and the Governor with the Mayors of the surrounding area saying they shouldn't mess with the Airport. They organized that and we didn't even ask for it. They continue to be part of that effort. They won me back over because a couple weeks ago I was ready to do with you on this one but I understand what their role is in this because if we don't pull all our efforts together we are going to continue to have problems. That is why I'm back okay with it.

Mr. Dulin said they came into existence when the other surrounding counties didn't have the funds or the mechanism to do their own work or they own study, their own economic development. All of those counties now have those mechanisms, including County Economic Development work in all these counties. The City of Concord has its own; the City of Lincolnton has its own. All those folks come in and we are by far the largest donor to that group and right now I would rather – it is redundant. We have Ronnie Bryant and his regional group. We have a lot of those counties are working against us on our Airport and trying to save their own hide while they are trying to skin us. I think that thing has run its course and at some point we are going to have to say that is \$175,000. We are throwing around \$150,000 for sustainability studies and \$150,000 for this and there is something on the Board for \$250,000 for another study and no delete beside it. We could take that \$175,000 and put it toward Mr. Howard's study if you wanted to. That is \$175,000 that the citizens of Charlotte aren't getting their money's worth out of I believe and I plan on voting to delete it and I would love for you all to also. That would be a bold thing to do today.

The vote to delete the \$175,542 for COG – Cooksey and Dulin.

Eliminate two of the proposed Charlotte INClusion positions.

Ms. Mayfield said the total of the three positions was \$276,000.

Mr. Harrington said the first year is \$263,287 then the second year is \$239,980 for all three positions.

Ms. Mayfield said what I asked for was the elimination of two positions and getting the information coming back.

The vote to delete two positions – Autry, Barnes, Cannon, Cooksey, Dulin, Fallon, Mayfield and Mitchell and Pickering.

Twenty-six Mile Multi-use Trail – The deletion would be at \$15 million.

Mr. Dulin said they are looking for \$35 million from Charlotte; we don't know what the County is in for yet, correct. They don't have any money so they are not going to bump up whatever their participation is.

Mayor Pro Tem Cannon asked if there was any further information from the County?

Mr. Harrington said I will ask Phil Reiger, Deputy Director for Charlotte Department of Transportation and I think he has an answer to that question.

**Phil Reiger, Deputy Director Charlotte Department of Transportation** said specific to the County's participation in the Cross Charlotte Trail., they have an interest in two pieces; about four miles in the southern section which is about a \$5 million investment and then about two miles in the north section which is about a \$2.5 million investment. The key to that is the pace at which the County invests in greenways. They build greenways different than the way we build



roads and sidewalks so they look for opportunities to purchase the property they need and as they acquire the property they then move into design. Their pace at which they will develop those projects may be a little different than our pace, but they have committed and are pursuing those two pieces, both the northern and the southern section.

Mayor Pro Tem Cannon said did you just say their contribution was towards 6 miles of it?

Mr. Reiger said 6 miles but please understand that they have already spent about \$43 million on the Little Sugar Creek Greenway, which is a critical part of that southern section connection. We will be connecting that to get to center city. A significant investment has already been made by the County and they are continuing to move forward with helping us make other greenway connections.

Mayor Pro Tem Cannon said so what you want to say then is that is the remainder of the amount that they have put into place already.

Mr. Dulin said do we have any idea from the County how much money they are going to invest in helping us build road next year?

Mr. Reiger said it is my understanding the County doesn't have authority to build roads.

Mr. Dulin said I think we ought to stay in our lane and build roads and sidewalks and not bike trails.

Mr. Reiger said they do have a limited authority to build roads through the schools.

**Deputy City Manager, Ron Kimble** said there was legislation a few years ago that granted them authority and it is important to note that the County is now involved in road building. They participated with us in the Ballantyne agreement for building roads and they are also helping with roads at Tanger, so the County had begun to participate in road building with the City of Charlotte.

Mr. Dulin said that is really good to know.

Mr. Mitchell said just as a follow-up I understand they spent \$43 million, but part of our argument in spending our money was economic development and jobs so it will be interesting to see out of that \$43 million they have spent for the Sugar Creek how many jobs were created as part of the investment. I just struggle a little and I think we've got other city responsibilities we can use our bond capacity for, but I believe in collaboration so that is why I didn't say remove all of it.

