

The City Council of the City of Charlotte, North Carolina convened for a Dinner Briefing on Monday, June 9, 2014 at 5:06 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Dan Clodfelter presiding. Councilmembers present were Al Austin, John Autry, Michael Barnes, Ed Driggs, Claire Fallon, Patsy Kinsey, Vi Lyles, and Kenny Smith.

**ABSENT:** Councilmembers David Howard, LaWana Mayfield and Gregg Phipps.

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#### **ITEM NO. 1: MAYOR AND COUNCIL CONSENT ITEM QUESTIONS**

**Mayor Clodfelter** said let's begin with questions for the Consent Agenda. Ann Wall, City Manager's Office will take those questions. There were no questions on the Consent Agenda.

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#### **ITEM NO. 2: STRATEGIC TRANSPORTATION INVESTMENTS PROJECT RANKINGS**

**Mayor Clodfelter** said we are going to have a briefing on the new and some say improved Strategic Transportation Investments Project Rankings.

**City Manager Ron Carlee** said Norm Steinman is going to kick us off then we will do a little back and forth on this.

**Norm Steinman, Transportation** said I am Manager of Planning & Design for Charlotte DOT. Louis Mitchell, Division 10 Engineer for NCDOT is here. We've divided this presentation into two parts; Louis is going to go first and explain the point of view about the new Strategic Transportation Investments (STI) from NCDOT's perspective.

**Louis Mitchell, NCDOT** said the Strategic Transportation Investments (STI) is a significant paradigm shift for the NCDOT from 1989. It's a change from our old equity formula; some often referred to it as inequity formula, but this is a new way of the NCDOT actually delivering projects that are critically needed and using a lot of data to deliver these projects and also to come up with the actual candidate of projects. There is overwhelming support by both the House and Senate last year and that kicked off a lot of other initiatives for the department to ponder and start studying. We assembled the work group called P3.0 and a lot of how we are evaluating these projects will dovetail on how we used to do the old mobility formula, so that particular formula delivered projects such as the Yadkin River Bridge.

How the SMF Works. We propose that we will have about \$15 billion over the next 10 years and we've divided our investments up into three categories, one a statewide tier, second a regional tier and third division needs. Through both Norm and my presentations tonight we will go into exactly what those tiers mean, but for the most part we want to put 40% of our investments, which is about \$6 billion, in the statewide tier and those are mainly interstate routes, big US and NC routes and any route that is on our national highway system. The second bucket will be the regional tier. Our state is divided into seven regions, 14 divisions, but we have seven regions so each division is peered with another division and I will show you a map of how that looks. Division 10, of which we are currently part of is peered with Division eight. That second bucket will be 30% of the funds, which is about \$4.5 billion per the estimates and I will get into a little bit more refining of those numbers and how our economy and our gas taxes are performing. The third bucket is division needs and there's criteria where 50% of those projects were based on data and another 50% will be based on local input. That is a 30% bucket of the total pot which is about \$4.5 billion.

This is just a perspective of the data and Norm has a slide that really depicts this a little bit better, but you look at some of the quantitative data facts that we are looking at; one of them is cost benefit, the other is congestion, the third is economic competitiveness and safety, so as we go down through these buckets that is a common theme, cost benefit and congestion through all of

these tiers. The numbers to the right show the input that both the division has and the local MPO or RPO if appropriate but since we are in Charlotte it is the MPO input.

This is the State and the Regions; the light blue Division 10 and eight appear together so that is the Rockingham, Moore, Randolph, Chatham County areas in which we appeared. It is the second largest group as far as population, only to Division five and six areas. That grouping really is important because in the past where we had the equity formula where all regions or divisions were created equal. With the peering they actually do look at the populations so when we do get to the 30% bucket of regions, divisions five and six peered and divisions 10 and eight peered together to get a little bit more based on the population, kind of placing some of those resources where some of the population densities and needs are. About 2 weeks ago we released the data. We put about 3,100 projects into the sausage making machine and it generated 1,800 highway projects and about 1,300 non-highway projects. For the most part the data indicated what we thought; the high congestion areas are really, really benefited and one of the things that we did notice when we reach the high congestion, it is not necessarily meant that the projects were centered in the epicenter of areas and I will just use Charlotte as an example. There are not many projects in the inner part of Charlotte, but they are parts of the periphery where the congestion is greater. It not only benefits the metropolitan areas, it benefits the suburban and rural areas connecting them with the epicenters of our regions.

Pending local input, and we are in the draft stages; about 280 projects will be delivered over the next 10 years on a division and regional level and about 91 projects on the statewide; those big projects on our interstates and national highway system; so about 371 projects over the next 10 years. This is about 175 more projects than under our old equity formula. A lot of these projects are new projects that weren't in the old mobility formula and so there is going to be some homework and catchup to get these projects into production but there were some projects in the meantime that what we call transition projects which we will continue. Those are projects such as Old Monroe Road, the Monroe Connector, those projects were in production and so those were grandfathered into our funding scenarios. A big important part about this is, and I'll show you a slide later, we have a lot of needs but only a certain amount of projects, only the key ones that the data proves are the ones that we are going to be able to deliver. Here again, it is about 371 projects; the previous slide I showed you, we put 3,100 of them into the formula. A little bit greater than 10% of them that we can deliver, but it just highlights that we need additional resources to deliver the transportation system that we all think we deserve. Any connection that you have with Mayor Clodfelter's previous colleagues or any of our congressional or senate folks that you ever get their ear, you have to champion our cause because the projects are worthwhile but we simply don't have the resources to deliver all of them.

This slide, I don't want you to get bogged down in the minutia of it. The big thing here is originally we thought we would have about \$15 billion. The gas tax; one of the big things that we rely upon, both on the federal and the state level it is kind of not performing the way we thought and that is with good reason. The café standards of vehicles are a whole lot better as we can imagine. We have F-150's; if you are a Ford guy, trucks that are getting 22, 23 miles per gallon and in years past they were getting 10 to 12 miles per gallon so people are going to the pumps less. The big take away for this slide is we originally proposed about \$15 billion, but you see that top number as we are looking at the forecast, we are looking now at about \$12.8 billion, so commensurate it down the line, we probably won't be at about \$4.5 billion for the regional; we'll be at about \$3.7 billion for regional and divisional categories.

This particular slide, I know it is very busy; it also highlights and if you have a printout you will be able to see it. It gives an overall outlook for the next 10 years and for that division eight and 10 pot, we are looking at about \$726 million for that region E and you will hear Norm refer to region E tonight. We will have about \$726 million on that region level and that is NC and US routes that don't qualify for the big statewide tier. Then we have division tier. We'll have about \$268 million for division 10 projects and each division for that particular pot does get an equal share, but back to the regional tier, you look at the top of your sheet you will see how the region that division 5 is in and the region that division 10; we are bridesmaids again to Raleigh in that category but I think we have some projects that are competing very, very well against them on the statewide level.

