

MINUTES OF MECKLENBURG COUNTY BOARD OF COMMISSIONERS

DECEMBER 18, 2007

5:00 P.M.

**NORTH CAROLINA
MECKLENBURG COUNTY**

The Board of Commissioners of Mecklenburg County, North Carolina, met in Informal Session in the Meeting Chamber Conference Room of the Charlotte-Mecklenburg Government Center located at 600 East Fourth Street at 5:00 p.m. and in Formal Session in the Meeting Chamber of the Charlotte-Mecklenburg Government Center at 6:00 p.m. on Tuesday, December 18, 2007.

ATTENDANCE

Present: Chairman Jennifer Roberts and Commissioners Karen Bentley, J. Daniel Bishop, Dumont Clarke H. Parks Helms, Norman A. Mitchell, Sr. Dan Ramirez and Valerie C. Woodard County Manager Harry L. Jones, Sr. County Attorney Marvin A. Bethune Clerk to the Board Janice S. Paige

Absent: Commissioner Bill James

-INFORMAL SESSION-

The meeting was called to order by Chairman Roberts, after which the matters below were addressed.

(1A) STAFF BRIEFINGS - NONE

(3) REMOVAL OF ITEMS FROM CONSENT

The Board identified items they wanted removed from consent and voted upon separately. The items identified were Items 13, 20, and 34.

(2A, B) CLOSED SESSION – A) CONSULT WITH ATTORNEY B) PERSONNEL MATTER

Motion was made by Commissioner Helms, seconded by Commissioner Bentley and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts, and Woodard voting yes, to go into Closed Session for the following purposes: A) Consult with Attorney and B) Personnel Matter.

The Board went into Closed Session at 5:16 p.m. and came back into Open Session at 6:57 p.m.

The Board then proceeded to the Meeting Chamber for the remainder of the meeting.

-FORMAL SESSION-

Chairman Roberts called this portion of the meeting to order.

Commissioner Clarke was away from the dais until noted in the minutes.

Invocation was given by Commissioner Bishop, which was followed by the Pledge of Allegiance to the Flag and introductions; after which, the matters below were addressed.

Commissioner Clarke entered the meeting.

CITIZEN PARTICIPATION

(1) PROCLAMATIONS AND AWARDS – NONE

(2) PUBLIC APPEARANCE

The persons below appeared to speak during the public appearance portion of the meeting.

Richard McElrath, Sr. addressed the election process for Sheriff. Mr. McElrath said he has a right to vote for someone and that the Commissioners have an obligation to uphold the law. He also spoke about the Tuesday Morning Breakfast that's held. Mr. McElrath said he would like for more Commissioners to attend, that currently only Commissioners Roberts and Woodard attend regularly.

James Barnett addressed the election process for Sheriff. Mr. Barnett encouraged all those concerned about the results of the recent election of a new Sheriff by the local Democratic Party, to let the process that's in place take its course. Mr. Barnett said once that process has been completed and if it's determined that the local Democratic Party followed proper procedures that the person recommended by the party be confirmed by the Board of County Commissioners.

(3) APPOINTMENTS

CITIZEN'S CAPITAL BUDGET ADVISORY COMMITTEE

The vote was taken on the following nominees for appointment to the Citizen's Capital Budget Advisory Committee:

Cynthia Bush	Commissioners Bentley, Clarke, Helms, Mitchell, Roberts and Woodard
	<i>Voting Ceased</i>
Stephen Firestone	
Richard Kingsberry	
Stephanie Tyson	

Chairman Roberts announced the appointment of Cynthia Bush to the Citizen's Capital Budget Advisory Committee to fill an unexpired term expiring July 31, 2008.

She is replacing Emma Allen.

LIBRARY BOARD OF TRUSTEES

The vote was taken on the following nominees for appointments to the Library Board of Trustees:

William Marchant	Commissioner Bishop
Joan Martin	Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts and Woodard
Robert Sink	Commissioners Bentley, Clarke, Helms, Mitchell, Ramirez, Roberts and Woodard

Chairman Roberts announced the appointment of Joan Martin and Robert Sink to the Library Board of Trustees for a four-year term expiring December 31, 2011.

They are filling two of the four new slots allocated to the Library Board of Trustees by the General Assembly.

PARK AND RECREATION COMMISSION

The vote was taken on the following nominees for appointment to the Park and Recreation Commission:

Michael Noble Commissioners Bentley, Bishop, Clarke, Helms, Ramirez, Roberts and Woodard

Voting Ceased

Samuel Spencer

Chairman Roberts announced the appointment of Michael Noble to the Park and Recreation Commission as the Northern Town Representative to fill an unexpired term expiring June 30, 2009.

He is replacing Teresa Sharp.

(3B) NOMINATIONS

PARK AND RECREATION COMMISSION

The following persons were nominated for appointment consideration to the Park and Recreation Commission:

Herb Gray by Commissioner Mitchell

Brenda McMoore by Commissioner Woodard

An appointment will occur on January 2, 2008.

(3C) MECKLENBURG EMS JOINT AGENCY BOARD OF COMMISSIONERS

Motion was made by Commissioner Ramirez, seconded by Commissioner Bentley and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts and Woodard voting yes, to appoint Dennis J. Philips and reappoint Robert H. Wiggins and Suzanne H. Freeman as the Carolinas HealthCare System representatives to the EMS Joint Agency Board of Commissioners for three-year terms expiring in 2010.

Motion was made by Commissioner Ramirez, seconded by Commissioner Bentley and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts and Woodard voting yes, to reappoint Lynn Boggs, Mark Billings and Paula Vincent as The Presbyterian/Novant Healthcare representatives to the EMS Joint Agency Board of Commissioners for three-year terms expiring in 2010.

PUBLIC HEARINGS

(4A) GOODWILL INDUSTRIES

**The Board Of Commissioners For The
County Of Mecklenburg, North Carolina**

**Approval Of The Issuance Of Bonds
By
The Mecklenburg County Industrial Facilities
And Pollution Control Financing Authority
To Finance A Project
For
Goodwill Industries Of The Southern Piedmont, Inc.
And
Approval Of Bond Counsel For The Financing**

The Mecklenburg County Industrial Facilities and Pollution Control Financing Authority (the “Authority”) intends to file an application with the Secretary of the North Carolina Local Government Commission for approval of a project in Mecklenburg County, North Carolina for Goodwill Industries of the Southern Piedmont, Inc. (the “Company”), consisting of the acquisition of social services facilities located at 12716 South Tryon Street, Charlotte, North Carolina and 2905 Mount Holly-Huntersville Road, Charlotte, North Carolina, and the refinancing of taxable debt previously incurred by the Company, the proceeds of which were used by the Company to acquire the social services facility located at 2515 Plantation Center, Matthews, North Carolina, all for use as goodwill retail stores/donation sites in connection with providing workforce development and job-force training services to disabled and disadvantaged individuals and other individuals in the greater Mecklenburg County area (collectively, the “Project”), to be financed for the Company by not exceeding \$6,200,000 aggregate principal amount of bonds of the Authority. The Project constitutes a “special purpose project” under and as defined in Section 159C-3(15a)(h) of the North Carolina General Statutes.

Attached as Exhibit A is a summary of a public hearing held by the Board of Commissioners on December 18, 2007 as required by Section 159C-8(c) of the North Carolina General Statutes, which public hearing related to the advisability of the Project and the issuance by the Authority of its revenue bonds (the “Bonds”) to finance the Project. Because the Authority’s application for approval cannot, under statute, be officially approved by the North Carolina Local Government Commission until, among other things, the Board approves in principle and finally approves the issuance of the Bonds for the purposes of paying all or part of the proposed Project, the Authority has recommended and requested that the Board pass a resolution approving in principle and finally approving the Bonds. Furthermore, the Board hereby acknowledges that the law firm of McGuire Woods LLP, Charlotte, North Carolina, has been approved by the Authority to serve as bond counsel in connection with the issuance of the Bonds and the Board deems it necessary to provide its approval of McGuire Woods LLP’s service as bond counsel for the financing.