Mr. Barnes said the 26-mile Cross Charlotte Trail is projected to create 1,160 jobs and to have a \$370 million economic impact and the synergetic impact was much higher than the \$35 million that we put into it. I actually support it and think it makes a lot of sense for a number of reasons and it was a part of the economic development argument that we discussed and heard last year.

Ms. Fallon said out of curiosity where those sustaining jobs on the greenway or were they temporary jobs.

Mr. Harrington said sustaining.

Mr. Howard said a strange position because it did come out of my committee whole so I'm a little hesitant, but I do understand what you are saying Mr. Mitchell about we are going to get something, maybe not all of it. I'm going to vote for it just in the interest of seeing what you would get for 20, but just from that standpoint.

Mayor Pro Tem Cannon said I have asked staff to bring back the pros and the cons. This discussion reminds me a little bit of I-485. We had breaks in between, you want to see the completion but those breaks don't quite allow for there to be the kind of flow you need in order to get from point A to point B. People will be using the trail to travel by various ways from  
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walking to riding their bikes to whatever other forms they want to take on it, a Moped or what have you, but I'll support it to move forward just to bring some information back on those pros and cons because I think it is just as important to make sure we capture all we can in there.

The vote to delete \$15 million from the Cross Charlotte Trail – Cooksey, Dulin, Fallon, Howard, Mayfield, Mitchell and Pickering.

Vote to take the Joint Communication Center out of the CIP and pay for it with other pots of money as outlined by Mr. Dulin earlier: Cooksey and Dulin

Vote to delete \$8.6 million from Park South Drive Extension: Cooksey, Dulin, Fallon and Pickering.

Mr. Mitchell said in whose District is this?

Mr. Dulin said it is in my District. It is the only project in the CIP in District 6. It is a little tiny thumb of a road project that literally goes through another man's parking deck. It is a silly district and they threw it in there last year to throw a bone to the poor people of District 6.

Mr. Cooksey said I worry about this but part of that Multi-use Trail does go through District 6 as well so there was a little something else out there, but I'm with you on the deletion. I voted to take it out of committee because I thought it was something the full Council should look at along with the rest of the CIP, but if memory serves the estimated economic impact of this \$8.6 million project was something like \$3.4 million.

Mr. Harrington said \$3.6 million.

Mr. Cooksey said \$3.6 million so we are not getting the money's worth out of that one so I will support the District Rep and pull it from the CIP.

Mr. Howard said this came through committee and it was as much about circulation in that area and freeing up land. It was a lot more indirect benefits to this, not just direct. When you think about the congestions that happens around Fairview Road, Morrison and Sharon, this was to actually make sure when you come out of Park South that you actually have a way to distribute that traffic because right now most of that traffic coming up from the south comes up Park South and comes up Sharon Road. I remember what D-DOT told me and it was about opening up connections to open up the area behind this so it was more indirect than just direct.

Mr. Dulin said correct except for the site of this road there is a 4-story office building and literally there is a two-level parking deck. Number one we don't own the office building, we don't own the parking deck and this project to go through, we'd have to tear down this man's parking deck and put the road through there and then it comes about 20 feet from the corner of his office building. It just doesn't make any sense. I'm willing to throw that in for the good folks of District 6 and save the taxpayers.

Mr. Mitchell said but you are not running again.

Mr. Dulin said I threw in last year. It was a dumb idea last year and it is a dumb idea this year. I would love to find something we could build down there to help those good people, but that is not the project to do it.

The vote to delete Park South Drive Extension – Cooksey, Dulin, Fallon, Mayfield and Pickering.

Delete the proposed property tax; delete the General Fund CIP; add a provision in the budget to initiate the process for a referendum for property tax increase for November 2013.

Mr. Cooksey said the basic logic is the purpose of the tax hike is to fund the CIP, the voters have to vote on the bonds that are involved in the CIP so why not have the voters vote on the tax hike that funds the bonds the voters have to approve?

The vote was Cooksey and Dulin.

Proceed with CIP scenario 4 with the 2.78 cent tax increase; delete CIP scenario 2 with 3.17 cent tax increase.