Next Steps; June through August we will continue to put more ingredients and sanitize the data into the machine so if anyone identifies any errors or any fatal flaws, and we do have 3,100 projects so there could be errors in it so if you see errors, do point those out to us as we can get them fixed. Some of them will result in projects actually ascending and moving to the left on the calendar. Our hope is to have a draft STIP by December of this year and by next year have the STIP fully implemented.

On this slide, the big take away here is usually anything you see red it is something bad, but in this case it is not. Our hope is as we are seeing the data being crunched; particularly on the statewide level, we want to get a head start on some of the planning. The environmental process usually takes a pretty significant amount of time and so the projects that look like they are definitely going to be funded; we hope to get those projects under way as far as a study at the end of this year prior to actually releasing the official STIP next year. We don't want a big lull. We want to make these resources work and these finances work. We don't want them sitting in a bank account somewhere, so we want to get a big head start on the need for process in delivering those. The projects that we are fairly certain about we are going to get started on that process in November or December of this year.

This schedule here is just an illustration of the reduction schedule. What I want to point out here is project #1; if you look at a timeline, if these are hypotheticals that would be the highest ranking project in the state, but you could see the CON to the right, it is going to be delivered way after some of the other projects. What I want to highlight here is some of the projects that were in the system previously, we'd already begun the environmental work which is the NEPA that you see on there. We'd already begun the environmental work and some of them we'd already begun the design work so in this scenario you will see a project #2 would actually come to fruition and be open for traffic prior to project #1. This is just a hypothetical and it kind of explains if you see a project at a certain place on the list and 3 years from now you will be like, Louis what were you doing, how can that project come home first. This is just one of the excuses I'm going to use.

I want to highlight one of our major accomplishments in this area. A transportation project we are getting close to finishing; our big three up in the northeast corridor, I-485/I-85 interchange and the last six miles of I-485. In November we are going to have an event to culminate all of this for many, many years of the loop work and it is going to be called the 485 Mad Dash and we invite all of you to come out and participate with us. It is going to be on November 2<sup>nd</sup> about 1:00 p.m. so you can get the essentials out of the way, get your religious ceremonies done that morning, get some of the chores done and then come out for a little bit of fun with us and your families. It is going to be a 5K and a 10K. The 5K will have a fun walk component but then we will follow that up with opening up the facility for a small donation for bikers to actually ride the facility as well. Those are some of our corporate sponsors and we hope to increase those. All proceeds from the event will go to a good cause; MADD, so we are looking for a good time. I'll turn the presentation over to Norm now.

Mr. Steinman said I'm going to concentrate on explaining the projects that are going to be likely for funding in the next 10 years. You will see the words "fully funded" here but I want to explain that that doesn't necessarily mean that it is a guarantee. As Louis mentioned a lot of analysis and scheduling and programming still is going to need to happen so it will be clear as to when specific projects are going to be under construction. Concentrating here on projects in Charlotte and Mecklenburg County, as you remember Louis mentioned first the statewide categories; these are projects in the interstates strategic highway corridors that will compete against projects in other parts of the state. We are likely to see funding available for the reconstruction of I-77 South. That would likely include two toll lanes in each direction from approximately the Brookshire Freeway on down to almost the South Carolina State line. Adding one toll lane in each direction to I-485 from I-77 to US-74 and finally continuing the reconstruction of US-74 Independence into more of an expressway, almost a freeway between I-277 and I-485, including one toll lane in each direction. There are also a couple of projects on the Billy Graham Parkway which are likely to be funded in the next 10 years; grade separation on Morris Field Drive and an interchange at West Boulevard.

These projects are shown again here in this table and when you see references in some of that material that has been produced by the local MPO and by others and they are called “fully funded”. There is no guarantee yet that these projects are “fully funded” in the next 10 years. They are very likely to be funded but until NCDOT staff produces the draft Transportation Improvement Program we are not sure about that completely yet. One other thing I want to bring to your attention is down at the bottom, third from the bottom where it says I-485 HOT, which is high occupancy toll lanes widening, most of that project is actually in Charlotte so we will claim credit for that and put it in the red highlighted category.

“Partially funded” is the other category that has been defined so far and what that means is that it is very likely, as Louis mentioned, that NCDOT will start their project developing activities; what they call pre-construction activities, which includes producing the environmental documentation and preparing the final design for the project. They will probably be able to begin right-of-way acquisition, you can see the FY24 date as the preliminary estimate at this time, but they are not going to be able to finish construction by FY25. We are not going to have the cash flowing in in order to be able to finish all of these projects that are listed for I-77 between the Brookshire and the South Carolina State line before 2025. This is probably about a 15-year endeavor in order to get that kind of a project done.

Then you go into the second category of projects which are the regional projects. This is where projects compete against others in region E; that is where we are. I will draw your attention to the second column from the right where it says region E ranking. The first three projects that were ranked by the NCDOT are in Cabarrus County. Then we have a series of projects in the jurisdiction of the Charlotte Regional Transportation Planning Organization (CRTPO) until we get to Project No. 9 in the original ranking; that is also in Cabarrus County. The projects in red are the ones that are in the city of Charlotte. At this point, as I said before, we have no guarantee as to which ones will get funded but we expect the ones that are the most highly ranked obviously have the highest probability of being funded, especially when the CRTPO staff and the Division Engineers, one in each division will be collaborating to make sure that our votes are additive rather than neutralizing each other’s votes. There has been one round of meetings already with the Division Engineers and then another one scheduled in the next couple of weeks to confirm that.

When we look at the division projects, these are the ones in division 10, again the ones highlighted in red are in the city of Charlotte and you can see here of the top 11 projects that have been ranked so far by NCDOT, 10 of those are in the CRTPO’s planning area. Finally we get to those projects that are not highway projects. If you remember from the legislation, interstates, other strategic highways, general aviation airports, and freight rail projects are the only categories and modes that can compete for statewide funds and then there is sort of a cascade of other modes that can compete for division and regional funds. There is only one non-highway project recommended for funding in the regional category and it is in Union County, adding a 10,000 foot long siding for the CSX Railroad. These are the division projects recommended to receive points from the CRTPO. You can see again the ones highlighted in red are in Charlotte. There are two bike/ped projects and one rail project. The rail project consists of almost doubling the capacity of the CSX Intermodal Yard off of Rozzells Ferry Road and that is a project that was nominated by the railroad.

Mayor Clodfelter said back on the slide about partially funded statewide mobility projects; there is a note down at the bottom that says the I-77 projects are affected by corridor cap considerations. What is that?

