

The City Council of the City of Charlotte convened for a Special Meeting on the Budget on Monday, June 25, 2012 at 1:39 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Foxx presiding. Councilmembers present were John Autry, Michael Barnes, Patrick Cannon, Warren Cooksey, Andy Dulin, Claire Fallon, David Howard, Patsy Kinsey, LaWana Mayfield and Beth Pickering.

**ABSENT:** Councilmember James Mitchell

Mayor Foxx said I don't know that there are words to introduce what we are about to do, but I will say that it does feel like déjà vu all over again. This process is one that hopefully helps us towards some kind of consensus on the budget. One thing that has not been mentioned this far and I will mention it downstairs as well, is that this Council owes a great thanks to our staff. City staff going back a year has worked to build this budget around Council directed priorities, Council directed directives to be bold and they have come back with a proposal that really makes some changes in the way the City would approach our capital program. We are where we are so why don't we just get started cut the fanfare.

[ Motion was made by Councilmember Kinsey, seconded by Councilmember Howard, to adopt ]  
[ the plan we received on Thursday that would set the tax rate at 3.16 and is Proposal #4 in ]  
[ your packet. ]

Ms. Kinsey said this proposal would reduce the CIP by \$129 million and lower the recommended property tax increase from 3.6 to 3.16. It would total defer the 2018 bond cycle and any associated funding components. That would of course be taken up by a future Council. It would cover three bond cycles, 2012, 2014 and 2016. If you go line by line, for those of you who are interested in doing it, it would leave in the Airport West Corridor, both of those roads, it would delete or actually defer, this is just from the 2018 Plan, the Idlewild Road/Monroe Road intersection at \$4 million, it would delete or defer the I-85 North Bridge project at \$15 million, that would be \$3 million from 2012 and \$12 million from 2016. It would delete the UNC Charlotte Informatics and Innovative Partnership at \$10 million, it would delete the \$4 million for future fire station property, it would delete the Sweden Road Maintenance Yard Replacement at \$21.75 million and also the Northeast Equipment Maintenance Facility at \$8.25 million. It would also defer or cut the sidewalk and bikeway improvements by \$2 million. That is the 2018 portion of it. It would still be in it at \$6 million. It would cut or defer sidewalks and pedestrian safety, the 2018 portion which is \$15 million, it would still be in at \$45 million. It would cut or defer the traffic control and bridges by \$14 million. It is still in at \$34 million. It would delete or defer comprehensive neighborhood improvement program by \$20 million, the 2018 bond, but it still has \$100 million in there. It would also lop off the 2018 amount for affordable housing which \$15 million, leaving a total of \$45 million. What was reallocated because we think it is important that they continue to be in the CIP is the Northeast Corridor Infrastructure. We just shifted whatever was in 2018 back into one of the other bonds so it remains the same so the total is unchanged. We kept all six police stations in so the total for those remains unchanged as well. Let me add this, the net City/County tax, we keep talking about the County is reducing, trying to get close to the amount that they are reducing. Actually the net between the two is only .57%.

Councilmember Howard said anybody that I have talked to about this process knows from the beginning I feel like I have done what was required of me. I sat through meetings, I listened to alternatives and I felt like up till three weeks ago we had all done that, but I know that is neither here or there now. Even on this plan other folks will tell you that I was the last one that came kind of kicking and screaming because I think I still feel like we were supposed to be able to deal with the 3.6 recommendation from the Manager. The only reason I am okay with the way this is set up is because it continues in principle what we all said three weeks ago because what it does, it pushes out 2018 and leaves that to Council in several years to come back and say here is another list and here is our capital needs and we can go from here. It also pulls in the things that are near and dear to my heart and I've fought at this dais and downstairs in every meeting I could go to since I got elected, for every piece of the mass transit plan that I could, whether it be the Red Line, Blue Line, you name it. To me it all about building the system so it keeps that money in as well as continues to pursue putting police stations all over the community. I just wanted to share with my colleagues why I came along with this plan. It is not something that I think we should do the 3.66, I still do, but if this is where we are today, this plan actually keeps as much

of that original plan together as possible so that we don't get into playing politics with whose district loses this or whose district loses that. It stays very close to the plan staff put in front of us and we all said we were okay with three weeks ago. I just wanted to explain why I was okay with the way this was laid out.

Councilmember Autry said I would have to echo most of what my colleague Mr. Howard has shared with everyone. It still has potential of being transformational which certain parts of our City are in dire need of. I know that there are parts of the City that have been planning on the aspects of this plan and have been spending money to accommodate the plan for some time. There are other parts of the City that have ... to the inevitability that there will not be a light rail running down the center of Independence Boulevard. The Urban Land Institute study gave us some hope for rail transportation on the eastside in the form of a streetcar. Infrastructure that we need, that economic development could be catalyzed from, but in the sake of compromise and trying to come to some determination to get a plan in place I can certainly buy onto this plan of the 3.16.

Councilmember Mayfield said I guess this is really an ask for all of my colleagues if we are here to really have a real conversation so that we don't move forward and then later say we didn't have the conversation I would like to hear, since we are going to have three different proposals that were submitted to staff that everyone hasn't drawn a line to say I'm only here to push the plan that I support. I would like to hear from my colleagues anything they have to say regarding this 3.16 proposal that has been submitted because we have three different proposals here. My biggest, and even though I don't like to move in the spirit of fear, my fear is this process is creating this wedge and a level of discourse and a conversation that not being had that I'm hoping that today, now and prior to this evening when we have the vote that we can actually have a real conversation together and not two people, three people, five people, six people that we can really as a collective dais of eleven elected officials who are all hoping I believe, and I believe we are around this table for the betterment of our City and not for ourselves individually. I would like to hear whatever comments since we've had this week-end to look at each other's proposal because I know I'm going to have some questions when the other proposals come out and I would like to hear from those that are not part of the five of us that submitted this 3.16 which is down from the 3.6 that was initially proposed by the City Manager based on the direction that we gave.

Councilmember Cannon said can you give us the perspective on why the cut for Informatics and Innovation Partnership from UNCC?

Ms. Kinsey said well we were just trying to cut and what we were looking at was where can we cut and tried to do a little prioritizing.

Ms. Mayfield said for me was we initially had the straw votes, even though that process you needed to have five votes in order for it continue to the next conversation, that was one of the items that I put up, even though there wasn't support behind it, just because that is a piece that I see, even though I think it is important, that is one of those pieces that I don't necessarily see right now as a transformational piece for the community at large. I think it would be great, but I also think that is something the school through the private sector could direct, which is why I initially put it up on the board and why when we had discussions of things to put on here, because if you notice there is a number of projects that is within District 3 of which I said there is not a whole lot of money in my area anyway on this, but there is a couple of projects that fall, the Sweden Road and some other things that fall in my area that I also said okay if we need to bring something to table in the spirit of collaboration, then that is what I would do so that is why I would like to hear from the other members what do you think about the proposal.