Thereupon, **Commissioner H. Parks Helms** introduced the following resolution, a copy of which had been distributed to each Commissioner and the title of which appeared on the agenda materials:

RESOLUTION OF APPROVAL OF THE ISSUANCE OF NOT EXCEEDING \$6,200,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF THE MECKLENBURG COUNTY INDUSTRIAL FACILITIES AND POLLUTION CONTROL FINANCING AUTHORITY TO FINANCE A PROJECT IN MECKLENBURG COUNTY, NORTH CAROLINA, FOR GOODWILL INDUSTRIES OF THE SOUTHERN PIEDMONT, INC. AND APPROVAL OF

BOND COUNSEL FOR THE FINANCING.

BE IT RESOLVED by the Board of Commissioners for the County of Mecklenburg:

Section 1. The issuance of not exceeding \$6,200,000 aggregate principal amount of bonds (the "Bonds") of The Mecklenburg County Industrial Facilities and Pollution Control Financing Authority (the "Authority") to finance a special purpose project in Mecklenburg County, North Carolina for Goodwill Industries of the Southern Piedmont, Inc. (the "Company") is hereby approved in principle.

Section 2. Pursuant to and in satisfaction of the requirements of Section 159C-4 (d) of the General Statutes of North Carolina and Section 147(f) of the Internal Revenue Code of 1986, as amended, the Board hereby approves the issuance by the Authority of the Bonds described herein.

Section 3. The Board hereby acknowledges receipt from McGuireWoods LLP, Charlotte, North Carolina, of a statement of qualifications to serve as bond counsel for the financing, and the Board hereby approves McGuireWoods LLP's service as bond counsel.

Section 4. The Clerk to the Board of Commissioners for the County of Mecklenburg, North Carolina, is directed to file a certified copy of this resolution with the North Carolina Local Government Commission.

Section 5. This resolution shall take effect immediately upon its passage.

Commissioner H. Parks Helms moved passage of the foregoing resolution entitled:

RESOLUTION OF APPROVAL OF THE ISSUANCE OF NOT EXCEEDING \$6,200,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF THE MECKLENBURG COUNTY INDUSTRIAL FACILITIES AND POLLUTION CONTROL FINANCING AUTHORITY TO FINANCE A PROJECT IN MECKLENBURG COUNTY, NORTH CAROLINA, FOR GOODWILL INDUSTRIES OF THE SOUTHERN PIEDMONT, INC. AND APPROVAL OF BOND COUNSEL FOR THE FINANCING.

Commissioner Norman A. Mitchell, Sr. seconded the motion, and the resolution was passed by the following vote:

Ayes: Commissioners Karen Bentley, J. Daniel Bishop, Dumont Clarke, H. Parks Helms, Norman A. Mitchell, Sr., Dan Ramirez, Jennifer Roberts, and Valerie C. Woodard

Noes: None

Abstaining: None

* * * * *

EXHIBIT A

SUMMARY OF DECEMBER 18, 2007 PUBLIC HEARING

On December 18, 2007, the Board of Commissioners for the County of Mecklenburg, North Carolina held a public hearing on a project for Goodwill Industries of the Southern Piedmont, Inc.

Motion was made by Commissioner Helms, seconded by Commissioner Ramirez and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts, and Woodard voting yes, to open a public hearing on the proposed financing of an industrial revenue bond project for Goodwill Industries of the Southern Piedmont, Inc.

No one appeared and requested to speak at the public hearing.

Motion was made by Commissioner Helms, seconded by Commissioner Mitchell and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts, and Woodard voting yes, to close the public hearing on the proposed financing of an industrial revenue bond project for Goodwill Industries of the Southern Piedmont, Inc.

Resolution And Extract Recorded In Full In Minute Book 44-A, Document # _____.

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**(4B) NON-VOTED GENERAL OBLIGATION BONDS PUBLIC HEARING
REGARDING FINANCING THE LITTLE SUGAR CREEK GREENWAY
DEVELOPMENT WITH NON-VOTED (2/3'S) GENERAL OBLIGATION BONDS**

REPORT FROM CLERK

The Clerk to the Board of Commissioners reported to the Board of Commissioners that the bond order entitled "BOND ORDER AUTHORIZING THE ISSUANCE OF \$12,000,000 PARK AND RECREATION BONDS OF THE COUNTY OF MECKLENBURG" which had been introduced on December 4, 2007, had been published in a qualified newspaper on or before December 12, 2007, with notice that the Board would hold a public hearing thereon on December 18, 2007. The Clerk also reported that the County's Director of Finance had filed in the Clerk's office a statement of debt complying with the provisions of The Local Government Bond Act and that such statement showed the net indebtedness of the County to be 3.05% of the assessed valuation of property in the County subject to taxation.

* * *

PUBLIC HEARING ON BOND ORDER

Commissioner H. Parks Helms moved that the Board proceed to hold a public hearing on the bond order. The motion was seconded by Commissioner Dan Ramirez and was unanimously adopted.

At 7:30 P.M., the Chairman of the Board announced that the Board would hear anyone who wished to be heard on the questions of the validity of the bond order and the advisability of issuing the bonds.

After the Board had heard all persons who requested to be heard, (No one appeared to

speaking.) Commissioner H. Parks Helms moved that the public hearing be closed. The motion was seconded by Commissioner Dan Ramirez and was unanimously adopted.

* * *

ADOPTION OF BOND ORDER

Commissioner H. Parks Helms moved that the Board adopt without change and direct the Clerk to publish as prescribed by The Local Government Bond Act the bond order entitled “BOND ORDER AUTHORIZING THE ISSUANCE OF \$12,000,000 PARK AND RECREATION BONDS OF THE COUNTY OF MECKLENBURG” introduced at the meeting of the Board of Commissioners held on December 4, 2007. The motion was seconded by Commissioner Dan Ramirez and was adopted by the following vote:

AYES: Commissioners Karen Bentley, Dan Bishop, Dumont Clarke, H. Parks Helms, Norman A. Mitchell, Sr., Dan Ramirez, Jennifer Roberts, and Valerie C. Woodard

NAYS: None

Resolution And Extract Recorded In Full In Minute Book 44-A, Document # _____.

(4C) CERTIFICATES OF PARTICIPATION (COPS) PUBLIC HEARING REGARDING FINANCING SCHOOL, COURTHOUSE, COMMUNITY COLLEGE, JAIL NORTH ANNEX, AND LIBRARY FACILITIES, BRYTON INFRASTRUCTURE IMPROVEMENTS, PARK LAND ACQUISITION AND A SCHOOL ADMINISTRATIVE FACILITY THROUGH CERTIFICATES OF PARTICIPATION.

Motion was made by Commissioner Helms, seconded by Commissioner Ramirez and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts and Woodard voting yes, to hold a public hearing Regarding Financing School, Courthouse, Community College, Jail North Annex, And Library Facilities, Bryton Infrastructure Improvements, Park Land Acquisition And A School Administrative Facility Through Certificates Of Participation.

PUBLIC HEARING

The Chairman announced that this was the hour, day and place fixed for a public hearing held pursuant to Sections 160A-20(g) and 153A-158-1 of the North Carolina General Statutes, as amended, for the purpose of considering (1) whether the Board of Commissioners for the County (the "Board") should approve installment financing contracts under which the County would obtain financing pursuant to Section 160A-20 of the North Carolina General Statutes, as amended, in an amount not to exceed \$170,000,000, for the purpose of accomplishing all or a portion of the Projects described in the Notice of Public Hearing and under which the County would secure the repayment by it of moneys advanced pursuant to such documents by granting a lien on a portion of the property relating to the Projects and (2) determining whether the County may acquire interests in school property relating to the Projects from the Charlotte-Mecklenburg Board of Education. Any property acquired by the County would be subjected to the lien described above and leased back to the grantor.

The Chairman announced that the notice of the public hearing was published in The Charlotte Observer on December 2, 2007.