Mr. Mitchell said the legislation places a cap so that one region in particular wouldn’t receive a lion’s share or too much of the statewide pot; so there is a corridor cap, basically about \$350 million over a 5-year window for a corridor. A portion of I-77 is being constructed in Iredell County and we also have a small amount of funding in the Charlotte area but to construct the southern part, since there is already a part in Iredell County, which is about \$140 million, we are an adjacent division so we cannot exceed that cap with two contiguous divisions. In the situation in another geographic area, say the division five area. If there was a project in Orange County and Wake County you could not spend more than \$350 million in that short of a segment. Now if there is a portion of I-40 in Wilmington you could place additional funds because those are not

contiguous divisions, basically trying to spread some of the statewide funds out in a reasonable and equitable manner.

Mayor Clodfelter said wouldn't that mean you would end up spending in both ends and leaving a gap in the middle?

Mr. Mitchell said in some situations. There are other scenarios of overcoming some of those challenges and I'd be glad to discuss those with you off line.

Mr. Steinman said a couple of points very quickly; this is a project that the total costs will probably exceed a billion dollars. This is a very complex project and one of the things we are asking NCDOT to evaluate very seriously, and I'm sure they will, is how exactly is this going to be built because one way to rebuild this interstate could be to build the new interchanges first and then come through and add the lanes. The other thing, going back to what Louis said, is this is very different from the equity formula, but in the legislation there are caps so that not all of the money goes to one corridor over a 5-year period and that is a little bit of a limit on what can be spent on I-77 versus I-85 or I-95. That is what this means.

**Councilmember Autry** said as we continue to improve café standards, as we continue to offer options in transportation and gas tax revenue continues to diminish are there any discussions about what might replace that whole model at some point in the future?

Mayor Clodfelter said once upon a time I filed a piece of legislation along vehicle miles traveled and I quickly learned that I wasn't supposed to do that.

**Councilmember Lyles** said I think Louis that I'm going to say that you are doing such a great job. I want you to continue to do that so you don't have to answer that question. I do want to say that both CDOT and NCDOT have been working with the Transportation Committee and looking at all of these things. The last meeting that we had with the Secretary was in Huntersville and he talked about a longer range plan that would outline all of these projects which is basically the precursor to if we don't have enough money to do long-term I don't know that the Mayor is off in terms of his vehicles miles traveled, but the latest thinking certainly is that you can collect the gas tax and you can do the gas tax for connecting roads inside of your state, but at some point the vehicles miles traveled has got to come about just because of the change in the way the world is working in transportation and all of that. I think it is a great question and we really are going to have some time to think about it. Key to this is where the state is and where the federal government is and at some point those two entities are going to have to think about that and the latest reports that I've seen have been states need to look at gas taxes and the federal government vehicle miles taxes, so you are just ahead of your time Mr. Mayor.

**Councilmember Fallon** said I understand why you are going to go to the smaller places to connect them to major centers, but while you are doing that, instead of doing it according to population, you are falling behind aren't you, where the big populated places are with your roadwork.

Mr. Mitchell said you are exactly right. The slide that showed what the total amount of projects statewide over 10 years, we are looking at building 371 out of 3,100 so there is definitely a greater need for all of us. What the data has proven though and just by your navigating around Charlotte, US 74 is a bottleneck for us. I-485 South has proven to be a bottleneck for us as well. Those are the most prominent needs. We are not going to forget about the other needs and one of the other things we are exploring as you all know is public/private partnerships. That is not appropriate everywhere but where appropriate, where the vehicle miles traveled and the financial models work we want to explore and study those further. Not that any of us are for more taxes or tolls but the system that we want and the old model that we had based on gas revenue is just not proving to be successful.

Ms. Fallon said I know that. When I was on the Committee of 21 we saw that 5 years ago, but we haven't done anything since. We talked about those little transponder things but we are just falling behind on infrastructure even more. The roads are horrid. The traffic is horrid and it is

getting worse. I don't know if you are going to have gaps in it again, how are you going to catch up?

Mr. Mitchell said we will continue to study and look for alternative financial options, but we continue to kick the brush and see what happens, but here again, if you have friends in the General Assembly, you have friends in Congress, I think they carry a little bit more clout than I do in helping us get there.

Mayor Clodfelter said we were the real beneficiary here in Charlotte of having the dedicated pot of money for the loop roads. We got the lion's share of the loop money statewide so what happens now to the places that have been waiting for 20-years for their loop like Winston Salem and don't have it yet. We're done so we're fine. Do they have to fall into this and compete with all the other statewide projects because there is no longer a dedicated source of money for the loops?

Mr. Mitchell said they do have to compete. I can tell you; I know the Division Engineer in Winston Salem area and the slide that I had up previously shows projects can cascade down, they are going to take the option to let some of their projects cascade down to the regional level to compete for some of those monies because when that project does cascade down to the regional level it is going to probably rise to the top. Not that they are going to engulf all of their money on the regional level with some of those projects but they are going to let a few of them cascade down.

Mayor Clodfelter said that was one of the points of heartburn about this was we got our belt because we had the dedicated money but everybody else is still waiting and they are a little bit mad about that so I didn't know what was going to happen.

Mr. Mitchell said we took a look at this on a regional and statewide basis and we don't want to determine it in terms of winners and losers because then we just pit ourselves into infighting so we want to progress uniformly across the state.

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### **ITEM NO. 3: CHARLOTTE TRANSIT CENTER – TRANSFER OF OWNERSHIP**

**Deputy City Manager Ron Kimble** said this is an item that was pulled from your previous agenda and we wanted to give more time tonight to give you an opportunity to hear from staff. It is an item on your agenda tonight. We also have representative from Bank of America in the room; including Rob Vail, in case you have questions of them as well. I'll turn it over to John Muth with CATS to begin the presentation.

**John Muth, CATS** said my information with me tonight is in support of your Item No. 18 on your Business Agenda tonight which involves dissolving the corporation known as the Charlotte Transit Center, Inc. and transferring the center to the city and also authorizing execution of a one-year contract with Lincoln-Harris for property management of the facility. I'm sure many people today assume that the city and CATS has had sole responsibility for management of the Charlotte Transit Center (CTC) since it opened; however, that is not the case. Back in the mid 90's NationsBank, now Bank of America and the city partnered to plan, design and construct the Charlotte Transit Center. The city contributed the land and the bank contributed up to \$10 million for the cost involved with constructing the facility and together since 1995 we've managed and partnered to operate the facility under a 501c(3) non-profit corporation and the board has been comprised of two members from the city and two members from the bank.

We have a 19-year history of joint management of the CTC with the bank. CATS has been directly involved in the day to day operation of the facility including the development of annual budgets and the review of financials. The annual operating budget is about \$1.2 million. That is broken down as about \$750,000 or 62.5% goes towards the transit portion of the facility and \$450,000 goes towards the costs involved with the retail side of the project. We've also undertaken in recent years two different evaluations of the physical conditions of the facility and

both of those found the CTC to be in pretty good shape, certainly considering its age of almost 20 years.