Councilmember Howard said for me it was a little bit more just kind of straight forward. The highest budget number that we got from anybody else was Mr. Barnes' 3.2 and in just magnitude of trying to figure out what was important and what wasn't important I think for me it said that we were trying to meet that number by getting a little bit below it. That is where it was for me, now mind you, I think it will be great and if we can come around something and if that is the only thing you want to add back to this I'd be more than happy to do that. It was just in the spirit

of trying to get down to around the number that seems to be the highest for one of my colleagues from me.

Councilmember Barnes said I wanted to respond to Ms. Mayfield's question. Ms. Mayfield, I quite candidly believe that my response to the proposal is another proposal that is a 2.41 cent increase. I heard Mr. Howard on June 11<sup>th</sup> talk about the 2.44 decrease by the county and that our increase should be somewhere near that and I have sent four and perhaps five scenarios to the group and Mr. Howard they have ranged from 2.32 cents to 3.25 cents and my response is that there are additional changes we can make and I am looking forward to discussing those changes in a few minutes.

Ms. Mayfield said but no comments on this one?

Mr. Barnes said other than I disagree with it, no.

Mr. Howard said can you elaborate on what parts of it?

Mr. Barnes said it does not contain sufficient cuts Mr. Howard. I think that the cut to the UNCC Partnership Informatics is ... because Informatics has the potential to create a tremendous amount of economic opportunity in this community, certainly along the Blue Line and certainly near UNCC and on the campus. I think that is a small investment to make in light of what I believe will ultimately flow from it. That adjustment for example, I would not have made. Again I had rather vote on this proposal and talk about the other one.

The vote was taken on the motion to adopt Proposal #4 and was recorded as follows:

YEAS: Councilmembers Autry, Howard, Kinsey and Mayfield.

NAYS: Councilmembers Barnes, Cannon Cooksey, Dulin, Fallon, and Pickering.

[ Motion was made by Councilmember Barnes on a document that you will have before you ]  
[ that reflects a tax of 2.41 cents per \$100 of valuation. Councilmember Fallon seconded the ]  
[ motion. ]

Ms. Mayfield said I don't see a 2.41 Michael.

Mr. Barnes said you all don't have it. If you will look at the package you do have that has Proposal #1 – Barnes, that provides for a funding adjustment of a reduction of 29.1% from the Manager's recommended budget or a reduction of \$269.3 million. In addition to the information provided there what we have subsequently done is add back the South Division Office of CMPD, we've also added back \$8 million to affordable housing which ultimately provides for the information that you all don't have but that provides for a cut of 27.2% or \$252.3 million and it funds a CIP of \$674 million. Within that document we have the following eliminations or adjustments: the streetcar of \$119 million is eliminated.

Ms. Kinsey said Michael can you go down the list?

Mayor Foxx said can we get a copy?

Councilmember Cannon said I've already asked.

Ms. Mayfield said we have a copy.

Mayor Foxx said I haven't seen a copy.

Mr. Barnes said if you will look at what you do have what I am reading to you is in front of you except for two things.

Ms. Kinsey said it is still not in order.

Mr. Barnes said if you will allow me to continue I might get through the list.

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Mr. Cannon said Mr. Mayor staff is making copies.

Mr. Barnes said the first elimination is the streetcar at \$119 million; the second elimination is the Cross Charlotte Trail at \$35 million; the third elimination is the Sweden Road Maintenance Facility at \$21.8 million; the fourth elimination is the Northeast Maintenance Facility at \$8.2 million; the fifth elimination is the Public/Private Redevelopment Opportunity fund at \$20 million; the sixth elimination is the I-85 North Bridge at \$15 million; the seventh elimination is the Park South Drive Extension; the eighth is the Southern Dixie Berryhill Infrastructure at \$13 million and the final elimination or adjustment is to reduce the Affordable Housing allotment from \$15 million per cycle to \$12 million per cycle and we are still aiming to maintain the four-year bond cycle, 2012, 2014, 2016 and 2018.

Mr. Howard said I don't think we should vote on anything until we all have copies of exactly what he just said in front of us.

Mr. Cannon said in the meantime I thought it was important that we put back into the plan the South Police Division Station even though I thought it was admirable of Councilmember Cooksey to offer that up as have some of the other District Reps for their own respective districts. I think it is important to this community on the side of public safety that we do all we can to make sure that we are trying to care for our community accordingly across the board. In that last proposal you had asked if there were any other questions about it that concerned any of us. There happen to be a lot of public safety pieces to it that were going to be eliminated that I think we should continue to have in place, which is one reason I couldn't get on board with it. The other piece relative to affordable housing and trying to make sure that we are making every concerted effort toward producing housing across the board in this community, we had some discussion about that and thought it would make more sense to have a lesser impact on making sure that we aren't short changing that area as well so that is where you've seen two areas where I had some major concerns about us either eliminating too much or cutting all the way out. I think some headway has been made there and I would hope as we look at this we will continue to talk about it and hash out any other issues or concerns from the proposal that has been presented today.

Ms. Kinsey said I would like to know exactly which public safety items you are referring to so I can explain if I can.

Mr. Cannon said sure, one would be the sidewalk and bikeway improvements for \$2 million. The other would be the sidewalk and pedestrian safety at \$15 million. The other would be traffic control and then there is fire station land at \$4 million. It would be the top three that you have in your bond cycle.

Ms. Kinsey said those were in the 2018 and as I mentioned we had just lopped off the fourth referendum. It is not really cutting back during those three, it is extending out because another Council will come and take care of that. That was our effort to make reductions so those were just the 2018. They are not cuts but just pushing them out.

Mr. Cannon said bringing those in more closely I guess is more appropriate to say is probably where I would like to be, but again we are trying to get through all of this as we message it accordingly. Thank you for pointing that out.

Mr. Howard said just to respond to Mr. Cannon's comment about affordable housing, that is not what we did at all. Matter of fact our proposal leaves it at \$15 million per year.

Mr. Cannon said I wasn't speaking to yours. It was Councilmember Barnes' adjustment, I was making reference to the changes we had been making along the way. I know where you all are I got that piece.

Mayor Foxx said so we are waiting on a physical copy of this.

Mr. Autry said eliminating the streetcar in this proposal, if we are looking for projects that can be transformational to certain parts of the City, help me understand how eliminating the streetcar and the plan would still be transformational to the eastside and the Westside.

Mr. Barnes said Mr. Autry I think that one, there are even without the streetcar there are about \$100 million worth of investments being made in east Charlotte in this package and prior commitments to the County that Council has made for east Charlotte. Secondly, I just don't believe that the streetcar is a good investment. I never have. I have been willing to explore the potential of it. A year before you joined us I had asked staff to explore funding options, they explored an MSD a TIF and none of that proved to be very useful with respect to the streetcar. Once it became clear that the funding source for the streetcar, both operating and capital would be the property tax I couldn't keep following along and what you see in this budget is a recognition by me and others that while the streetcar is viewed by some as a transformational tool for east Charlotte and west Charlotte I believe we are making other investments in both east Charlotte and west Charlotte that will help revitalize those areas where needed and I don't think that \$120 million for the streetcar is an appropriate use of property tax funds.

Mr. Autry said but isn't it public transportation sir?