Mr. Howard said I spoke about this when we were dealing with the CIP a couple weeks ago and staff presented 4 scenarios and one of the actually the fact that you can raise taxes by 2.78 and still get every project that is on the CIP as opposed to raising it 3.17. My argument being that we've heard a lot over the last year during the CIP conversation, at least from some, that the vote against it last year was about what it would do to the public and if we can get all the same projects by stretching it out a bit and not raise it more than we have to. I'm always about raising taxes no more than you have to and in this situation we just do not have to raise it to 3.17 and we can still get the same projects.

Mayor Pro Tem Cannon said to finish that out, yes you would get the same projects but you wouldn't get it on the same time line. The number of jobs that one would suggest might be the same, they wouldn't necessarily be that largely in part because you still have those construction jobs that would have to be taken on through things like the Police Divisions and several other items that might be factored into both of those scenarios.

Mr. Howard said I'm going to disagree with you because what you are saying is that every one of these projects is going to take the same amount of people to construct. That doesn't change if you do it today or if you do it tomorrow. It takes 12 people to do it, it is going to take 12 people to do it then. So the number of jobs doesn't change.

Mayor Pro Tem Cannon said what I have said is that people would prefer to have an opportunity a little bit sooner rather than a whole later in the way of being able to provide for their families and/or themselves. I just want us to be conscious of that. You can vote anyway you want but I'm just asking you to be conscious of that.

Mr. Howard said just to play it out Mr. Mitchell, what I said earlier to a similar remark, the arguments that I've heard over and over and we've really had some intense conversations about this, it was the wrong time to raise taxes and Ms. Pickering said people were moving out of the City because taxes were going up and it would hurt seniors. If that is the case then we should want to keep that rate as low as we can. If we can still get the same projects, I'm still not sure what we are talking about.

Mr. Dulin said a yes vote here eliminates everything except the 2.78. It eliminates the other scenarios.

Mr. Carlee said as I understand the Council's procedures it would bring this proposal back for consideration. It is not determinative with regards to the 3.17. It puts the 2.78 on the table for further discussion. We would bring you back an analysis and then at your subsequent meeting you would make a decision based on that analysis whether to go between the 2.78 and the 3.17 along with all the other things you have put on this agenda.

Mayor Pro Tem Cannon said basically it is what I was asking earlier about getting the pros and the cons relative to what it means.

Mr. Carlee said there would be an item for you to actually vote on in this regard.

Mr. Dulin said we will have another opportunity to vote no down the road?

Mayor Pro Tem Cannon said whatever you want to do.

Ms. Fallon said how long does it stretch it out?

Mr. Howard said that is what we will get back. I don't have the information in front of me but it stretched out some of the projects and again my only take on this is you get as much as you can for the least amount of tax hike. I can get every project for a cheaper rate.

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Mr. Cooksey said I don't know but I think using the phrase stretching out identifies exactly what is going on here. Each scenario was four bond cycles – 2014, 2016, 2018 and 2020. Each scenario had the same projects in it, the difference between 2.78 and 3.17 was whether some projects appeared in 2016 instead of 2014 or in 2018 versus 2016 or in 2020 versus 2018. It is when they hit in the four bond cycles; nothing goes outside that 8-year time frame that is being talked about. The more you build in the later years the lower the rate has to be now.

Mayor Pro Tem Cannon said it came down to about service delivery versus rate. One could argue you are still delivering the service with what has been proposed at 2.78. It becomes how close in or how far out based upon the time table of it all.

The vote to proceed with scenario 4 with 2.78 tax increase – Cooksey, Dulin, Fallon, Howard, Mayfield and Mitchell.

Informatics at UNCC- Adjust to the property tax rate whether it is 2.78 or the 3.17.

Ms. Mayfield said what we are calling to vote for is to add back in the \$10 million for the Informatics?

Mayor Pro Tem Cannon said to add it back in to be on point for straw votes.

The vote – Autry, Barnes, Cooksey, Dulin, Fallon, Howard and Pickering.

Commuter Red Line Study – staff is to look at the transportation transit funding on this.

Mr. Barnes said would you contemplate Mr. Howard, the three towns to the north contributing to this cost? Are we the only folks paying for it because there are only three stops in Charlotte.