Under the current CTC operating model the City and CATS have been responsible for the costs associated with the transit portion and the bank responsible for the costs associated with the retail and the retail portion revenue which comes from the rent paid by the retail customers in the facility has generally gone towards the retail use and is not available for transit use unless the Retail Committee deems it to be and currently there is a retail reserve of a little over \$800,000 dollars. Once the corporation is dissolved the City and CATS will receive the revenue from the retail uses to apply towards the operating and capital costs and we will also receive this \$800,000 dollars in reserve to use going forward as necessary. The budget that you approved recently; CATS budget, has planned for this transition and includes the funds and revenues associated with this transition.

The next steps are the bank intends to withdraw from the corporation. The city would become the sole member of the corporation after the bank withdraws and there is really no need for the city to operate the CTC going forward as a non-profit. The CTC would transfer all the assets, liabilities and funds, including that reserve fund, to the city and then the city would dissolve CTC, Inc. and that is part of your action tonight. Going forward the city and CATS would continue operation of the CTC and have full ownership of the property.

In summary I would say that after 20 years as a great partner in the CTC the bank has decided to withdraw from the corporation primarily because the management of the Transportation Facility is not part of their core business and as they exit the corporation they leave us on solid footing. The retail revenues will cover the retail operating costs associated with taking on that role and as I mentioned, we also receive those reserve funds that we can use going forward. This transition does not negatively impact CATS budget in anyway and customers and tenants of the CTC will not experience any changes at the CTC since this is a management change only. Before I open it up for questions I would like to recognize Rob Vail with Bank of America. Rob is a Senior Executive and he is one of their members on the CTC board and it has been a pleasure working with him over the last several years on the board.

**Councilmember Driggs** said is there any debt that is associated directly with the Transit Center because it says assets and liabilities all get transferred to the city?

Mr. Muth said there is not any debt associated with the facility.

Mr. Driggs said and the operating budget is paid. Where does the revenue come from?

Mr. Muth said from the transit side it comes from our sales tax and funds from the retail side revenue come from the rents that are paid by the tenants at the Transportation Center.

Mr. Driggs said so none of that changes at all as a result of the change in ownership?

Mr. Muth said correct. We will now receive the retail revenue and apply that towards the costs associated with the retail operations so it is pretty much a wash or break even or however you want to term it.

**Councilmember Fallon** said who polices it now?

Mr. Muth said the security force that we have under contract G4S.

Ms. Fallon said will it go to the city police?

Mr. Muth said no we will continue with the same model that we have right now.

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**ITEM NO. 4: BRIEFING ON FALL CANKERWORM ISSUE IN CHARLOTTE**

**Don McSween, Engineering & Property Management** said I'm the City Arborist for Charlotte and I want to talk to you about fall cankerworm and answer any questions you might have. Probably the biggest question you will ask is am I recommending an aerial spray in 2015 and not at this time is the answer to that. That is based on the overall health of the tree canopy. Fortunately this past winter we had plenty of rainfall and in the early spring and the trees are really coming back well even though they were defoliated and I will show you some pictures of that in a minute. We will continue to monitor the population numbers and will also continue to monitor the environmental conditions. Every year we put out around 100 traps that are used to monitor the populations. We go on the count of the number of females that get caught in the traps and as you see in the diagram on the right the counts from 2013. To explain a little bit about it, you can see the large circles and dark circles around the airport up towards the university and in east Charlotte. The following year, 2014 you can see the counts are still high around the airport, actually the numbers went down some at the university and east Charlotte and they went up dramatically in south Charlotte.

The fall cankerworm is the native insect to Eastern North America and it goes all the way from Canada to Texas. It is a moth so it has four stage lifecycle as depicted on the right. You have adult egg stage, a caterpillar and pupal stage which is a resting stage. Since it is a native insect it does have natural controls but Entomologists have not been able to explain why those controls have not taken place in Charlotte and why we continue to have such high population numbers.

**Councilmember Barnes** said going back to that slide could you tell us what some of the natural enemies of cankerworms are?

Mr. McSween said the biggest one is the telenomus wasp. A little tiny wasp but lays its eggs in the eggs of the fall cankerworm. There is another insect called a scarlet searcher beetle and it eats the caterpillars.

Mr. Barnes said are we running short on those beetles and wasps?

Mr. McSween said to answer your question, yes and scientist don't know why. The searcher beetles have increased in population which is a good thing and we are working with Bartlett Tree Research Laboratory to try to find out how we can encourage that population.

Mr. McSween continued his presentation and said the adult moth comes out of the ground in late November and early December. It lives about 3 to 4 days and doesn't have any feeding mouth parts. The male is a tan colored moth and the female is wingless; she is shown here. She has to literally climb the tree in order to lay her eggs. She lays about 100 eggs on the uppermost and outermost branches of the trees and that is where they overwinter. The caterpillars hatch out of the eggs in the Spring, usually the first couple week of April and when they first hatch they are very tiny. They will swing down on little silken threads and be carried by the wind. That is the most mobile stage of the fall cankerworm. It is called ballooning by the way. The feeding occurs for about four weeks. They drop to the ground and go into the ground in this pupal stage. There they are in the pupal stage in a cocoon for seven months; that is where they are right now.

There are three basic control measures that are used for fall cankerworm. The trapping and the idea behind that is to trap the female as she is trying to climb the tree. Another way is by ground grubs, sprays by arborists, spraying the trees to kill the caterpillars and then the aerial sprays. The recommendation for the aerial sprays is based on the overall health of the tree canopy. It has to be approved by the City Manager and City Council and also have to get the approval of EPA, FAA and the North Carolina Department of Agriculture. The product that we use is BT; that stands for *Bacillus Thuringiensis* and it is an organic insecticide; it's very short term. Banding as a control; the purpose of the banding is to try to catch the female as she is climbing the tree. It is a cultural control. It doesn't involve any insecticides and it is highly effective when widely used. There are two types of bands; we use the Tanglefoot Band, it has more trapping material on it and therefore catches more females. It is a component system and it is the least expensive. The other type is the one at the bottom (page 6). It is called Bug Barrier and it is less vulnerable to



leaves because the actually sticky material is under that lip at the bottom and a little more protected. It is more expensive however, and subject to squirrel damage.

Aerial sprays; we've conducted three aerial sprays in the past. The first one was in 1992; 1,300 acres. We hired a helicopter at a cost of \$50,000 dollars which is \$38.47 per acre. The second aerial spray was in 1998, 5,580 acres were sprayed twice; an airplane was used at a cost of \$200,000 dollars or \$17.93 per acre. Our last spray was conducted in 2008, involved 67,000 acres which is about 40% of Charlotte. Five airplanes were used and the cost was \$1.5 million at 23.08 per acre.

Let's talk about tree health. The picture on the left (Page 8) was taken at the end of April and you can see all the willow oaks were completely stripped along Marsh Road and then one month later you can see they completely re-foliated. This was taken on Tuckaseegee Road, (page 9) the same situation and you see the tree have leafed out just fine.