Mr. Barnes said it is public transportation and if you want to me take it a step further I would highlight for you that on June 14<sup>th</sup> I made a proposal to some of our colleagues that involved a mere delay of the streetcar and that was rejected out of hand so because the delay of it was rejected out of hand rather than put the taxpayers of this city through the expense of paying for it I and others have chosen to delete it from this budget.

Mr. Howard said Councilmember Mayfield alluded to this a little while ago and I guess it is the elephant sitting in the middle of the room, but this is a really, really, really tense conversation whether the people in the audience realize it or not and I want to make sure that I am as respectful as I can and be honest with you guys that this feels – well anyway. Michael, we had conversations about this ourselves and one of the things I asked you and I do ask you to maybe do this, you've shared with me how you feel about it, why is investment in the Blue Line Extension or the Blue Line itself any more important to the University area than the streetcar would be to the east and west side. One is a billion dollars and my argument when we talked about this was it is about building the full system to me because there needs to be some type of service that goes east/west just not north/south and the 2030 Plan actually calls for not only this streetcar to be the one that will serve east/west and eventually two on the east side if we keep going the way we are going, but eventually it is the rail service to the Airport. We are building it for the full City, we are not building just one part of it. I think I would like to hear a little bit more about why was one part of it more important than the other? This is a system we are building.

Mr. Barnes said I understand. Let me respond to the first part of what you were saying Mr. Howard. While there is some tension among us I think that we all know we were elected to do what we think is in the best interest of Charlotte and I'm not mad at you and you and I have had this conversation, I'm not mad at your for disagreeing with me, I'm not mad at Ms. Mayfield, Mr. Autry or any of you guys because I think we honestly have fundamental disagreements about the budget. I would highlight for you Mr. Howard that in scenarios 3 and 4 that I provided to the Council on June 14<sup>th</sup> the streetcar was merely delayed not eliminated and you all rejected that out of hand. Additionally, the reason I think the Blue Line is different in terms of its benefit in Ms. Kinsey's District and mine is that one it is part of a partnership among the local government, the state government and the federal government and we made similar investments, the SKIP investments along the South Corridor because we recognized that it is important to improve the corridor itself if you are going to have a successful light rail line, so from that respect I think it is somewhat different. The point I'm trying to make to you is, I actually made an effort on paper to arrive at a conclusion that would be agreeable to people and all of my proposals were rejected and so what we came back to you was the one that is before you now at 2.41 cents or a reduction in the original proposal of \$252 million. I feel like I made every effort to work with you and everybody else by presenting these options that by the way range from at that time a 2.5 cent increase up to 3.25 so that demonstrated a willingness I think on my part to even go up obviously higher than where we are now. Ultimately I think that we are not going to be able to get

everything we want out of this budget. We are, as Mr. Cannon alluded to, providing for \$56 million for six new Police sub-divisions or Division Offices among other things, but unfortunately I don't think we are going to agree on the fundamentals of the streetcar.

Mr. Howard said fundamentals of building out a complete system then. So how do we continue to make true the mass transit plan because the Blue Line and the Blue Line Extension are not in those themselves the answer to all of our needs going forward. We still have to deal with the fact that we need to deal with the rest of the system. I think it is a predawn conclusion, everybody at this table knows that the way the federal government is approaching mass transit money is different so the scenario that we put in place and I think even the ULI plan that Mr. Autry alluded to recognizes that it is just not the same place, it is not the same system partnerships we had in place when we started the 2030 Plan some years ago. I'm actually saying that it is still incumbent upon us to figure out how do we move the rest of the system forward.

Mr. Barnes said right Mr. Howard, and what I'm suggesting to you is that I don't believe it is right to say that our solution to resolving the funding crisis with respect to the streetcar is to dip into the property tax for construction and operation.

Mayor Foxx said is it okay for the Blue Line?

Mr. Barnes said that is a precedent you set with the South Corridor. It was done there with respect to the corridor improvements. To my knowledge it was not used for operating and construction of the line.

Mayor Foxx said Mr. Manager is that the case with the Blue Line Extension.

**City Manager, Curt Walton** said it was not the case on the South Line, it is the case on the Extension. We have in fact \$20 million NECI money that has been approved by voters before they have gone actually into the construction of the billion dollar or the equation of the billion dollars that are being leveraged at the state and federal level. We had that and also the annual maintenance of effort which is about \$19 million had to grow in order for us to meet the financial standards for the Blue Line Extension. As a percentage it is not great, but there are property tax dollars or general revenue dollars in the Blue Line Extension.

Mr. Barnes said even if that is the case that doesn't mean that I'm going to agree to put even more property tax money for the streetcar.

Mayor Foxx said first of all I think as tough of an issue as wrestling with this budget is I want to say to the Council that I appreciate where everyone is coming from. From the very beginning Mr. Dulin and Mr. Cooksey had very well defined positions and I want to say this too that Mr. Cooksey and Mr. Mitchell were the two Councilmembers at the appropriate time who came up with suggestions for this Council to consider. We shouldn't lose sight of the fact that you did a fair job of following the process as it was. This budget is tough because we have been spending time with this since our Retreat and the idea behind the budget from the beginning was to look at the City long-term, look at its challenges long-term and to try to address those challenges long-term. Every one of us – all 12 of us know that our residents are not out of the woods yet economically. People are still hurting and any increase in taxes will be hardship for some of our citizens, no questions about it and the question that I now having looking at this proposal is matched against the aspirations that were developed over the last 3 or 4 months, where does this stack up in term of the type of impact that we envisioned? Obviously when you spend less you do less, but at what point do you do so much less that the result that we envisioned starts to get compromised. Mr. Manager, this may not be the most comfortable question for me to ask you, but matched against sort of where we started, how does this proposal stack up in terms of impact?

Mr. Walton said this is not where we started. At the Retreat we talked about transformational and basically preparing Charlotte for an economy that is going to be very different going forward than it has been over the last 20 to 25 years where we could just organically grow our way out of most any situation. We talked about entrepreneurial ship and public/private partnerships and leveraging our educational institutions and we also talked about progressive transit strategies. I

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think it is ultimately your call and what you are currently debating I think is the maintenance capital budget, a keep the lights on sort of thing. I guess I would urge you if this is ultimately where you wind up that we be clear that I don't believe this is going to get us in 2020 to where we, I thought as a group, decided we wanted to go. This I don't think would be the end investment, but it would be either a transitional or interim adjustment to something that would have to come in 2014 or 2016.

Mr. Howard said I should have brought this up with we first started and I just ask the City Attorney, I kind of thought Mr. Mayor what we were doing today was getting together to talk through to see if we could fine any room to change and it just occurred to me with the motion that was just made and given the motion on the table that we are getting ready to deal with the budget straight out. We are not on TV which seems inappropriate to me, but I thought we were treating this more like straw votes. Are we going to do this in front of the camera or are we going to do this downstairs? The way the motion has been set up from what I understand, if this passes we are actually getting ready to pass the budget right now.

Mayor Foxx said we are not going to pass the budget up here. We can agree to changes that get embedded in the budget that we vote on downstairs.

Mr. Howard said I just want us to be careful. The way we've phrased it so far, from what I understand from the Attorney, if you guys keep your six we are getting ready to do it right here right now and not downstairs in the public.