It was requested that the Clerk to the Board inquire to determine whether there were any persons who wished to speak at the public hearing. The names, addresses and testimony of the persons who were present and who offered comments on the proposed installment financing contracts and the County's acquisition of school property, pursuant to or who responded in writing to the notice of public hearing, are as follows:

No one appeared to speak.

After the Board had heard all persons who had requested to be heard, Commissioner H. Parks Helms moved that the public hearing be closed. The motion was seconded by Commissioner Dan Ramirez and was unanimously adopted.

Commissioner Bishop asked that he be excused from voting on a Resolution Authorizing and Approving An Installment Financing because of the Bryton Infrastructure Improvements associated with this matter, to avoid a conflict of interest.

Motion was made by Commissioner Helms, seconded by Commissioner Ramirez and carried 7-0 with Commissioners Bentley, Clarke, Helms, Mitchell, Ramirez, Roberts, and Woodard voting yes, to excuse Commissioner Bishop from participating in the vote on the adoption of a Resolution Authorizing and Approving An Installment Financing.

Commissioner Bishop left the dais and was away until noted in the minutes.

* * *

Commissioner H. Parks Helms introduced the following Resolution which was read by title, and moved it be adopted:

RESOLUTION AUTHORIZING AND APPROVING AN INSTALLMENT FINANCING

WHEREAS, financing pursuant to Section 160A-20 of the North Carolina General Statutes must be approved by the Local Government Commission of North Carolina and will only be approved if the findings of Section 159-151(b) of the North Carolina General Statutes are met;

WHEREAS, the Board of Commissioners of the County duly conducted a public hearing today regarding an installment financing contracts to finance the Project;

WHEREAS, there have been available at this meeting drafts of the forms of the following:

- (1) Installment Financing Agreements to be dated as of February 1, 2008 (together, the "Contracts") between the County and Mecklenburg County Public Facilities Corporation (the "Corporation");
- (2) Deeds of Trust to be dated as of February 1, 2008 (the "Deeds of Trust"), from the County to a trustee for the benefit of the Corporation;

- (3) Trust Agreements to be dated as of February 1, 2008 (together, the “Trust Agreements”) between the Corporation and a trustee (the “Trustee”);
- (4) Official Statements (together, the “Official Statements”) relating to Certificates of Participation evidencing proportionate undivided interests in revenues to be received by the Corporation under the Contracts (the “Certificates”);
- (5) Contracts of Purchase (together, the “Purchase Contracts”) among certain underwriters (the “Underwriters”), the County and the Corporation;
- (6) A Remarketing Agreement dated as of February 1, 2008 (the “Remarketing Agreement”) among the County, the Corporation and Scott & Stringfellow, Inc., t/a BB&T Capital Markets (the “Remarketing Agent”); and
- (7) A Standby Certificate Purchase Agreement dated as of February 1, 2008 (the “Liquidity Facility”) among the County, the Trustee, and SunTrust Bank.

WHEREAS, the Board of Commissioners of the County wants to approve the Contracts and the sale of the Certificates and to authorize other actions in connection therewith; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County as follows:

1. The Board hereby finds and determines in connection with the proposed installment financing contracts that (a) such proposed installment financing contracts are necessary or expedient to the County, (b) such proposed installment financing contracts, under current circumstances, are preferable to bond issues of the County for the same purpose, (c) the sums estimated to fall due under such proposed installment financing contracts are adequate and not excessive for their proposed purpose, (d) the County’s debt management procedures and policies are good and its debt will continue to be managed in strict compliance with the law, (e) any increase in taxes necessary to meet the sums estimated to fall due under such proposed installment financing contracts will not be excessive and (f) the County is not in default regarding any of its debt service obligations.
2. The Board hereby requests the Local Government Commission of North Carolina to approve such proposed installment financing contracts under Article 8 of Chapter 159 of the General Statutes of North Carolina.
3. The County Manager, the Director of Finance and any Deputy Director of Finance are hereby designated as representatives of the County to file an application for approval of such proposed installment financing contracts with the Local Government Commission of North Carolina and are authorized to take such other action as may be advisable in connection with the negotiation of such proposed installment financing contracts and the development of the related financing; and all actions heretofore taken by the employees of the County relating to such matters are hereby approved, ratified and confirmed.
4. Each of the Contracts, the Deeds of Trust, the Purchase Contracts, the Liquidity Facility and the Remarketing Agreement, in the form submitted to this meeting, is hereby approved, and the Chairman of the Board, the County Manager, the Director of Finance, any Deputy Director of Finance, and the Clerk to the Board are each hereby authorized and directed to execute and deliver each of those documents, on behalf of the County, with such changes, insertions or omissions as each may approve, the execution thereof by any of them to constitute conclusive evidence of such approval.
5. Each of the Trust Agreements, in the form submitted to this meeting, is hereby approved in substantially such form, with such changes, insertions or omissions as appropriate.

6. Each of the Official Statements, in the form submitted to this meeting, is hereby approved, in substantially such form, with such changes, insertions and omissions as appropriate, and the use thereof in connection with the public offering and sale of the Certificates is hereby authorized.
7. The Chairman of the Board, the County Manager, the Director of Finance, or any Deputy Director of Finance, the Clerk to the Board and the County Attorney are each hereby authorized to take any and all such further action and to execute and deliver such other documents as may be necessary or advisable to carry out the intent of this Resolution and to effect the installment financing pursuant to the Contracts. Without limiting the generality of the foregoing, the Director of Finance or any Deputy Director of Finance is authorized to approve all details of the financing, including without limitation, the amount advanced under the Contracts (which shall not exceed \$170,000,000), the annual principal payments under the Contracts, the interest rates for any fixed rate Certificates, the terms of the Contracts, and the discount below the principal amount of the Certificates at which the Certificates are sold to the Underwriter or the fee paid to the Underwriter. Execution of the Contracts by the Chairman of the Board, the County Manager, the Director of Finance or any Deputy Director of Finance, shall conclusively evidence approval of all such details of the financing.
8. All actions of the County effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the documents referred to above.
9. This Resolution shall become effective immediately upon its adoption.

Commissioner Dan Ramirez seconded the motion and the motion was adopted by the following vote:

AYES: Commissioners Karen Bentley, Dumont Clarke, H. Parks Helms, Norman A. Mitchell, Sr., Dan Ramirez, Jennifer Roberts, and Valerie C. Woodard

NAYS: None

Resolution And Extract Recorded In Full In Minute Book 44-A, Document # _____.

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Commissioner Bishop returned to the dais.

(4) ADVISORY COMMITTEE REPORTS – NONE

(6) MANAGER’S REPORT - NONE

(2A) CLOSED SESSION – CONSULT WITH ATTORNEY

Commissioner Helms noted the Board spent time in Closed Session discussing the appropriate measures the Board should take at this point with respect to the election of a sheriff.

Commissioner Helms said the Board was advised by its legal counsel that it’s important the Board gets as much information as possible to make certain the decision the Board makes is consistent with state law and consistent with what is in the best interest of this community and the administration of justice here in Mecklenburg County.

Commissioner Helms then made the motion below.

Motion was made by Commissioner Helms, seconded by Commissioner Mitchell and carried 7-1 with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, and Roberts voting yes and Commissioner Woodard voting no, to

- (1) That the Board hereby creates an ad hoc committee on the appointment of a sheriff, to consist of two Republican members and two Democratic members, charged to take the following actions:
 - (a) Gather information about the appeals that have been filed with the Democratic Party Council of Review challenging the validity of the actions of the Mecklenburg County Executive Committee taken on December 6, 2007 with respect to the resignation of the Sheriff of Mecklenburg County and the naming of his successor.
 - (b) Examine the various statutes in Chapter 162 and other Chapters of the North Carolina General Statutes which are related to this situation.
 - (c) Gather such other information with respect to this matter as the committee shall deem appropriate.
 - (d) Make such recommendations, in either written or oral form, to the entire Board of Commissioners as the committee deems appropriate.
 - (e) Consult with the County's attorneys with respect to these matters.
- (2) That the County Manager place on the Board's January 2, 2008 agenda an item for the Board to consider whether the Chairman should appoint the members of the committee, or whether the entire Board should vote on the appointment of members to the committee.