Mr. Barnes said were those three images of defoliation caused by cankerworms or was it just natural forces?

Mr. McSween said yes they stripped the trees in the middle of April and that is what they looked like, then 30 days later I took another picture of them to show the re-foliation.

**Councilmember Austin** said so do we try to spray every six years or seven years or there is no rhyme of reason for that?

Mr. McSween said we just base it on the health of the tree canopy. Prior to the last sprays we were having a couple years of drought and we started to see the trees having a harder and harder time re-foliating and so I recommended the aerial spray. Right now the trees are in good shape.

Mr. Austin said do we notify the public for people to be aware?

Mr. McSween said oh yes, absolutely. We notify everybody, the press; yes we push that out real well.

Mr. Austin said you said we've got bigger infestations near the airport, is that because they are taking flights on our new runway.

Mr. McSween said no, Entomologists don't understand much about this insect. A lot of research hasn't been done on it so they don't know why these populations are just all of sudden jumping in certain places in Charlotte; no explanation.

Mr. McSween continued his presentation with the slides on Page 10; last winter the city paid to band 6,000 Willow Oaks in the street right-of-way. Neighborhood Development had seven neighborhoods that they helped with \$16,908 in matching grants to help band on private property. Banding on private property has been inconsistent so you see a lot of trees being defoliated and some of the traps in some places were actually overwhelmed. So why is it important that we control the fall cankerworm is probably another question. Repeated defoliation in years where we have a lot of dry weather or a couple of years of dry weather, you will see the trees still trying to put on leaves in July while they've lost all of their opportunity to make food and they are using up their stored food supply which is bad for the trees and they will start dying. That would have a negative environmental impact and a negative economic impact as well. So back to the question, are we going to do an aerial spray in 2015. Not at this time. Because the health of the tree canopy is good; we've had plenty of rainfall, but we will keep monitoring it and look at the environmental conditions and plan for the future.

**Councilmember Kinsey** said it seemed to me this year that we did not do as much publicity about banding trees. I just routinely band mine, but my neighbor did not and we had a few little worms that ventured over into my yard, but I didn't really see much publicity this year.

Mr. McSween said we push it out through the Council/Manager Memo which goes to all the press and we did have some news outlets that picked up on that and they did interview me. That is the best way to get the message out; through the media.

Ms. Kinsey said do we ever send it out in the water bill?

Mr. McSween said we have in years past; we didn't this past year.

Ms. Kinsey said that reaches most people. I think in my area, I live in Elizabeth and in my area people got a little comfortable because we were able to reduce the infestation and they just didn't do it this year and we need to constantly remind them that they've got to do it.

Mr. McSween said yes, and pushes the fact and tries to get them to remember what happened this past spring and make that connection in November. It is always hard because in November everybody is thinking about Thanksgiving and Christmas and don't make the connection of what happened last spring.

Ms. Kinsey said I really thought when you put the bands on the street trees that would remind people, but it didn't.

Mayor Clodfelter said if you've got a tree that you want to get rid of, is there any kind of insect that you can put on the tree that will eat it all the way down to the ground so you don't have to cut it down and get the stump out?

Mr. McSween said a chain saw and a chipper.

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#### **ITEM NO. 5: ANIMAL FOSTERING TEXT AMENDMENT TO ZONING ORDINANCE**

**Shad Spencer, Planning Department** said I will be giving you a brief overview of an upcoming Text Amendment to the Zoning Ordinance that is going to be dealing with Animal Fostering. The purpose that we are here; to do this is one of the ways that we provide information and allow Council to review and discuss upcoming Text Amendments, there are four options and this is one of those which is to present these during a Dinner Briefing so that is the purpose of us being here tonight. You will see this in about another month or month and a half.

This is to provide an update on the efforts of an interdepartmental staff working group to amend the Zoning Ordinance regarding Animal Fostering. Also to provide an overview of the proposed Text Amendment to the ordinance that would support the goals of CMPD's Animal Care and Control Division. Their goal is to eliminate healthy and adoptable pets from being euthanized. Some of the issues that this group has been dealing with are the need to distinguish animal rescue and fostering uses from those of commercial kennels. Some of the things that we've heard from neighborhood groups are the ability to have non-profit animal rescue and fostering groups operating in residential neighborhoods.

**Councilmember Barnes** said would you define animal fostering? I know what it is, but I think there are some terms in here that need to be defined. Could you do that?

Mr. Spencer said yes and that is one of the purposes for the Text Amendment, to define animal fostering. We have three different types; animal fostering is where an individual is approved by Animal Care and Control to have animals transferred to their ownership temporarily in order for them to then find a permanent home for the animal.

Mr. Barnes said for dogs?

Mr. Spencer said cats and dogs. There were some concerns by the residents about any noise or odor that would be generated by these types of uses in neighborhoods. Then we had some concerns that you may have heard from the animal rescue groups themselves where they were being required to purchase licenses for their animals they were fostering, but these were animals

that they were holding temporarily and would later be adopted in permanent homes. The goal of this group was to add definitions to define the animal rescue and fostering uses and to clarify where these uses would be allowed and that they would not be identified as commercial kennels and potentially be private kennels, as some of the recommendations that they would be; so to clarify those definitions that we currently have in the ordinance. Also the goal was to balance the mission of Animal Care and Control while also protecting the residential neighborhoods.

Right now Animal Care and Control; that is the city agency that regulates and approves these types of fostering facilities, and they will go out and do site visits for where these fostering programs would be and they would determine what could be done on that specific property, as in the number of dogs, cats or whatever they could have. They are also the city agency that would handle any complaints that were received regarding these types of facilities. In order to achieve these goals the City Manager's office convened a staff working group to review the Zoning Ordinance regulations and to make recommendations. This group included Animal Care and Control out of CMPD; the Attorney's Office, the Planning Department along with Code Enforcement out of Neighborhood and Business Services. As you can see from this graph, there is an increasing demand for these types of organizations and fostering groups. CMPD has been working and creating partnerships with over 100 rescue groups and they assist Animal Care and Control by transferring the pets from the shelters into homes and fostering networks to maximize adoptability. You can see on the graph, back in fiscal year 2008 there were 648 animals transferred to these fostering programs and then just last year there was over 2,000 and those numbers continue to increase.

Some of the problems that we've had to address in working with Animal Care and Control was our current Zoning Ordinance. Right now these types of uses are not addressed in the ordinance. In the current definitions in the Zoning Ordinance we have two which deal with this that could be defined as these and would either be Commercial Kennel or Private Kennel. Commercial Kennel is basically what it sounds like. It is going to be a facility for breeding and boarding of animals more on a commercial basis. These uses are allowed typically in non-residential districts. The private kennels are uses that are for the boarding of animals; but more for the person who lives on the property and it is a non-commercial basis. These private kennels are typically allowed as an accessory use in both residential and non-residential districts.