Mayor Foxx said I agree we need to have a vote in the Chambers downstairs on the approval. I understood the motion to be to adopt these changes to the budget and formal approval of the budget would have to come later. There are several parts to the budget that have to be voted on and those are not being contained in the motion.

Ms. Kinsey said I was going to ask the City Attorney if we needed to word it differently. I can change my wording if it makes everybody more comfortable.

Mayor Foxx said Mr. Hagemann do you have a suggestion?

**City Attorney, Bob Hagemann** said the motion on the floor is Mr. Barnes' motion. I think it is important that you have clarity in what is the actual action. You have the legal authority to adopt a budget at this meeting, but you need to make clear that as a body you understand what you are doing.

Mr. Howard said my thought was, even though we just talked about it now, I fully intend to bring up the 3.165 downstairs. I thought we were playing out to see if we could do something different but I'm not going to not present that again in a motion.

Mr. Barnes said I am prepared Mr. Howard to make a motion that addresses both the capital plan and our operating budget right now.

Mr. Howard said I don't think that is appropriate, not on television.

Ms. Kinsey said I don't either.

Ms. Mayfield said I don't think it is appropriate without full Council.

Mr. Barnes said there are plenty of cameras in the room and other press as well. I don't mind doing it downstairs but if the body wants us to vote on what is contained within Agenda Item 9, Items A – L I will do that.

Mayor Foxx said I am going to suggest that the purpose of the meeting called for straw votes, not formal approval of a budget and I don't think that motion should be in order.

Councilmember Cooksey said I would just like to pull out from memory that I believe it was two years ago Council adopted a budget on a first Monday in this room, not downstairs in front of cameras so there is a precedent for that.

Ms. Kinsey said I would like to remind us that was because our late colleague, Susan Burgess could attend that meeting and not the one in front of cameras. That is why we did it up here. Mayor Foxx said there is a motion on the table.

Mr. Howard said clarify the motion if I could, is it intended by the maker of the motion that this is binding and that we are not going to do this again downstairs?

Mr. Barnes said it is intended that the motion I made Mr. Howard would be considered by this body and that the results of that vote would in fact carry over to our business meeting tonight. Again, I would be happy to further elaborate on it, I don't mind doing that, but what I'm describing to you is the CIP that I intend to vote for.

Mr. Howard said with the intention of doing this very same thing downstairs or are we just going to report to the public what we did downstairs?

Mr. Barnes said no sir, I believe we will likely have another probably 2 or 3 hours of conversation about this downstairs. I'm sure there will be people who will want to elaborate on the 3.16 cents increase and there will be people who will want to talk about the 2.14 cents increase. However you all want to do it I'm fine. I'm willing to move full speed with the entire budget right or we can do all of that tonight.

Mr. Howard said that is the request that I'm making of the maker and the seconder of the motion for sure.

Mr. Barnes said however, I must question why that is such a pressing issue for you now?

Mr. Howard said I want to make sure we approve the budget – it just occurred to me when we were getting ready to carry the motion that we were going to blunt part of the budget right now without the opportunity of having to do this when people are watching on camera. That is what that is about for me.

Mr. Barnes said I don't mind doing it downstairs. What I'm saying is my vote won't change between now and 6:30.

Mr. Cannon said what would have the intent had Ms. Kinsey's motion passed?

Mr. Howard said to do just that.

Mr. Cannon said if it had been approved it would have been that, right?

Mr. Howard said to do it downstairs on camera definitely.

Ms. Kinsey said that absolutely was my understanding. This is straw vote only. I can change the wording on that if you wish me to, but I came here for straw votes and perhaps I was incorrect in saying I move but I don't know how else I would say it other than I present this to you and then we would vote. I had absolutely no intension for it to be binding. I just want to remind those of us who were here two or three years ago when we did vote up here, we were heavily criticized for it even though it was for a very good reason that we did it here.

Mr. Barnes said I don't mind Mr. Mayor, saving time we can vote on it downstairs, that is fine and you can have the straw vote now, that is fine.

Mayor Foxx said I'll say one last thing before we vote. I have been very concerned about our process and the process may not be perfect and after all the dust settles on our budget we might need to look at it to see what happened. The process is supposed to yield a consensus and what has happened over the last two week is not that so the guardrails have been taken off a little bit  
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and I feel a little bit like we are cramming for the text and frankly 3.6 cent increase over 8 years, yielding \$926 million, that is a lot of money. Even 2.41 cents over 8 years is a lot of money and as I'm looking at this, I'm sort of looking at when citizens ask me what kind of impact this budget will yield at an increased cost at a difficult time in our economy to go along with a keep the lights on option is not something that seems reasonable to me. I'm glad that you put the South Division Police Station in. I think that was a good change because some of the conversation I've been hearing is well a District Rep is not going to be hung up about taking this thing out and the District Rep wants to put this in and if someone doesn't answer the phone call to the Police I'm not going to be the one saying well the District Rep said that Police Station wasn't important. I think that was a good change, but some of these other changes like the Dixie Berryhill infrastructure which I believe was one of the catalyst projects to create some job activity and frankly the affordable housing which as you remember a few years ago \$10 million was the recommended amount and I threatened to veto the budget if we didn't increase it, which we did to \$15 million. We are lowering our effort on that issue and I don't think that is the direction we should be going in particularly with the sequester parts that we know are coming at the federal level that are going to impact human services and probably make the situations for people at the margins even worse. If we had more time to debate and discuss variations I feel like we could probably come to some agreement because again 2.41 cents yields a lot of money and we could probably figure it out, but I worry that we are running out of time and I don't believe in cramming for the test. That is what I've been really trying to say, even going back to the add and deletes where I practically begged this Council to make suggestions four or five times.

The vote was taken on the motion to adopt Proposal #1 and was recorded as follows:

YEAS: Councilmember Barnes, Cannon, Cooksey, Dulin, Fallon, and Pickering.

NAYS: Councilmembers Autry, Howard, Kinsey, and Mayfield.

Mayor Foxx said I am going to veto that.

Mr. Barnes said veto the straw vote, to which the Mayor said yes.

Mr. Barnes said Mr. Attorney, what is the procedure for dealing with that now?

Mr. Hagemann said according to the City Charter you will add to the next regular discussion meeting, tonight's meeting, an agenda item to consider overriding the veto and it will take seven votes to do so.

Mayor Foxx said any other business before the Council?

Ms. Mayfield said there was a third one in here.

Mayor Foxx said unless someone makes a motion it is not in order.