Mr. Howard said we have the biggest stop being Gateway Station and it is an important component to this city. I would be okay with either one. If part of the scenario is talking to the towns and see what they could contribute, I've just got a feeling it is going to be such a small number that I don't want you guys to get into thinking it needs to be on some par level. It probably would be the smaller amount, but the point is it cannot move forward. Gateway Station, when they go out and try to get somebody to bid on that, it is not going to be as attractive to a developer if there is no plan to bring the Red line into it. It has a huge effect on what happens in our center city probably more than any other town.

Mr. Barnes said the Red Line is also an MTC project. Is the MTC going to kick in?

Mr. Howard said the MTC, their money is our money. They don't have money. The money goes through us. To the point about support I spoke to Mayor Woods in Davidson today and have spoken to Carolyn and Ron about it as well. My desire is just to do something to jump start this and this seems to be the next big hurdle. The other line that is getting funding is kind of sucking up all the extra money. There is no other way to do this for some years and that means the Red Line is going to wait until something comes along to pay this.

Mr. Barnes said the only concern I have is the scope creep and kind of what happened with the Streetcar where we start finding \$15,000 to \$40 million and all of a sudden the Red Line becomes a part of our budget.

Mr. Howard said I have actually done the leg work by talking to the MTC. The other thing I should add that this very scenario of doing a three P is part of what will be in this finance committee's study. It is very much how do you go to Norfolk/Southern to say we'd like to partner with you guys on the three P, and getting them to take some skin in this because the whole line belongs to them. The very first thing they said before they would consider anything is that we don't know how this work with our traffic. We can sit and go back and forth over the next couple of years or we can figure this out so we can move that project on.

Mr. Barnes said for years there has been this discussion with Norfolk/Southern about those tracks and their lines and right-of-way and now we are finally coming up with this question.

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That question has been out there for years too. I just wonder it would be another excuse for them not to partner.

Mr. Howard said what we know is that it is an excuse for them not to proceed now.

Mayor Pro Tem Cannon said what I hope doesn't happen is that it doesn't get stretch out too long only because I'm reminded of the BAE Study. The next thing you know you will be coming back doing another study. If it can be used quick and applied great.

The vote was taken on \$250,000 for a study of the Red Line – Autry, Barnes, Cannon, Howard, Mitchell and Pickering.

Delete the upgrading of the traffic signal – Pickering  
Delete upgrade traffic control devices – Pickering  
Delete South Division and Park South Police Stations – Cooksey and Pickering  
Delete Northeast Equipment – Cooksey and Pickering  
Delete Sweden Road Maintenance Facility – Cooksey and Fallon

Mr. Barnes said I asked about his scenario plus the \$63 million. Was that to be voted on or just for information?

Mr. Harrington said I think that was a question for information.

Mr. Barnes said back to Mr. Howard's Red Line the challenge I have is I think it will be spending that will begat more spending and we will just keep spending money and all of a sudden the whole project will be on the City's budget. That is what worries me. You are asking staff to come back with information on the 29<sup>th</sup> that would tell us what. The item says essentially for us to kick up \$40 million to pay for a study.

Mr. Howard said and ways that maybe we could do that and we still get to vote yes or no then. This is symbolic as much as anything to these folks that we are serious about this because I don't think they received a message from the City of Charlotte that we are serious about the Red Line at all.

Mr. Barnes said for information purposes I will vote for it.

Mayor Pro Tem Cannon said I will vote for it for information.

Mayor Pro Tem Cannon said this will be it until we reconvene on May 29<sup>th</sup> for six or more votes on these items to be included in the budget adoption ordinance on June 10<sup>th</sup>.

Mr. Mitchell said Mr. Manager I think it would be helpful if you could give us a summary of what transpired here today so we could all be clear. We get a lot of material and I don't want to get lost so if staff could provide a summary of the vote so we are very clear what was added and what was deleted that would be helpful.

Mr. Harrington said we will work on the information and sent a packet out at the end of next week in anticipation of the meeting on May 29<sup>th</sup>.

The meeting was adjourned at 5:10 p.m.

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Stephanie C. Kelly, City Clerk

Length of Meeting: 2 Hours, 5 Minutes  
Minutes completed: June 18, 2013.

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