There are two main components to this Text Amendment. One is to add new definitions which you have in your handout for these types of uses. And you have to define what Animal Care and Control Division is; which is the agency that would regulate these types of facilities. Another is to define those three types of fostering facilities that they have identified that they work with which is the Animal Care and Control Fosterer, which is the individual that works directly with that agency in the city. Then you have Animal Rescue Groups which is a non-profit organization that is registered with Animal Care and Control which means they can transfer pets from the shelter to them and then they have Animal Rescue Group Fosterers who will then get the animals from the rescue groups. One of the things that with these definitions, and to address one of the concerns from the animal rescue groups was regarding having them be required to get licenses for their animals. The definition would then allow them six months. So after six months if they still have those animals on their property they would be required to get the license.

The second part of this Text Amendment was to clarify where these fostering programs would be allowed and so we amended both the commercial kennel and the private kennel definitions. That is what we are proposing, so basically what it would do; it would exclude these types of facilities in commercial kennels so it would not be defined commercial kennel. They would fall under the private kennel so we've added the definition that includes those types of facilities under private kennels. It clarifies where these uses are allowed.

A summary comparison, as you can see here for commercial kennel they are typically in non-residential zoning districts. They can be an accessory or principal use and they are for profit. The private kennel is located in residential and non-residential districts. They are accessory uses to a dwelling and they are not for profit.

Mr. Barnes said I'm curious as to what sort of structure you guys are going to propose. I'm not on the Transportation and Planning Committee anymore, but I'm wondering, for example, the  
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commercial kennel I suppose there are some distance requirements and maximum number of dogs, etc. and the same might be true for private kennels I suppose. The question is whether with respect to an animal fostering facility you have an unlimited number of animals, no distance requirements, etc... to neighboring properties. In other words you could go home tonight and your neighbor could say I want to open a fostering facility. I've got 150 dogs and cats in my house now. Could that happen under the definition of commercial kennel; could it happen under the definition of private kennel currently, and if not would you envision it being possible under the definition for animal fostering facility. Clearly we need to be careful about that because you could create a great deal of tension in neighborhoods if people go too far.

Mr. Spencer said right. In commercial kennels, if they have outdoor commercial kennels there are separation requirements; I think it is 300 feet between the commercial kennel and the abutting residential use. For these private kennels or these fostering programs, those are regulated by Animal Care and Control so they would go out and do site visits and they have Mark Balestra with Animal Care and Control here and he could speak more to those regulations that they have in place if you would like.

Mr. Barnes said I would appreciate that.

**Mark Balestra, Animal Care and Control** said Animal Control has nuisance regulations and it actually has a permitting process that precludes anyone from having three or more animals, dogs or cats, and any combination without having a permit. So to your question could anyone claiming to be a make shift rescue organization go home and erect 20 or 30 different kennels in their back yard? No, Animal Control Ordinance would go there and it would require a permitting process for inspections. We consult with the neighbors; do knock and talks with the neighboring properties to make sure that there is no nuisance from odor, barking, etc... so that would be the first thing that there is provisions in place to prevent that from occurring. The other definition, for the most part is in regards to structures. I don't know of many rescue organizations that actually build concrete kenneling structures. Rescue organizations for the most part kind of assist and maybe have a network of volunteers. The volunteers are more like your fosterers so a rescue organization for the most part all that I know of, keep temporary animals inside their residence so they don't set up structures per se outside in building kennel space and things like that. It just doesn't occur.

Mr. Barnes said so you are currently capped at three animals without a permit?

Mr. Balestra said that is correct.

Mr. Barnes said how many if you have a permit?

Mr. Balestra said it still depends on your ability to maintain those properly, clean and without interfering with the ordinary use of the neighboring property; so from barking, nuisance, odors anything else, structures.

**Councilmember Fallon** said how much of a problem is this that we have to make more rules again?

Mr. Balestra said it really was not that much of a problem. We haven't had any complaints since the original complaints which were only three in 2013 from each of the two locations that were named. The problem is that Zoning didn't have a very clear definition to enforce the rescue organizations other than commercial kennels. Commercial kennels were clearly defined as an organization for profit; mostly indicated like a business, someone that was operating a business in a residential neighborhood. Boarding for profit, grooming for profit, breeding for profit and that was not the identity of a rescue organization. True rescue organizations are interested in preserving the life of companion pets for a temporary basis. They assist the Animal Control organization when our capacity is saturated, so they can come in and actually transfer animals into their care and use their network of friends and people to assist us in increasing the adoptions, with the ultimate goal of increasing life release rates.

Ms. Fallon said I'm really concerned about adding all these amendments because then they don't get enforced and people say you just vote for things for voting but it is never enforced. You have clear enforcement if you have a problem. I can't understand keep adding all this stuff.

Mr. Spencer said I think this Text Amendment was to clarify more than anything because like you said we don't have anything in the Zoning Ordinance today that defines what these facilities are so we are just trying to define them and let people know where they can actually go.

Ms. Fallon said there should be a way to call the City and find out without having to do all of this. Don't we have information where you can call 311 and somebody tells you how and if it is a problem it goes to Code Enforcement? We keep adding, and adding and adding and then when we don't enforce it, like the Noise Ordinance, people say why are you doing all this.

**Councilmember Autry** said I can help with that. It was one of my constituents who was contacted by Code Enforcement by a complaint from one of their neighbors because they were fostering these animals. This is a program that the city encourages to keep from euthanizing the animals so it became a necessity to provide some structure so that these citizens who were fostering these animals on a temporary basis could continue to do that to prevent them from having to be euthanized. That is why the Text Amendment is necessary. I do have a question for staff, but I wanted to help with that. The permit that the fostering home would have to get after six months, would that license then be transferable once the animal was placed?

Mr. Balestra said besides rescue organizations any citizen in Charlotte that has three or more dogs that primarily resides outdoors would require a permit. So it is not just for the rescue organizations. What we are saying is a temporary animal or a fosterer, they can't continue to claim fostering status if they keep it for a year and they would have to be required to purchase a city license for their pet now; it would be redefined as their pet.

Mr. Autry said if they had the animal for seven months and they purchase a license after the six month period and then in the seventh month the animal gets placed with a permanent home, would that license transfer with the animal?

Mr. Balestra said it would not.

Mr. Autry said it would not. Okay then would the fostering home be able to circumvent the need for purchasing the license if in the fifth month of the foster care they place the animal with a different foster home?

Mr. Balestra said that is a possibility, yes. It would be unethical and I wouldn't think that would occur just to circumvent the licensing process.

**Councilmember Driggs** said I was just curious to know is there any instance where the separation between the for profit and not for profit is not clear, like a for profit establishment that does a little pro bono work or do we know exactly which ordinance applies to whom in each and every case?