Prior to the above vote, Commissioner Woodard expressed her opposition to the motion.

Commissioner Woodard said a process is already in place and that the above motion adds an additional process that's not necessary.

Commissioner Woodard said if this was something the Board desired to do, that it should have been in place at the beginning of the process.

Commissioner Woodard said adding things as you go along isn't fair to either of the candidates and to the candidate that was chosen by the Democratic Party.

CONSENT ITEMS

Motion was made by Commissioner Helms, seconded by Commissioner Bentley and unanimously carried, with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts, and Woodard voting yes, to approve the following item(s) with the exception of Items 13, 20, and 34 to be voted on separately.

(7) APPROVAL OF MINUTES

Approve minutes of Regular Meeting held November 7, 2007, Closed Session held November 7, 2007, Budget/Public Policy Meeting held November 13, 2007, Cancelled Regular Meeting scheduled to be held November 20, 2007, Special Budget/Public Policy Meetings held April 24, 2007 and May 22, 2007, Special Meeting held May 23, 2007 and Recessed meeting held September 25, 2007.

(8) CERTIFICATION OF LOCAL APPROVAL FOR NON-PROFIT ORGANIZATIONS

Authorize the Chairman to sign the “Certification of Local Government Approval for Non-Profit Organizations,” which authorizes the following agencies to apply directly to the North Carolina Department of Health and Human Services Office of Economic Opportunity for FY 2008 Emergency Shelter Grants Program Funding (July 1, 2007 - June 30, 2008): Crisis Assistance Ministry, Charlotte Emergency Housing (Plaza Place), United Family Services Shelter for Battered Women, the Salvation Army Women’s and Children’s Emergency Shelter, the Uptown Men’s Shelter, and Youth Network.

Certificate recorded in full in Minute Book 44-A, Document # _____.

(9) TAX REFUNDS

Approve refunds in the amount of \$3,461.11 and to be made by the Finance Department as requested by the Tax Assessor resulting from clerical errors, audits and other amendments.

A list of the refund recipients is on file with the Clerk to the Board.

(10) DESTRUCTION OF DOCUMENTS – LUESA

Approve the disposal of LUESA (Code Enforcement Department) records and plans in accordance with North Carolina records retention policies.

Note: These records are comprised of 580 commercial plans permitted Sept 2005.

(11) RYAN WHITE MINORITY AIDS INITIATIVE FUNDING (MAI)

1) Recognize, receive and appropriate MAI funding of \$371,535 from the U.S. Department of Health and Human Services, Health Resources and Services Administration under the Ryan White Treatment Modernization Act of 2006 to provide a Substance Abuse Program.

2) Approve the carry forward to the next fiscal year of any unspent grant funds at June 30, 2008.

Note: Substance abuse has been linked to an increase in sexual risk factors placing them at greater risk for HIV infection. Of the 4,364 living AIDS/HIV cases within our TGA region, 21 percent contracted this disease through substance abuse. The goal of the MAI Substance Abuse Program is to effectively connect minority clients who have a dual diagnosis of HIV/AIDS and substance abuse with treatment options. The program seeks to provide continued support during treatment and aftercare, and ensure continued sobriety, treatment adherence and positive medical outcomes. The clients will receive substance abuse treatment services, housing, outreach and education.

(12) DESTRUCTION OF DOCUMENTS – DEPARTMENT OF SOCIAL SERVICES

Approve the destruction of outdated client and fiscal records by the Department of Social Services in accordance with State requirement and applicable County policy.

Note: In accordance with regulations set forth by the NC Department of Health and Human Services and NC Department of Cultural Resources, the Department of Social Services is required to store all confidential client applications, files and fiscal records for established periods of time, during which time all records shall remain accessible to staff and auditors. Once the specific time period for each type of file has elapsed, these files are deactivated and must be destroyed as confidential waste in accordance with the instructions and schedule established by the State. At this time, all records currently scheduled for destruction have been identified and are scheduled to be removed or destroyed on or before January 1, 2008. Reference the State Records Retention and

Disposition Schedule, revised August 2006 by the NC Department of Cultural Resources, Division of Archives and History and approved by this Board at its April 15, 2003 meeting.

(14) EASEMENT ACQUISITION – MCDOWELL CREEK

Approve purchase of a +/- 1.8 acre greenway easement on a portion of Tax Parcel 015-051-09 on McDowell Creek for \$10,800 per acre from B. Alexander and Lillian U. Barnett.

Note: The subject property is located at 7218 Bud Henderson Road in Huntersville and will be incorporated into the McDowell Creek Greenway.

(15) LUESA SOUTH LEASE

1) Authorize the County Manager to negotiate and execute a lease with Emanuel Properties, LLC for office space on Matthews-Mint Hill Road.

2) Appropriate \$256,000 from net assets in the Solid Waste Enterprise Fund and approve transfer of same from the Solid Waste Enterprise Fund to the General Fund.

Note: The County's Land Use and Environmental Services Agency (LUESA) would like to relocate a portion of its staff currently housed at the Hal Marshall Services Center to a site that is more ideally located for customers in the southern portion of the County. The proposed site will provide administrative and meeting space for staff included in LUESA's Ground Water Services, Code Enforcement, Land Development, Property Assessment, and Storm Water divisions. This appropriation will cover the costs of office systems and technology support for the expansion of the LUESA South Office.

(16) TAX COLLECTION CONTRACT WITH THE TOWN OF DAVIDSON

Adopt a resolution authorizing Mecklenburg County to modify the existing agreement with the Town of Davidson to collect real estate, personal property, and other fees and taxes for the town.

Note: Tax collection service is currently provided to the towns of Pineville, Matthews, Mint Hill, Huntersville, and Davidson. The agreements with these municipalities provide efficient service to taxpayers by having one taxing authority to collect town and county taxes. The inter-local agreement with Davidson has been expanded to include the billing and collection of special assessment taxes for an additional cost to cover expenses. This agreement also clarifies that that the tax collector can collect municipal service district taxes and fees, such as a solid waste fee, for the towns.

North Carolina General Statutes 153A-185 through 153A -206 and Chapter 160A, Article 10, Sections 216, 232 and 233 govern special assessment taxes for county and municipal governments. A special assessment is levied for a specific purpose, amount, and term on real estate identified in the assessment role. A special assessment is a lien on property and is enforceable in the same manner as property taxes. Davidson has levied a special assessment to fund street improvements for particular parcels of real estate located on Griffith Street. Upon approval of this agreement, the Mecklenburg Tax Collector will bill and collect these special assessment taxes for the Town of Davidson.

Resolution recorded in full in Minute Book 44-A, Document # _____.

(17) NEW COURTHOUSE PROJECT – SETTLEMENT OF CONTRACTOR CLAIMS

Appropriate additional funding of \$1,461,620 to pay for the settlement of contractor claims on the New Courthouse from General Fund - fund balance.

Note: This funding will pay for the settlement of the Beaubois and R. Bratti claims on the New Courthouse.

(18) APPOINTMENT OF REVIEW OFFICERS

Amend “Resolution Designating Review Officers to Review Each Map and Plat Recorded in the Register of Deeds Office Pursuant to N.C.G.S. 47-30.2” by doing the following:

1. Joseph C. Wilson, Marvin Battle, and Jason Jarrett are hereby designated as a Review Officers in addition to those persons so designated in the Resolution of September 16, 1997, as amended on October 14, 1997, July 14, 1998, April 6, 1999, April 20, 1999, November 3, 1999, December 5, 2000, December 18, 2001, March 5, 2002, August 20, 2002, October 1, 2002, February 3, 2004, September 8, 2004, October 19, 2004, September 7, 2005, January 4, 2006, June 6, 2006, December 5, 2006, March 7, 2007, and November 7, 2007 and the Resolution is accordingly amended to add these names.