Ms. Mayfield said okay this isn't a motion, this is a comment because I'm going to suggest for us as an individual, as a newly elected Councilmember, this whole process was completely unproductive. If we came in with okay I've drawn my line in the sand and that is it, we heard two proposals and there was absolutely no negotiating around this table whatsoever to even try to move the dial one way or the other. We are not in grade school, we are not just playing with what is going to affect our personal household. We do not run this city the way we run our personal household. You may be in a home where it is just you where you only have the responsibility of an individual. There are other people in this room that has a family of 4 or 5 in it so you are not going to run the City the way you run your household and right now what we are showing, this is not what we were elected to do. This is ridiculous. We should be having some type of real conversation and we are not. We are saying okay this is where I land, I landed 3.1 where I might land a 2.42 for there hasn't been one real piece of information to say you know what, I will give us this if you will give us that. How about we look at this, what about that. There is this line that has been drawn around the streetcar where we are saying no to streetcar altogether. I understand you say you don't agree with it, I support it and I do see the development. This is the same conversation that was had when I was a spectator looking at the

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line running our South Boulevard, looking at the rail. People complained and didn't want it, but look at the development that has happened. This conversation, if we do not come together and figure out something better before tonight this is getting ready seriously to be a class conversation because it is going to be a conversation of how do you decide what projects move forward and which projects don't when we are saying okay, the east side the west side when eventually it is going to come out to the Airport. You can continue to wait. Your taxes have paid for all this other development for the last 20 to 30 years. If you've only been here for a few years you don't have any idea what people 15 to 20 years plus have looked at as far as development. When we said we don't want to tax the poor, the poor has already been paying the taxes to see the development that has happened all around them. At what point do we make some real infrastructure and have some real conversation about doing something about it because drawing this line in sand, we are not in grade school.

Mayor Foxx said let me respond Ms. Mayfield. The guardrails are off this conversation because we are in overtime and there is no pathway in terms of a process to create conversation. This conversation is the pathway in fact if there is one, but people have bent. You know Mr. Dulin and Mr. Cooksey have gone from no tax increases to being willing to support some additional taxes to keep the capital program going. Mr. Barnes has had proposals along the way that did different things with the streetcar and I understand and respect where you are coming from. I think the problem is, to be honest with you, is that this a March/April conversation that is happening 4 or 5 days before we have to have a budget passed. Time is really our problem. My comments before are all about we are going to go to citizens and ask them to pay more for whatever, I want to be darn sure that we can deliver what it is we say and more importantly deliver the things that we know the City needs going forward. I think we are not that far away but I just don't know that we can get there.

Mr. Barnes said with respect to my colleague Ms. Mayfield, Ms. Mayfield, the adjustments you see in this proposal actually were the result of collaboration. Mr. Dulin offered up Park South Drive as a project that would help us reduced the budget. Mr. Cooksey offered up the South Division CMPD Office which we actually put back into the budget. You offered up the South Dixie Berryhill Road Project, I offered up the North Bridge as part of the improvements in northeast Charlotte so there has been a number of adjustments that people have collaborated to agree upon and you will recall that on June 14<sup>th</sup> when we held that special Budget Meeting everybody was invited to come and make proposals. Everybody was invited to come discuss the give and the take and that was about two hours of meeting and it resulted in the four scenarios that I presented. No-one else presented anything, again you offered up a project which I very much appreciated. It would not be fair to say that because we disagree with each other that this is grade school. I was not elected to agree with you all all the time. Going back to the last Mayor, going to this Mayor I never said I swear to agree with everybody around this dais, never and I won't because I don't believe the people of Northeast Charlotte and the people in the rest of the City expect me to come by here and agree with all of you all the time. Generally speaking we are all in agreement, 9-2, 8-3, 10-1 that is what happens, but there is nothing that says that every vote we take has to be 11 - 0 or because it is 5 - 6 that the 5 get to be mad about what the 6 are thinking and doing. That is not the way this happens. We have fundamental disagreements about the budget. I don't believe that not putting the streetcar into the budget is going to be the end of Charlotte. I think we can still function as a city without the streetcar. I think there may be a time in the future where a future Council puts the streetcar back into the budget or that another funding source is determined, but I don't think it is fair to suggest that we are acting like we are in grade school because we disagree. That is actually unfair to this body and it is unfair to you yourself because that is not what this is about.

Councilmember Fallon said let's get something clear. I hear that the eastside is getting nothing. Is Bojangles and Ovens on the east side? Is the hotels that we will take down and build new hotels so that it is not inundated with undesirable things happening there on the east side. There is stuff coming to the east side. This is a temporary thing. If you had left the streetcar in as Mr. Barnes said on the 14<sup>th</sup> it would have happened eventually when the money was there. This body chose to take it out totally. I would say when this economy gets better I would see no problem with putting it back, but everybody has to be willing to give a little. It is rigid and I can't see how we are going to solve this.

Mr. Howard said Mr. Barnes, we were elected to do some other things too and that was to respect each other and respect process. I'll be honest with you. I think the whole statement that you invited folks to a room, the Mayor said it best, months after we all kind of agreed to a process is the problem I'm having the hardest problems with. I do want to publicly thank you for taking the time because you have thrown out more scenarios and probably spent more time trying to help us figure out how do we get out of this hole that we are in, but I implore you that it is not fair to say that we shouldn't be bothered by the way this is going because we all bought into a process. When we set around this table for three hours at a time and if we had all agreed to exactly what we are doing now, 5 vote and everybody did it, I don't mind doing that. But to come back now and especially this last minute and I'll be honest with you, this is embarrassing. It is embarrassing for us as a body so if that is what Ms. Mayfield was trying to allude to, I don't know it is grade school as much as it is embarrassing because we've always been the body, even before we were all here that had a nice clean process that got you where you needed to go. It is probably a little overkill, but at this point after going thought that and now being down to the last minute I kind of feel like I've got this gun to my head saying well you know we are going to wait you out. It feels bad and that process was put in place to keep us from feeling exactly the way the five of us feel right now at least and we were elected to respect each other which is respecting my time that I put in at every one of those retreats, respect the energy I put in when I examine every one of these proposals to get comfortable with it. We were elected to respect each other and respect process and that is the part that I think is going to be hard for me going forward. I'm going to throw this word in the middle of this room and it is going to be trust. I don't know how we get back there. There has already been tension in this room tonight and it is the trust thing and I don't know how we start to rebuild that. That is the part that probably bothers me more than anything else.

My daughter is in camp up at your District Mr. Barnes, up at UNCC and I had to stop at Beatties Ford Road at Bank of America to get her some money out of the machine and while we were sitting there she kind of stared over at the little store beside it and said what the heck is a Mighty Midget Mart? Anybody that has been in Charlotte a long time knows exactly what I'm talking about because it has been there most of my life if not all of it and it just occurred to me that that corridor has not changed, not changed at all. The corridor that I grew up on has not changed, West Boulevard, has not change. It has looked exactly the way it does since I was a little boy. That same little Dry Cleaners that sits beside Magic Mart and Andy I guess it was open when we were in high school, but that has been 20 years ago, it has been closed at least that long. These areas have not changed and I'm sympathetic to that. Mind you, I tried to think about it, University, I remember coming up to W. T. Harris when it there was nothing up there when I was about 12 or 13, none of that existed up there today, nothing. I remember going out to see those statues Warren in your District in Ballantyne, that was when I was about 24 and none of that existed. We are talking about whole areas of town that have been developed into these wonderful areas while, and I'm not picking on Mighty Midget Mart, if the media gets that, I mean these things have just not changed at all. I'm kind of going back to what Mr. Autry said and this is more food for thought, I'm not looking for response, what do we do to change it? We talk about people whose taxes went up and a lot of our city and I would love for somebody to correct me, but I bet you 2/3 of it they saw it go down. They didn't see it go up even after 8 years of value. What do we do because that is the conversation we need to have? We can take the streetcar out and we can leave it but we've got to do something different.