Mr. Balestra said we did not before and that is reason for this interpretation. Where Zoning was trying to enforce commercial kennels, we enforced that with a non-profit 501 c (3) organization so that they were trying to say you rescue organizations which are non-profit organizations were being interpreted as a commercial kennel, because sometimes they charge a fee or a donation to recoup some of those costs for the care, but they really were not a commercial kennel charging people for profit for boarding and breeding and grooming and these types of services in a neighborhood development.

Mr. Driggs said there is no situation now where there is any uncertainty about which definition applies. Again if a particular location had commercial activity and rescue activity they would be treated entirely as commercial for the purposes of the Ordinance?

Mr. Balestra said yes.

**Councilmember Kinsey** said I understand where Ms. Fallon is coming from because I sometimes think that we do these text amendments and we have unintended consequences. But in this case we have constituents in District 1 who have concerns as well and I'm glad we are doing this and I want to thank you for doing it because I think it is needed.

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**ITEM NO. 6: ANSWERS TO MAYOR AND COUNCIL CONSENT ITEM QUESTIONS**

**Mayor Clodfelter** said we did not have any Consent Item questions so I will give you one more chance because we've got time for them. If not, Councilmember Driggs has a question. Tonight we have a zoning decision that is protested although I think we will end up deferring because we have three people absent.

**Councilmember Driggs** said Petition No. 2014-013 is for an independent living facility at the corner of Kuykendall Road and Providence Road; it is 134 units. There is a protest petition for it and the petitioner was debating whether or not to actually come and get the vote on this because we weren't all here and it has actually been postponed I think twice now and will not be voted on tonight, but in that context there was some correspondence about exactly what the rule was, whether it had to be nine votes or whether it had to be mathematically  $\frac{3}{4}$  of those present and I personally sent out what I have to admit is bad information on the subject, so I did ask the City Attorney to clarify and I thought it would be useful for all of us to hear the exact explanation of how that works.

**City Attorney Bob Hagemann** said I will take some share of the blame for some miscommunication and misinformation. I advised Mr. Driggs while we were in Raleigh last week based on memory, but when we went back and looked at the statute it is pretty clear. If there is a valid protest petition the statute says in order to pass it takes the favorable vote of least  $\frac{3}{4}$  of all the members of the City Council. The statute goes on to say that purposes of the statute vacant positions, if there was an actual vacancy on the council, or a member excused from voting, are not considered to be members of the City Council. That is nothing that says a member who is simply absent is not considered. For example, if there is a protested rezoning and one person has a conflict and therefore is recused, that person would not count toward the  $\frac{3}{4}$  vote. In that case your denominator, which is normally 12, the Mayor votes if it is a valid protest petition, the denominator would be 11 and it would still require nine votes to pass that rezoning, however if there were two members recused, now your denominator goes down to 10; that is what would reduce the numerator to eight. In this particular case, tonight for example, with three Councilmembers absent, since none of them had been recused it still requires nine votes which would be all of you to pass that protested rezoning tonight. It is just a straight matter of State Law. We have no discretion on that.

Mayor Clodfelter said does that answer your question.

Mr. Driggs said yes, thank you.

Mayor Clodfelter said I'll share a piece of news with you that I learned during the meeting. Some of you know that the City of Asheville has been contesting the action by the General Assembly to take the Asheville Water System and transfer it to a regional authority and the Superior Court of Wake County today struck down that act as unconstitutional in every respect in which it was challenged and ruled that it was an invalid unconstitutional local act relating to health, unconstitutional act relating to streams, an unconstitutional violation of due process, an unconstitutional violation of equal protection, an unconstitutional taking of property for a non-public purpose and the Judge ruled that if he was wrong about that last point that the City would have to be paid just compensation equal to the value of Water System by the State of North Carolina. So the City of Asheville prevailed on all points today in Court. So the Mayor of Asheville and the Mayor of Charlotte tonight are both very happy. I just thought I would share some news for you on that front.

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**ITEM NO. 7: CLOSED SESSION**

**Mayor Clodfelter** said we are not going to have the Closed Executive Session tonight so with three members absent that needs to be a topic that is discussed when everyone is here, relating to a property transaction so we are going to hold that over. That takes us to the end of the Dinner Agenda unless you guys have something.

**Councilmember Lyles** said usually at the end of our Council meeting in the Chamber we have comments, but if we have some time; earlier I believe this was in Sunday's paper there was an article on South End and the growth of the area is incurring and the need for pedestrian safety. I had had an opportunity to meet with the neighborhood leaders in that area as well as the staff person from Charlotte Center City Partners that works in South End and they had two requests. Actually the first one was a little bit surprising; they asked for more diversity in home ownership in their area. They've got a number of apartments built along the rail line and of course that has been very, very positive but they feel like that commitment that comes with home ownership is missing in that area. The second point they asked for was the idea around pedestrian crossings as the number of people are growing in that area. How do we actually take something that we've created, this opportunity for them to be safe and I know it is a very difficult subject; I see Danny already losing more hair over this. But let me just say in some respects I think when we have these kinds of things happen that we've got to examine the status quo and be as creative as possible, think about those things that we perhaps did that we changed because of the timing or the computer or workforce or whatever. I'm going to tell this story on myself when I was growing up in Columbia they actually had stop lights that stopped all of the traffic for the pedestrians to cross. You could cross diagonal you could cross linear, horizontal, vertical or whatever, but I remember that and it became not a good thing to do, so things do change and times change, but I think in this instance where we know that we've got all of that development coming, the upcoming rezoning with Marsh Properties, we've got all of those apartments opening I know it is a difficult thing to tackle, but I would certainly like to request that the staff look at it and I think just try to figure out if we had a blank sheet of paper and we didn't have all of the rules that we have, what we would do and just look at the options and let us know. I would like to ask that it be referred to Transportation and Planning Committee, no rush on it, I know it is hard, but I just really think it is time. I would like to make that request Mr. Mayor.

**Councilmember Barnes** said could you explain the referral again?

Ms. Lyles said the referral would be to take a look at the South End; the area plan that was done and what has changed to look at a way to facilitate pedestrian mobility in that area along South Boulevard.

Mayor Clodfelter said is any portion of South Boulevard in the PED Overlay?

Ms. Lyles said it is East Boulevard in the PED. Debra is not here but I don't think there is a portion of South Boulevard in the PED because we took over that road for transit development and I'm just not sure.

Mayor Clodfelter said let's do this. Let's get a staff referral first and then see what the policy issue might need to be to be able to go to Committee. Get a staff report first and then sort of figure out what the policy issues are to put in Committee.

Mr. Barnes said I asked the question in part Ms. Lyles because I'm wondering if those same issues might not arise with the extension.

Ms. Lyles said I do believe they will.

Mr. Barnes said NoDa.

Ms. Lyles said I think those are things that are important to look at and I would like to try to say can we get here so we can know where we are going in the future.