2. The name Cynthia E. Carr shall be deleted from the Resolution of December 18, 2001.

Resolution recorded in full in Minute Book 44-A, Document # _____.

(19) ROBERT BRADFORD DISTRICT PARK – SPECIALIZED LIGHTING CONTRACT

Award a construction contract to S & S Electrical Construction Company, Inc. for a total amount of \$754, 500 for Robert Bradford District Park - Specialized Lighting Contract.

(21) NC DIVISION OF WATER RESOURCES GRANT

Adopt the resolution approving a grant application to the North Carolina Department of Environment and Natural Resources, Division of Water Resources.

Note: If awarded, this \$667,000 grant (\$333,000 match) will help fund a \$1,000,000 stream restoration project on Briar Creek between Randolph and Meadowbrook Roads. This work will be performed in conjunction with Mecklenburg County Park and Recreation’s construction of a greenway trail along Briar Creek. The project will improve aquatic habitat and water quality; provide a greenway recreation trail; and enhance and restore the natural and beneficial functions of the floodplain.

Resolution recorded in full in Minute Book 44-A, Document # _____.

(22) REVISIONS TO THE LAND USE & ENVIRONMENTAL SERVICES FEE ORDINANCE AND THE BUILDING-DEVELOPMENT ORDINANCE – SECOND READING

Amend the LUESA Fee Ordinance, providing a permit fee credit structure for the new Sustainable Design Fee Modification Program (“Green Permit Rebate”) scheduled for introduction by the Department January 1, 2008.

Ordinance recorded in full in Minute Book 44-A, Document # _____.

(23) SECURITY SYSTEM UPGRADE – JAIL NORTH (SHERIFF’S OFFICE)

Approve the purchase of an integrated security system upgrade without competitive bidding, as authorized by the sole source exemption of G.S. 143-129(f); and approve a contract with Black

Creek Integrated Systems Corp for the purchase of upgrade to Jail North Security System in the amount of \$387,659.

(24) OLD TORRENCE LYTLE SCHOOL – CONVEYANCE TO THE HISTORIC LANDMARKS COMMISSION

Authorize the County Manager to subdivide Tax Parcel No. 019-093-04 into two parcels (see attached plan), and convey one parcel to the Charlotte-Mecklenburg Historic Landmarks Commission. (This authorization is contingent upon the approval of the subdivision of the parcel by the Town of Huntersville.)

(25) FREEDOM MALL RENOVATIONS PHASE 2 – MECHANICAL EQUIPMENT CONTRACT

Award a construction contract in the amount of \$351,968 to Trane, Inc as a part of Freedom Mall Renovation Phase 2 – Mechanical Equipment.

(26) APPOINTMENT OF INTERIM SOCIAL SERVICES DIRECTOR

Appoint Janice Jackson as the Interim Social Services Director effective January 1, 2008 pursuant to G.S. 108-12.

(27) RIGHT OF WAY PAYMENT TO COUNTY

Recognize and receive funds for communications right of way from Duke Energy, and appropriate funds to a capital reserve project for real estate expenses.

(28) SIX MILE CREEK GREENWAY DONATION

Approve the acceptance of +/- 3.67-acre Tax Parcel 229-031-16 from Centex Homes off Marvin Road for the Six Mile Creek Greenway.

(29) OAKHURST ELEMENTARY SCHOOL – CONVEYANCE OF PROPERTY

Approve waiver of right of first refusal to allow Board of Education to sell a +/- 1.60-acre portion of the Oakhurst campus for realignment of the intersections of Richland Drive/Chippendale Road with Monroe Road.

THIS CONCLUDED ITEMS APPROVED BY CONSENT

(13) FREEDOM MALL RENOVATIONS PHASE 2 – RAISED FLOOR PURCHASE CONTRACT

Motion was made by Commissioner Mitchell, seconded by Commissioner Helms and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts, and Woodard voting yes, to award a purchase contract in the amount of \$138,367 to Haworth, Inc. for the Raised Flooring as part of Freedom Mall Renovations Phase 2.

Commissioner Mitchell removed this item from Consent for more public awareness.

Commissioner Ramirez left the dais and was away until noted in the minutes.

(20) ELECTRICAL RENOVATION AT MCDOWELL PARKING DECK

Motion was made by Commissioner Woodard, seconded by Commissioner Helms and carried 7-0 with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Roberts, and Woodard voting yes, to award a contract to Progress Electric in the amount of \$460,000 for electrical renovation at McDowell Parking Deck.

Commissioner Woodard removed this item from Consent to ask whether the company being recommended was a Small Business. *The response by Matthew H. Stiene, Project Manager, was no. He said because of the uniqueness of the contract the need for subcontractors is very limited.*

Commissioner Ramirez returned to the dais.

(34) JAIL NORTH ANNEX – GENERAL CONSTRUCTION CONTRACT

Motion was made by Commissioner Clarke, seconded by Commissioner Ramirez and unanimously carried with Commissioners Bentley, Bishop, Clarke, Helms, Mitchell, Ramirez, Roberts, and Woodard voting yes, to award a construction contract in the amount of \$8,331,843 to Hendrick Construction, Inc. in connection with the Jail North Annex project.

Commissioner Clarke removed this item from Consent for more public awareness and for clarification regarding the bid process, which was addressed by Doug Buchanan, Project Manager.

Note: The Jail North Annex project includes the construction of a 350 bed housing building and an administration building. The Annex will be used as a temporary measure to address the jail overcrowding issue.

STAFF REPORTS AND REQUESTS

(30) DROUGHT UPDATE

The Board received an update from Charlotte-Mecklenburg Utilities and Land Use & Environmental Services Agency (LUESA) on the current drought.

Rusty Rozzelle with LUESA and Maeneen Klein with Charlotte-Mecklenburg Utilities gave the report.

Note: Even though there have been recent rain events as well as a 30% reduction in water usage, the drought continues in Charlotte-Mecklenburg. The Catawba and Yadkin River basins are in “Severe” and “Moderate” hydrologic drought conditions, respectively. For the Catawba River, we are in stage 3 of the drought response plan.

This is the worst drought in State records.

The drought did not happen over night. It’s been coming upon us for quite sometime because of the lack of rainfall and the warmer and dryer winter and spring months.

A copy of the report is on file with the Clerk to the Board.

(32) NOTICE OF INTENT – SALE OF PROPERTY TO BROOKLYN VILLAGE, LLC

The Board received a staff report regarding terms of the negotiated Agreement of Sale between Mecklenburg County and Brooklyn Village, LLC.

General Manager Bobbie Shields gave the report.

Note:

- *Pursuant to provisions of the non-binding Memorandum of Understanding among and between Mecklenburg County, Spectrum Investment Services, and Cornerstone Real Estate Advisors, Inc. dated January 30, 2007, an Agreement of Sale has been negotiated with Brooklyn Village, LLC and hereby provided to the Board of Commissioners as necessary to comply with procedures regarding the disposition of real property belonging to the County.*
- *Specifically, Mecklenburg County has been duly authorized by (i) Section 5.01 of the Brooklyn Village/Knights Baseball Stadium Interlocal Cooperation Agreement to exercise the City of Charlotte's Charter power to sell real property using the procedure authorized by Section 8.22(d) of the City Charter, and by (ii) N.C. Gen. Stat. § 160A-266, as amended by Session Law 2007-33, to approve and execute agreements of sale using the procedures contained therein if the Board determines that the sale would advance or further any county or municipality-adopted economic development, transportation, urban revitalization, community development, or land-use plan or policy and which statute, as amended, and City Charter provision require the Board to declare its intent to convey the property and publish a notice of such intent and notice of the proposed transaction as stated therein.*
- *The transactions contemplated in the Agreement of Sale for Assemblage is conditions precedent to Brooklyn Village LLC's obligation to purchase the Brooklyn Village parcels. The Assemblage is the site to be purchased by the County for the recently named Romare Bearden Park in Third Ward. The negotiated price for the Assemblage, \$18,947,498, is the same as the price Brooklyn Village, LLC will pay for the Brooklyn Village parcels. On December 4, 2007 The Board adopted a park land acquisition ordinance for the purpose of providing funds to purchase the Romare Bearden Park.*
- *The proposed Agreement of Sale contains the following key provisions:*
- *Property Involved Three (3) parcels of land to be subdivided from Tax Parcels 125-071-20 and 125-071-20*
- *Acreage Approximately 11.33 acres*
- *Purchase Price \$18,947,498*
- *Interest to be Conveyed Fee simple ownership (with deed restrictions)*
- *The County will continue to be responsible for the electrical utilities at Marshall Park as long as the park operates and until such time that the County sells the land to Brooklyn Village, LLC.*
- *Brooklyn Village LLC does not plan to purchase the property until there has been a final unappealable dismissal of Jerry Reese's lawsuit with action prejudice against the plaintiff.*
- *Brooklyn Village LLC also will not purchase until Mecklenburg County acquires the Romare Bearden Park site.*