Mr. Autry said I don't believe anyone around this table has said any of these proposals that are on the table that the east side doesn't get anything. I don't think that has been the story at all. The story is, public transportation and the recommendation of the Urban Land Institute Study that identified Independence with light rail running down the middle of it was not going to spur development, the economic impact that we need in that part of the City. Their recommendation was for a streetcar, a streetcar system that would have that kind of impact to transform that community. We see it just with the stroke of a pen that can all go away. Timidity and fear has no place here today. This is time to be courageous and bold and to take it and make it happen and make it big, make it bold, make it definitive and put Charlotte in front.

Councilmember Pickering said to the question of the process that has been raised and I know is a sticking point, I just want to go on the record of saying that I fully expected to be able to support this budget all the way along. It wasn't like I was sitting out here saying no from the get go and

just keeping my mouth closed. Absolutely not. As I said before, I said it on the dais and I will say it again tonight, I do support this, this is our blueprint, this is where we want to go and I again want to thank the City Manager for thinking outside the box and coming up with a big bold bodacious plan. The question is what can we afford to do now. As the process went along we talked about looking at reductions, we talked about maybe some individual projects being put forth, those kinds of things didn't really happen and in the meantime we are being inundated with e-mails, please don't force us out, please our reval went up this much, from all income levels. Seniors in particular on fixed income levels, those really moved me. I'll say that about process. In terms of a budget that just keeps the lights on, yeah I understand and that has been in conjunction with the phrase that I've asked myself as to these individual projects, which is what do we have to have now. Given the totality of the economic environment and intelligent minds are going to disagree on this. I'm not opposed to the streetcar, absolutely not, but I don't think we can afford \$119 million right now. I like everything on here. I will disagree with my colleague Mr. Howard, I think we will get back to trusting each other. I have the absolute confidence, we will come together and we will move forward and on a host of other issues we are going to see eye to eye. This may be the only thing that I disagree with you on and if I'm comfortable and I'm not enjoying it, I just came in here like three other people on this side of the isle that I had no clue were going to do the same thing, saying I just don't think we can afford all of this now. It is not intentional, did not want this to happen, do not enjoy finding us at this place and that is all I will say for now.

Mayor Foxx said it is an interesting question, why now on a range of things because this is the recession, the great recession has humbled a lot of cities, a lot of families and I understand your point that it is counterintuitive to think that we should invest at this caliber that has been recommended by the Manager. I sort of want to make sure we keep – this is not a situation where we've been deceived by the discussion. I think your point gets to that. This is a situation where we've been having this conversation all the way. What is right for this community so I would like for the Manager to maybe spend just a few minutes. The original proposal was a big proposal, it started at 4 cents, scoped down to 3.6 and now we are sort of frankly we are probably ultimately on a \$200,000 house we are arguing over \$20 plus or minus between the two proposals that have been put on the table on an annual basis, but can you kind of remind us why we even started along the way here. There is a questions why are we even having this conversation right now.

Mr. Walton said yes sir Mayor, from a pure financial perspective I have told you for the last three or four years that we were going to have to make some sort of major investment or we were going to have issues with our bond rating. We have already gotten inquiries from the bond rating agencies in the last two week, concerned about process, concerned about the unknown of how we collectively are going to provide for the future of Charlotte, a future that has continued growth in it. One perspective was we wanted to make sure we made the investments that we knew would keep us to the same status that we had been for over 40 years. That was one thing. Last summer after the budget was adopted, to that end of developing a strategy, we engaged the whole organization and we had hundreds of people working on this, what Councilmember Pickering held up, the \$926 million. We started and our first cut I believe was between \$4 billion and \$5 billion so we went down until we got to this. We focused on the places that the investment appeared to be most necessary. In the past we have gone with more of the chicken in every pot, every part of town got it whether it needed or not at that time and the result was we had too small chickens in too many pots. We had diluted our capital investment strategy over the years so we wanted to do something that was an integrated strategy that focused on emerging sectors in our economy and on some of the corridors that had suffered the most such as Independence and some of those that had the greatest propensity for real growth. An example of that is out at the Airport. We've talked about the intermodal yard being our port and that is probably one of the most transformational things that will happen in the first half of this century for Charlotte because it is going to mean a tremendous number of goods and services are going to come in and out of there. We looked at those three corridors, the Northeast, the Airport and Independence, we also looked at what can we do to foster entrepreneurship because that is something that Charlotte is not as good on as it is in Austin or even in Raleigh. That is why the UNCC Informatics is there, that is why, for example, the Cross County Trail because that comes from the younger parts of our organization who said you need to make a compelling case and provide the infrastructure that people who go and create products that are less constrained than

those others who grew up in a different system, will want to stay in Charlotte because they can be anywhere. They are going to do their business by computer and so they can be in Des Moines or Honolulu or Charlotte and we don't have anything that is compelling to them right now to offer. We also we looked, if you will remember from the Retreat, we looked at the lowest performing schools and we looked at how we can reconfigure our neighborhood improvement program, our affordable housing program and basically all the other systems that we have, such as sidewalks, in order to provide the piece of the educational platform that the City does provide and that is building strong neighborhoods. All that came together with what eventually got down to the \$926.

There are important pieces and I just need to point out to you if the public/private partnership money at Bojangles, I'm not sure if we will be successful without that component. If we are going to pull a component out I want to at least make you aware that our chances for success are greater or at least slower than they would have been. If we pull out Dixie Berryhill from the Airport, the same sort of thing because we are going to have to have the road network in place so that businesses that come in there that are going to live off the intermodal can get their goods and services in and out very quickly. It is an integrated plan, it can stand alone, but I think it doesn't stand along as well as it stands together in an integrated fashion focusing on the whole City. Where we started in February was that south Charlotte really couldn't continue in perpetuity to support the rest of the City. There will be probably another reval in 2015 and even if we do a 100% of this that proportion is going to get worse. It is probably going to be 60% so that is coming and we can intervene in the long-term and achieve a different result. It is going to be difficult to achieve results in the short run, but the investments in the east and the west and the north were on purpose because those were the areas where they were either underdeveloped or places like in the northeast Dalton Avenue, for example, and Graham Street which were once really thriving corridors, probably 40 to 50 years ago. The infrastructure is there so it doesn't cost us to go back and put in water/sewer and storm water, the infrastructure is already there. We looked at how we could maximize those neighborhoods and revitalize those neighborhoods. That is a long-winded answer Mayor to how we got to where we are. We will make whatever you choose work, but some of the goals we've talked about over the budget retreats in the last few months, I do want you to know that if we go somewhere in between where we are now at the current tax rate and 3.6 the results are going to be different. We just need to recognize that and be able to let the public know what is going to be different and why.