- *There's an inspection period for Brooklyn Village LLC. They have 120 days after the previously mentioned two conditions precedent has been satisfied. They have 150 days to close after satisfaction of those conditions precedent.*
- *Mecklenburg County will own the architectural plans if the County doesn't sell the site to Brooklyn Village LLC.*
- *To date the developer estimates that they have spent \$1.25 million for those plans and that cost is included in the \$18,947,498, which will be the purchase price.*
- *Under the Seller Covenant the County would be obligated to start rerouting the storm water culvert that's under the Marshall Park site on or before June 1, 2008 unless the County and the developer agree on an alternative location for the culvert, which is being looked at because it's believed that there may be some cost savings by doing this.*
- *The Board approved during the budget process through the 2008 PayGo fund almost \$4 million for relocating the culvert and for site improvement work.*
- *The County is obligated to deposit \$3.2 million in an escrow account to be used to relocate the culvert and for other site improvements.*
- *The County will be responsible for the abatement of asbestos from the Charlotte-Mecklenburg Schools (CMS) Administrative Building after it has been vacated. Funding for this has already been provided.*
- *The Buyer understands that there is a lease agreement between the County and CMS and they are willing to acquire the property subject to satisfying those conditions precedent even while there is a lease between the County and CMS.*
- *The Buyer has committed to building a certain amount of affordable housing units.*
- *The Buyer has agreed to establish a citizens' advisory group, which would include among others, the Chairman of the Board of County Commissioners as a member.*
- *The Buyer has agreed to use a "good faith" effort to have 20% minority participation in the construction of Brooklyn Village.*

Comments

Commissioner Bishop noted his opposition to the proposed land swap since it was originally discussed. He said originally it was just an exchange of property but now it has come to the purchase of property by the County.

Commissioner Bishop also expressed his opposition to the County's authority to engage in private sales.

Motion was made by Commissioner Helms, seconded by Commissioner Mitchell and carried 7-1 with Commissioners Bentley, Clarke, Helms, Mitchell, Ramirez, Roberts and Woodard voting yes and Commissioner Bishop voting no, to adopt a resolution entitled Mecklenburg County Board of Commissioners Resolution Declaring Intent To Sell Property To Brooklyn Village, LLC and authorizing the Clerk to the Board to publish a notice of intent to sell three (3) parcels of land (+/- 11.33 acres) to be subdivided from Tax Parcels 125-071-20 and 125-071-25 to Brooklyn Village, LLC. The parcels are shown as Parcels 1, 2, and 3 on Exhibit A to the attached Draft Agreement of Sale for County Property.

Resolution recorded in full in Minute Book 44-A, Document # _____.

(33) NOTICE OF INTENT - BASEBALL STADIUM LEASE AGREEMENT

The Board received a report regarding terms of the negotiated Lease Agreement between Mecklenburg County and Knights Baseball, LLC.

General Manager Bobbie Shields addressed this matter.

Note:

- *Pursuant to provisions of the non-binding Memorandum of Understanding between Mecklenburg County and Knights Baseball, LLC dated January 31, 2007 a Lease Agreement has been negotiated with Knights Baseball, LLC and hereby provided to the Board of Commissioners.*
- *Mecklenburg County has been duly authorized by (i) Section 5.02 of the Brooklyn Village/Knights Baseball Stadium Interlocal Cooperation Agreement to exercise the City of Charlotte's Charter power to lease real property using the procedure authorized by Section 8.131 of the City Charter, and by (ii) N.C. Gen. Stat. § 160A-266, as amended by Session Law 2007-33, to approve and execute lease agreements using the procedures contained therein if the Board determines that the sale would advance or further any county or municipality-adopted economic development, transportation, urban revitalization, community development, or land-use plan or policy and which statute, as amended, and Charter provision requires the Board to declare its intent to enter into a long-term lease and publish a notice of such intent and notice of the proposed transaction as stated therein.*
- *The Lease Agreement incorporates by reference the Development and Economic Grant Agreement between Mecklenburg County and Knights Baseball, LLC, which has an effective date of November 20, 2007.*
- **Location** *300 South Mint Street and 416 West 3rd Street, Charlotte, North Carolina (bounded by South Graham Street, South Mint Street, West Martin Luther King Blvd, and West Fourth Street)*
- **Acreage** *Approximately 7.8 acres*
- **Lease Term** *Forty-nine (49) years*
- **Lease Rate** *One and No/100 (\$1.00) per year*
- **Use** *Minor League Baseball Stadium*
- **Option to Renew** *Two (2) consecutive renewal periods of twenty-five (25) years each*
- **Special Early Termination.** *Lessee shall have the right to modify the Term as follows:*
 - *Project Construction. Prior to Substantial Completion but no later than the conclusion of the Knights' 2011 baseball season, upon sixty (60) days prior written notice to the County and in accordance with Section 6.5 of the Development Agreement, Lessee may at its option either: (i) postpone exercise of its rights and performance of its obligations under this Lease (but only if Substantial Completion can be achieved by the conclusion of the Knights' 2011 baseball season at the latest), or (ii) terminate this Lease. In the event of such termination of this Lease, neither party shall have any remaining rights or obligations under this Lease as of the date of such termination, except as otherwise expressly set forth herein that specific rights or obligations shall survive such termination*
 - *Economic Hardship.*
 - *Right to Terminate. At any time beginning in the eighth (8th) year following the first full season a Professional Baseball Team plays its Home Games in the Stadium in accordance with Section 4.7.1 hereof, the Lessee shall have the right to terminate*

this Lease if the condition set forth in Section 3.5.2(b) below shall exist. If the condition set forth in Section 3.5.2(b) exists in any two repeat successive baseball seasons (commencing with the 8th and 9th seasons of play within the Stadium in compliance with Section 4.7.1 hereof), then Lessee shall notify the County in writing of its election to terminate this Lease in accordance with this Section and satisfaction of the condition noted herein within sixty (60) days following the conclusion of the second such successive season and deliver to the County the information required under Section 3.5.2(c) with respect to the applicable seasons.

- *Condition to Termination Right. The Lessee shall not have the right to terminate this Lease pursuant to this Section 3.5.2 unless the following condition is met: paid attendance for Knights baseball Home Games during a Knights season is less than 430,000.*

Attendance and Other Information. As required under Section 3.5.2(a), the Lessee shall provide to the County, for each season for which Lessee has notified the County of the existence of the condition set forth in Section 3.5.2(b), attendance information and any other information reasonably required by the County to verify the existence of the condition so noted.

Use of Property – 4.2 Commercial Development. Subject to Lessee’s completion of construction of the Stadium, Lessee will be entitled to develop on that portion of the Stadium Site not required for the operation of the Stadium, restaurant, retail and other commercial development that may be open for business at times other than Stadium Events and that will, in the County’s reasonable judgment, promote street level activity in the area around the Stadium, and may include residential development (the “Commercial Development”). All Commercial Development will be subject to the County’s prior written consent to the extent provided in Article 8 of this Lease and as more fully described in Article V of the Development Agreement. Lessee will be solely responsible for and timely pay all costs associated with designing, developing and constructing the Commercial Development, and will be solely responsible for the costs and expenses of owning, managing, maintaining, leasing and operating the Commercial Development. Lessee will be entitled to all revenues and responsible for all losses and liabilities generated by its ownership, maintenance, leasing and operation of the Commercial Development during the Term of this Lease. Fee simple ownership of the Commercial Development and all improvements constructed or otherwise located thereon will revert to and vest in the County upon the expiration or earlier termination of this Lease for any reason.