Mr. Barnes said at the June 14<sup>th</sup> meeting that the Budget Committee had I spoke specifically to Councilmembers Mayfield, Fallon, Pickering and Autry and apologized for the nature of this process since they are our newest members. It was important to me to express to them that while this has not been a very reliable, for the first time, or a consistent process, it is a process that we have to go through for the benefit of the people of this City. Again, the beauty of America is that we live in a country where people like us can get together disagree about a budget and nobody gets shot or killed in the streets. Yes, this has not been a very, according to past history Mr. Howard, a consistent process, but the fact of the matter is we think we are doing what is right, you think you are doing what is right and I can't apologize for the fact that some people feel like we are embarrassed or this is embarrassing if not. I would rather take the time before June 30<sup>th</sup> to get this right than to feel like I've gotten it wrong after the 30<sup>th</sup>. I guess we are going to be here for another hour or so, so this setup can continue, but what is proposed to be taken out of this budget I think is reasonable and if in fact taking these items out make the CIP completely useless, then perhaps we need to go back to Warren's original idea of not having one. The intent is to take care of as many needs as we can and I acknowledge and I think anybody in the room would acknowledge that the way we are doing it isn't perfect, and in fact I think to the Manager's point if you ... \$4 billion or \$5 billion, \$926 million isn't even close, but what we did was try to come up with a package that would address as many needs as possible throughout the City and minimize the tax burden on the people of this City. I know there are people who don't agree with me on that, but at the end of the day I represent a lot of people who don't have a lot of money who could afford not to pay a lot more tax. I feel bad that people's feelings are bruised and people are confused or upset, I understand all of that because the way this happened, but going back in time the Mayor has said he would present a 10% reduction package in the end, I have presented some things, other people have presented some things so we've kind of gotten to this point. I think if we get to a point where a majority of the Council says we agree with that package then we should figure how to move forward as a group. My level of trust for any of you  
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guys for none of you has changed because I think you are all trying to do what you think is right. I'm doing what I think is right and I hope people will respect that outside of this body. I think some people have joked about another local elected body, we are not becoming a joke, we are just having what I believe is a thought-out and reasoned budget process. Is it perfect, no. You recall Mr. Howard that at the public hearing on the Budget I said we should have had the Manager and Mr. Harrington present the same package to the public that night that we got from them at our 4:00 p.m. meeting the week before. I think people would have appreciated understanding all of the things that are in the budget and the way he just described them in terms of what you were hoping to do. It would have been very helpful that night, on camera, downstairs to have the people who were in attendance, the ones with the signs and the ones without to understand the thinking behind the budget, whether it changed their opinions or not, it would have been helpful. But ultimately I think I'm trying to do what is right for the people, for the City itself and I think this package does that and I know we will have another change in a few hours to discuss it further.

Mr. Howard said the only thing I will say to you Mr. Barnes is that when Curt presented his budget to the City he did in fact do exactly what he just did. When we sat there that day I heard most of what he just said that day and even greater detail.

Mr. Barnes said at the 4:00 p.m.?

Mr. Howard said when he presented his budget to the City he did exactly that.

Mr. Barnes said but there was no-one in the –

Mr. Howard said I get you, I'm just saying he did and I agree with you, he did a great job just then, but I don't want to let it go that what he just shared that if we don't do something to change the tide that that area, well let me put it this way. If Beatties Ford Road needs storm water improvements and the taxes from that area are going down because the values are going down, then we are going to have to go someplace else, even more so to repair that infrastructure. What I'm trying to say is that our problems are real when it comes to the way our tax burden is spread around town. One of the things, Mr. Manager, you did a wonderful job but I've heard from a couple of people why streetcar for the east and west sides and I've heard that there were other things maybe we invest in companies, out of all those hundreds of people that came together what was it about that one that was more transformational than anything else?

Mr. Walton said partly that it bisects the City with a common investment that hopefully would yield similarly economic development results in the west and the east. We've got on the east particularly, a terminate at one of biggest while elephants, at Eastland, so in the future, I think it is 90 plus acres, that is going to be a key to the redevelopment of the east. On the west side I agree with your comments, there hasn't been a great deal of change economically, at least in the 25 years I've been here, you've been here longer and see that. It just provides a permanence that other modes of transportation that are at least viable for that corridor don't provide. The combination of the transportation aspect of it and equal parts of economic development were something that really expand two of our focus areas. It also impacts our housing and neighborhood development focus area so it really in that sense I guess trisected our focus area plan.

Mr. Howard said environment too?

Mr. Walton said yes, and environment so it was one of those that really just had far reaching implications going forward.

Mr. Barnes said Mr. Manager I wanted to ask you a couple of questions. The package that was just vetoed included \$120 million for neighborhood improvements. With respect to the West Trade and Rozzelles Ferry improvements, it was \$20 million set aside there, there was another \$20 million set aside for Sunset Road and another \$20 million set aside for Central/Eastland and Albemarle, could you describe briefly what the anticipated projects would have been for those three areas?

Mr. Walton said Mr. Barnes a reminder of what is different there is the geographies are so much larger than our old neighborhood improvement program which were usually a few blocks wide. This is considerably larger and it brings together multiple area plans so I think what would happen in each of those will be different because the area plans are all different and they will be different with or without the streetcar. I think we would have to first look and see what the plan presumed relative to the streetcar and amend if necessary going forward. A lot of it really goes to that holistic neighborhood reinvestment and in some cases it might be affordable housing within those dollars instead of out of the larger affordable housing pot. It is usually street and storm water improvements. It could be landscaping. It is just different, I think there are 12 area plans as I recall that are put into those 5 or 6 areas and the areas plans are all different.

Mr. Barnes said I understand so my ultimate point is that the budget that I made a motion on included \$60 million for those three areas alone which is half the value of the streetcar allocation so it would not be fair to say that this budget does not make an investment in those three areas at all. In fact of that \$60 million, \$40 million is along the Beatties Ford Road Corridor.

Mr. Howard said transformational was the key for me. Transformational.

Mayor Foxx said Mr. Manager, let me ask this question, taking your original recommendation and if you were to envision that plan without the streetcar in it can you tell me in terms of where we started out that this Council articulated back in February where we'd be on the continuum of impact versus keep the lights on?

Mr. Walton said in my opinion the decreases the impact of the CIP because it is a 10-mile project eventually. This is about 4 or 4 ½ mile so I think it does decrease the opportunities we have for all of those focus areas that I just talked about, including public safety.

Ms. Fallon said so that is just for that, how much is it going to be to finish it up the 10 miles?

Mr. Walton said the estimate for the 10-miles is \$450 million so we have done about 37 with the first piece and this would bring us to about \$150 million. We would be about a third.

Ms. Fallon said so we have to go another \$350 million without overruns? What about the maintenance of it?

Mr. Walton said the operation for the 1½ mile project is in the budget in the pay-as-you-go fund. The operating cost for the streetcar proposal at \$119 million is not in the budget because it would come in the sixth year and we have a 5-year capital budget.

Ms. Fallon said what do you figure that whole 10-mile piece will cost operating?

Mr. Walton said I think the 4 ½ to 5 miles would probably be \$2.5 million to \$3 million.

Ms. Fallon said put together with the 110?

Mr. Walton said it wouldn't necessarily be six because there are economies that scale that we are even seeing from the ... piece.