4.6 If Baseball Ceases Being Primary Use. The failure, at any time during the Term of this Lease, of the Stadium and the Stadium Site to be held and used primarily and continuously for the operation of a professional baseball stadium and the conduct of Professional Baseball Games, shall be an Event of Default by Lessee hereunder entitling County to the rights and remedies set forth in Article 17 herein below (except if such failure is due to a Non-Relocation Default, in which case the exclusive remedies set forth in Section 4.9 herein shall apply), including without limitation the right to terminate this Lease for such Event of Default, whereupon all rights in the Stadium Site and ownership of the Stadium Project shall revert to and be vested in the County; provided, however, the development, ownership, leasing and operation of the Commercial Development and other uses set forth specifically in Article 4 shall at all times be a permitted use.

4.7 Commitment to Play in Stadium.

4.7.1 Covenant to Play in Stadium. As a part of Minor League Baseball game scheduling, approximately fifty percent (50%) of the Team’s baseball games will be designated as home games (“Home Games”). In consideration of the undertaking by the County to provide the Economic Grant, as set forth in the Development Agreement, Lessee hereby covenants and agrees to play all of its Home Games in the Stadium throughout the period of time that commences upon the Opening Date of the Stadium and continues through the full and final payment to Lessee of the total amount of the Economic Grant (the “Non-Relocation Period”), provided that during each Minor League Baseball season Lessee shall be entitled to play exhibition games and up to five (5) of its Home Games at a location other than the Stadium. County’s sole remedies for Lessee’s breach of the covenant set forth in this Section 4.7.1 shall be as set forth in Sections 4.9 and 17.4(a) hereof

It was noted that there is a “non relocate” period after the stadium has been built which means that the Knights would not be able to relocate the team for up to 20 years, unless major league baseball establishes a franchise in the area; at which point and time, there would be some renegotiations regarding what major league baseball might mean and its impact on minor league baseball. This is consistent with the terms of the economic development grant that the Board previously granted to the Charlotte Knights.

4.9 Non-Relocation Defaults and Remedies.

4.9.1 Non-Relocation Default. Provided that this Lease has not otherwise been terminated, the occurrence of any of the following shall be a “Non-Relocation Default” by Lessee: Any failure of the Franchise to play its Home Games in the Stadium throughout the Non-Relocation Period to the extent required in Section 4.7.1; or

Any transfer, assignment, surrender or other modification of Lessee’s Minor League Baseball Membership or its Franchise (except in order to attract a sanctioned Major League Baseball franchise to the Charlotte, NC metropolitan area, as described in Section 4.8.1 herein and a Major League Baseball franchise locates in Charlotte, NC) that results in the Franchise no longer playing or being able to play Professional Baseball Games in the Stadium during the Non-Relocation Period, including without

limitation any such action that is taken between the Effective Date hereof and the commencement of the Non-Relocation Period.

4.9.2 Remedies for Non-Relocation Default. *In the Event of any Non-Relocation Default, the County shall have the option to pursue either or both of the following remedies, and no other remedies without any notice or demand whatsoever:*

The County may recover liquidated damages pursuant to Section 4.9.3 hereof; or The County may terminate this Lease in accordance with Section 17.2, herein.

4.9.3 Liquidated Damages. *The County and Lessee also recognize, agree and stipulate that the financial, civic, and social benefits to the County from the presence of Lessee and the playing of its Home Games in Charlotte, North Carolina by the Team, to the extent provided in this Lease, are great, but that the precise value of those benefits is difficult to quantify. Additionally, the County and Lessee recognize and acknowledge that if Lessee ceases playing its Home Games in the Stadium, the County shall be forced to bear all losses that are likely to occur as a result of Lessee’s failure to play its Home Games in the Stadium. Accordingly, the magnitude of the damages that would result from the occurrence of a Non-Relocation Default would be very significant in size but difficult to quantify including, without limitation, damages to the reputation and finances of the County. Therefore, the County and Lessee agree that in the event of a Non-Relocation Default including, without limitation, any breach arising pursuant to the provisions of Section 365(g) of the Bankruptcy Code or similar provision of any successor thereto, the County shall be entitled to recover from Lessee the following sums, which are stipulated to be reasonable estimated damages in the event of a Non-Relocation Default, as reasonable liquidated damages and not as a penalty:*

Year	Grant Amount	Discount Rate	1/(1+i)^n Discount Factor	Grant Discounted	Grant PV	Grant Remaining	Accumulative Grant Amount	Non-Relocate Liquidated Damages
0						\$8,000,000		
1	\$830,035	8.25%	0.923788	\$766,776	\$766,776	\$7,233,224	\$830,035	\$788,533
2	\$830,035	8.25%	0.853383	\$708,338	\$1,475,114	\$6,524,886	\$1,660,070	\$1,494,063
3	\$830,035	8.25%	0.788345	\$654,354	\$2,129,468	\$5,870,532	\$2,490,105	\$2,116,589
4	\$830,035	8.25%	0.728263	\$604,484	\$2,733,952	\$5,266,048	\$3,320,140	\$2,656,112
5	\$830,035	8.25%	0.672760	\$558,415	\$3,292,367	\$4,707,633	\$4,150,175	\$3,112,631
6	\$830,035	8.25%	0.621488	\$515,857	\$3,808,223	\$4,191,777	\$4,980,210	\$3,486,147
7	\$830,035	8.25%	0.574123	\$476,542	\$4,284,765	\$3,715,235	\$5,810,245	\$3,776,659
8	\$830,035	8.25%	0.530367	\$440,223	\$4,724,989	\$3,275,011	\$6,640,280	\$3,984,168
9	\$830,035	8.25%	0.489947	\$406,673	\$5,131,662	\$2,868,338	\$7,470,315	\$4,108,673
10	\$830,035	8.25%	0.452607	\$375,679	\$5,507,341	\$2,492,659	\$8,300,350	\$4,150,175
11	\$830,035	8.25%	0.418112	\$347,048	\$5,854,389	\$2,145,611	\$9,130,385	\$4,108,673
12	\$830,035	8.25%	0.386247	\$320,599	\$6,174,987	\$1,825,013	\$9,960,420	\$3,984,168
13	\$830,035	8.25%	0.356810	\$296,165	\$6,471,152	\$1,528,848	\$10,790,455	\$3,776,659
14	\$830,035	8.25%	0.329617	\$273,593	\$6,744,746	\$1,255,254	\$11,620,490	\$3,486,147
15	\$830,035	8.25%	0.304496	\$252,742	\$6,997,488	\$1,002,512	\$12,450,525	\$3,112,631
16	\$830,035	8.25%	0.281289	\$233,480	\$7,230,968	\$769,032	\$13,280,560	\$2,656,112
17	\$830,035	8.25%	0.259852	\$215,686	\$7,446,654	\$553,346	\$14,110,595	\$2,116,589
18	\$830,035	8.25%	0.240048	\$199,248	\$7,645,902	\$354,098	\$13,894,340	\$1,389,434
19	\$830,035	8.25%	0.221753	\$184,063	\$7,829,965	\$170,035	\$13,894,340	\$694,717
20	\$830,035	8.25%	0.204853	\$170,035	\$8,000,000	\$0	\$13,894,340	\$0

The County and Lessee hereby acknowledge and agree that they have negotiated the above amounts in an attempt to make a good faith effort in quantifying the amount of damages due to a Non-Relocation Default despite the difficulty in making such determination. Accordingly, such liquidated damages and the County’s right, at its option, to terminate this Lease shall be the sole and exclusive remedies of the County and all Persons claiming by, through or under the County. The County hereby waives all other remedies arising directly or indirectly from a Non-Relocation Default or any termination of this Lease arising out of any such Non-Relocation Default.

It was also noted that if there’s litigation associated with the baseball stadium, the team, or any of the operation, if during the litigation Mecklenburg County decides that it no longer interested in trying to pursue the litigation or to “fight” the litigation, then Mecklenburg County could decide to terminate the agreement unless the Knights ask the County to continue to pursue the litigation until there is an unappealable end of the litigation. The County wanted this in the contract because it did not want to be in a situation where the County defended litigation and after going through the process the Knights decide they did not want to build or were not going to play. If the Knights did this then they would be responsible for the County’s legal fees. This is a way for the County to

assure that the Knights are “in the game” and committed to spend the money to build the stadium, “to play and to stay.”

The Knights will be responsible for paying property taxes, real and personal property, including property taxes on the leasehold estate.

This is a non-subordinated ground lease.

It is intended that Substantial Completion of the Stadium be completed no later than the opening of the 2009 baseball season, but with the right of the Knights, under certain circumstances to extend the outside date for Substantial Completion, but in no event shall Substantial Completion occur later than July 1, 2012.

A copy of the proposed lease is on file with the Clerk to the Board.

Comments

Commissioner Bishop said on December 4, 2007 the Board met in Closed Session on the recommendation of staff regarding the content of the lease agreement with the Knights and at that point what was discussed was an issue Commissioner Ramirez had raised in public at the time the baseball stadium lease concept was approved. He said what Commissioner Ramirez moved and it was supported by a majority of the Board was that the Knights would provide adequate security to the County in the event the deal went “bad.”

Commissioner Bishop said what was recommended to the Board to make that effective was to not only have the Knights make that obligation, but for the Knights owner, Mr. Beaver, to guarantee it, or otherwise, for the County to be furnished security/collateral, in order to make those guarantees effective.

Commissioner Bishop said staff’s recommendation was not approved on a party line vote.

Commissioner Bishop said he doesn’t think the County has done any evaluation of the financial strength of the Knights.

General Manager Shields said the Knights have provided the County with information about their sales but it’s confidential.

General Manager Shields noted that in the development agreement, which the Board has approved, the Knights are obligated to provide evidence of the availability and the actual financing that they will achieve. General Manager Shields said the Knights are going through a process now to get financing for the stadium and that information will be available to the County.

Commissioner Helms in response to Commissioner Bishop’s comments, said staff was asked to take reasonable steps to protect the County in connection with the lease agreement with the Knights.

Commissioner Helms said it was recommended in an earlier proposed agreement presented by staff, to require the owner of the Knights, Mr. Don Beaver, to personally guarantee that in the event the project was not substantially complete and had to be terminated, that he would personally guarantee that the project would be demolished and Third Street would be put back.

Commissioner Helms said this was discussed in Closed Session as a part of the negotiation process and that he and Commissioner Bishop disclosed to the media after coming out of that closed session that he was the Commissioner that suggested the motion to delete that requirement of Mr. Beaver, because he felt it was unreasonable.

Commissioner Helms went on to say that this transaction has been negotiated by “good” lawyers over many months. He said the Charlotte Knights and Mr. Beaver are investing

“upwards” of \$40 million of their money into this project. He said to suggest that in addition to that investment Mr. Beaver also makes a personal guarantee, in his opinion, is “unreasonable.

Commissioner Helms said it didn't apply to any other of the sport franchises in the community and it should not in this case either.

Commissioner Bentley asked with respect to the Knights projected attendance, what's their current attendance numbers. *General Manager Shields said he could not recall their total annual attendance but that the Knights expect that number to double and that the 430,000 mentioned in the agreement is less than that double amount.*

Commissioner Bentley asked if staff knew the model the Knights used to project their attendance. *The response was that it's their estimation based on population, attendance patterns in other cities, expected ticket sales compared with their ticket pricing. Also, that when you're in an urban setting office workers tend to come out to ball games in the mid or early afternoon or evening.*

Commissioner Bentley asked for clarification with respect to substantial completion and staff's rationale for extending that date. *The response was it was done because there is a degree of uncertainty with regards to the ability to move ahead unencumbered and staff recognizes that.*

General Manager Shields said when staff first came to the Board the plan was for the County to participate in doing some infrastructure work but it was quickly realized that because of the Knights' schedule and timing that the County could not make that happen quickly enough to get out of the Knights way so that they could be ready to play in 2009. He went on to say that staff thought it would have this process completed around July or August which would have allowed the Knights enough time, but because of delays the Knights are now on a very tight timeframe and the hope is to be ready by 2009 but it may not occur.

Commissioner Bentley said she would still like information on how the Knights came up with their attendance projection of 430,000.

Commissioner Ramirez said he disagreed with Commissioner Helms' comment that it's unreasonable to ask for a personal guarantee.

Commissioner Ramirez said he's supporting the proposed lease agreement because he's comfortable with the liquidated damages section. Commissioner Ramirez said he wanted to make sure the County and the taxpayers were protected. He said it's not what he was looking for exactly, but he's okay with what has been negotiated.

Commissioner Clarke asked Attorney Bethune to explain why he asked the Board to discuss these negotiations in Closed Session.

Attorney Bethune said he was seeking advice from the Board to be used in a negotiation.

Attorney Bethune said you can't negotiate with someone in public and that he was providing the Board with options. He said the Board had a number of options one of which was to say to Mr. Beaver “we won't do this deal unless you keep this provision in.” Another option was to say to Mr. Beaver “we're willing to move forward with this document without this provision.” Attorney Bethune said there are also options in between. He said he could have been given instructions to negotiate for one thing but be willing to settle for something less. Attorney Bethune said you can't give instructions to someone in public within those kinds of parameters and expect them to be successful in negotiations. He said if it had been a question of yes or no without any options on either side, then it probably could have been done in open session, but since there was room in between those two options where he could be given some instructions, he thought it was best to discuss the matter in closed session, so he could adequately represent the Board during negotiations. He said the Board is authorized by statute to discuss this type of matter in closed session.

Motion was made by Commissioner Helms, seconded by Commissioner Mitchell and carried 7-1

with Commissioners Bentley, Clarke, Helms, Mitchell, Ramirez, Roberts and Woodard voting yes and Commissioner Bishop voting no, to adopt a resolution entitled Mecklenburg County Board of Commissioners Resolution Declaring Intent To Lease Property To Knights Baseball, LLC and authorizing the Clerk to the Board to publish a notice of intent to enter into a long-term lease agreement between Mecklenburg County and Knights Baseball, LLC for the operation and maintenance of a baseball stadium on County land located in Third Ward.

Resolution recorded in full in Minute Book 44-A, Document # _____.

Commissioner Helms left the meeting and was absent for the remainder of the meeting.

(31) MATTHEWS SPORTSPLEX MASTER PLAN ADOPTION

Motion was made by Commissioner Mitchell, seconded by Commissioner Clarke and carried 7-0 with Commissioners Bentley, Bishop, Clarke, Mitchell, Ramirez, Roberts, and Woodard voting yes, to approve the Matthews Sportsplex Master Plan design concept developed by Woolpert, Inc. and authorize staff to proceed with construction drawings.

The plan was presented by Lee Jones with Parks and Recreation and Andrew Pack with Woolpert, Inc.

A copy of the presentation is on file with the Clerk to the Board.

COUNTY COMMISSIONERS REPORTS AND REQUESTS

COMMISSION COMMENTS – General comments were made at this time by various Commissioners regarding upcoming events and/or events they attended, as well as, other matters which they deemed note worthy.

ADJOURNMENT

Motion was made by Commissioner Ramirez, seconded by Commissioner Bentley, and carried 7-0 with Commissioners Bentley, Bishop, Clarke, Mitchell, Ramirez, Roberts, and Woodard voting yes, that there being no further business to come before the Board that the meeting be adjourned at 9:41 p.m.

Janice S. Paige, Clerk

Jennifer Roberts, Chairman