Ms. Fallon said so it would be 5 to 6.

Mr. Walton said keep in mind that also assumes no fares which there would be a fare, but that is a decision that the Council would have to make on down the road so whatever the fare was would go toward offsetting the operating cost.

Ms. Fallon said in other words it wouldn't be what CATS charges because this is totally a City project?

Mr. Walton said it could be but that is going to be your call. That is going to be Council's call.

Mr. Cannon said during math we always ask this question, or the question will be asked to us, what are trying to solve for. I'd be putting that same question out to areas both east and west where the streetcar would travel in terms of what is it that people would want to gain from it. The information I get back is they would like to see economic development opportunity spur itself in areas where it hasn't seen the kind of take-offs in other parts of this community. I was reminded of something that a former Councilwoman who is actually sitting here in the audience today, and I had worked on with regards to the Westside Strategy Plan, Lynn Wheeler. It was \$21.1 million that would cover pretty much southwest, mid-west, extending all the way over to northwest Charlotte and we worked pretty well to get that done in a non-partisan way. It covered several things, everything from economic development to crime and public safety to housing, the environment, land use among some other items. It proved changed some areas that were really bad off in terms of image, so thank you Debra Campbell and thank you to Martin Crampton that used to be here and to Lynn Wheeler and several others that were part of that process. It made a difference. There is herringbone brick and wrought-iron fence in places where we never through it would end up. There is decorative lighting and new affordable housing that looks like it could fit anywhere in this city along certain corridors like West Boulevard. And by the way, it proved to be one of the safest places throughout the entire City besides then Baker 2 which would have been South Charlotte in terms of the lowest crime rates being reported. That is going back, Baker 2 considering where we are today in Divisions. The question has been put to the table what again are we trying to solve for and if it is economic development, let's say you took \$119 million and you only concentrated in the areas that we are talking about from the stretch of where Central would begin and where it would end at Eastland and where this would begin for Beatties Ford Road to Johnson C. Smith to French Street or if you want to take it beyond that to Rosa Parks where it was to ultimately end up, what kind of economic development impact could you have if you utilized those dollars just for that away from having the streetcar? I'd say it would insurmountable. Remember now we are having to share \$21.1 million and some change from southwest Charlotte all the way over to northwest Charlotte. I know Councilmember Mitchell wants to ... to the City Council asking where was all the money because I worked pretty hard in steering it to my district, but we saw a lot of change so you ask what now, how now, where could you potentially go. Well, you could hold that money in a capacity for utilization for just that. That is where you could go if that is what you are trying to solve for, economic development opportunities. But it is not and obviously, it is still anybody's game to present whatever they would like to present.

I had a conversation over the week-end just to make sure some understood exactly where I was coming from with regard to this. History that dates back would suggest that when we first looked at this the ½ cent sales tax was going to be supportive of the streetcar. It was found out over a period of time that there was not going to be enough money with Charlotte Area Transit as a result I think that shifted because they didn't have enough money to support it and the City decided they would take it over. The discussion changed a little bit from that form of revenue source to be utilized to property taxes. That was something, especially when the time came up around matching the federal government's grant of \$25 million for us to engage in about \$12 million where I suggested at the dais on camera by way of a comment to the City Manager that I would ask that he look for another alternative revenue source because I could not get there with property taxes being the funding source. I'm just speaking for me so going back, way back I tried to put out there as clear as I could where I would be surrounding this issue, at least in the way or property taxes being utilized as a revenue source that I thought was inappropriate because I'm concerned our children's children, etc. that will ultimately have to be on the block for having to pay for it. From where I sit I think there is still an opportunity for an Eastside Strategy Plan, I think there is an opportunity for a Westside Strategy Plan if we want to focus around economic development, no it doesn't have to be \$119 million or \$120 million, but it can be something that makes some sense if the Council so desires to go in that direction. I guess the point I'm trying to make is something I heard Councilmember Barnes say and that is it is not all over if we don't move forward in this direction with a streetcar per se. I said this the other day as well, look if economic development means having another strip center along Beatties Ford Road with a coin laundry and a checks cashed place and another Police sub-station and we are saying that is the kind of economic development we are looking to have, then count me out for I'm not on board for that. It is a planning issue. You have to begin to talk to people early on about what your level of expectation is for them to invest in portions of our community where they haven't been. How do you get some of the people that have done what they have done like in Mr. Cooksey's  
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District, to engage in west and east Charlotte? It happens by way of a conversation, but who has had that conversation? It would be nice to have an Earth Fair off Beatties Ford Road. It would be nice to Harris-Teeter along Central Avenue, but what kind of economic development are we talking about so it goes beyond just talking about creating jobs and bringing about certain kinds of companies. What types, who is engaging in that process? Now if that conversation has started, great but still I want to take my time, we've got a little bit of time. I'm just trying to make up for where we are going tonight for the six hours then. I just think there is a way to get there, but it is a matter of how you plan for it and I think there are other alternative ways to be able to plan. Have we exhausted all those, I don't think so. You wait until it is time for acquisition of those properties for commercial and residential, should we move forward with this. You wait until that comes and see how many phone calls you get with regards to something that you really don't have to take care of anybody on financially because you are doing it for a public good.

Mr. Barnes said this might be the highlight of your day sir, I recognize we got a memo about this meeting and a meeting tomorrow at 8:00 and I can't attend the meeting at 8:00 tomorrow. That is the highlight of your day part.

Mayor Foxx said I love seeing you.

Mr. Barnes said I want to put that out and I don't know if we need be if we voted the affordable housing meeting on Wednesday, I don't know if we could structure, but I wanted to make that announcement today that I have conflict.

Mr. Cannon said I'm absent as well.

Ms. Mayfield said I a constituent sent me an e-mail on face book and the question they have in here is Johnson C. Smith University is already spent \$23 million in development and the first track has not been dug up yet. They were commenting regarding an article that came out in the paper over the week-end. Let's say we don't move forward with streetcar and to my understanding there was a public/private partnership with investment that was made by the University also along with the Mosaic and with development around their area. How is that going to be affected or is there any liability on the City's part if we had an agreement and if we aren't able to move forward with the streetcar since that was part of the development that triggered their \$23 million plus investment.

Mr. Walton said we don't have any liability in that Ms. Mayfield. The piece that we have participation is in the Mosaic Village and it is moving forward, so I'm not sure what the \$23 million project that is not moving. We are not involved with that. I know they had talked about a bookstore on the corner and that might be it, but we don't have any liability although Johnson C. Smith has been a very consistent and vocal supporter of the streetcar, but none of the investments that we've made there are dependent on it.

Mayor Foxx said a lot of good conversation and again I want to thank everyone for continuing to sort of wrestle with this and we obviously have a little more wrestling to do over this later on, but thank everyone. Again I want to say to our staff, thank you very much, you've gone through an exhaustive process to give us a unique plan and we are wrestling with it.

The meeting was adjourned at 3:21 p.m.

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Ashleigh Price, Deputy City Clerk

Length of Meeting: 1 Hour, 42 Minutes  
Minutes Completed: August 24, 2012