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Mayor Clodfelter said that is why I'd like to get some scoping first from CDOT and the Manager's staff to sort of get some scoping on what would be the policy issues that would frame a Council Committee discussion of that. I think it is a good idea.

**Councilmember Autry** said I absolutely support that approach because it is more than just South End. There are other challenges up and down all of the transit corridors and even some that aren't actively engaged in dealing with transit. For instance Monroe Road is going to be very busy. There is a lot of discussion around the neighborhood, around the Meridian Place Development right now and looking at that article from yesterday morning with hey are we really looking at what the impact of Meridian is going to be for that section between Idlewild and Conference Drive and are we going to be able to get it right the first time and not have to be readjusting it for another 10 years.

**Councilmember Smith** said just to piggy-back on Councilmember Autry and Lyles, we've got issues in the South Park area where we've had nearly 1,100 apartments permitted within the past three years give or take, and we've got an area plan that is approximately 20 years old. I think this could be useful but I think there are other areas that aren't transit oriented that are having some extensive growing pains with this increasing density that we all seem to support.

Mr. Autry said it is not just about supporting the density. It is the only way we are going to be able to grow.

Mr. Smith said fair point. I think we are going to have some issues in all of our districts as a result of this not just limited to South End.

Mr. Autry said it is going to be a city wide problem sooner or later.

Mayor Clodfelter said was that discussion enough to sort of frame an exercise?

**City Manager Ron Carlee** said yes sir.

Mayor Clodfelter said do we have any Consent Items that have been pulled Madam Clerk?

**Deputy City Clerk Emily Kunze** said Item No. 38-A has one speaker and 38-D has two speakers.

Mayor Clodfelter said and those are the only items that have been pulled.

Ms. Kunze said yes sir.

Mayor Clodfelter said Mr. Hagemann the question from Council arises can we launch into the Agenda tonight early?

Mr. Hagemann said legally you can take up the entire agenda except for any public hearing item that has been advertised for 7:00. You can't take up a public hearing item any sooner than the time noticed in the advertisement.

Mayor Clodfelter said of course we wouldn't take up any items where we have speakers because they are not expecting to speak to us before 7:00 but we are in session now so you could go business now.

Mr. Hagemann said legally you may, yes.

Mayor Clodfelter said I know what a lawyer means when he says legally; does that mean it is inadvisable?

Mr. Hagemann said I really think it is up to your discretion and whether you deem it important that it be in the chamber on camera. I don't know the technicalities of it and whether or not they could start the broadcast early. That is also an option.



Mayor Clodfelter said I'm new to this game here on this kind of question so I think we ought to be careful about doing items on an unscheduled basis because the public is expecting to see us in the chamber so I would suggest we not do it in here unless there is a discussion item that you may just want to get an information report on.

Ms. Lyles said I would agree with that, we should not do it in this room. But I wonder if we could do it in the chamber.

Mayor Clodfelter said it is a good question and I see a lot of head nods so the better course is to do it in the Chamber because that is where we are scheduled.

The meeting was recessed at 6:30 p.m. to move to the Council Meeting Chamber for the regularly scheduled Business Meeting.

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### **BUSINESS MEETING**

The City Council of the City of Charlotte reconvened in the Meeting Chamber of the Charlotte Mecklenburg Government Center at 6:51 p.m. for the regularly scheduled Business Meeting with Mayor Dan Clodfelter presiding. Councilmembers present were Al Austin, John Autry, Michael Barnes, Ed Driggs, Claire Fallon, Patsy Kinsey, Vi Lyles, and Kenny Smith.

**ABSENT:** Councilmembers David Howard, LaWana Mayfield and Greg Phipps.

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### **INVOCATION AND PLEDGE**

Councilmember Driggs gave the Invocation followed by the Pledge of Allegiance to the Flag.

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### **AWARDS AND RECOGNITION**

#### **ITEM NO. 8: EMPLOYEE OF THE YEAR RECOGNITION**

**Mayor Clodfelter** said we want to begin with a couple of items before we start the Business Meeting and the first item is really a great occasion for us and also for Stacie Neal. We are going to recognize Stacie this evening as the 2013 Employee of the Year for the City of Charlotte. Let me tell you a little bit about Stacie. She works as an Emergency Management Planner with the Fire Department and she was the leader in the development and implementation of our new wireless alert and notification system, CharMeck Alert System for Charlotte and Mecklenburg County. CharMeck Alert is going to be used to provide citizens with real time emergency and non-emergency information through a series of different mediums of communication. Stacie's dedication to this project created one of the premier systems of its type in the nation and is a credit to her passion for serving all the citizens of Charlotte Mecklenburg. Please join me in celebrating and thanking Stacie as Employee of the Year for 2013.

Stacie we will let you have a minute or two to say something but before that Graham Wunderley with the Employer's Association has a presentation he wants to make to you.

**Graham Wunderley, Employers Association** said we have a 53-year history here with the City of Charlotte as well as Mecklenburg County. It is my pleasure this evening to award Stacie a check for \$600 on behalf of the Employers Association, as a sponsor of the City Employee of the Year. The reason for the check is for her ongoing and continuing forward thinking when it comes to on time responsiveness. As the Mayor shared with us exactly what that means; it is important to remember the information we get doesn't matter; it matters in the time that you get that information, whether it be a fire, whether it be a situation that your family is endangered, we feel that the timeframe is the key thing, and what comes with that is technology. She has put the two

together and made it safer for our families, our friends, our neighbors and in that behalf we'd like to thank her very much for her help and her responsiveness in her forward thinking. Again, Stacie congratulations!

**Stacie Neal, Fire Department** said thank you very much for having me here this evening. I'm very humbled by the honor of being selected as the City of Charlotte Employee of the Year. The city has so many hard working individuals who have such spectacular talent that I honestly never expected to be chosen as the recipient of this award. I love working for the City of Charlotte and for the Charlotte Fire Department. I come to work every day with the goal of doing my best for our citizens. CharMeck Alerts offers me this opportunity; a chance to promote the safety and security of our citizens. It is also a great example of collaboration between the city, the county and our six municipalities. This project was truly a team effort and it took a team for us to succeed. If it were not for the full support of city leadership this project would not have been possible, so I would like to thank the City Manager and City Council for embracing and supporting this worthy project. I would also like to thank the Charlotte Fire Department Command Staff who saw the enterprise value of CharMeck Alerts from its inception and supported me in getting the project off the ground. Additional thanks goes to the project team who were integral in our success; those who helped with contract negotiation, project implementation, design of public education materials and the promotional campaign to get us to our December 4, 2013 press conference and a special thanks goes to my family for their confidence and support in me as an individual, specifically to my mother who has traveled here from Virginia to be with me tonight. Lastly I would like to thank my CFD Family and particularly my Emergency Management Team, many of whom are here with me tonight. Thank you.

Mayor Clodfelter said I see your Mom back there and I can see the family resemblance; let's have her stand and also all your colleagues from the Fire Department. Thank you all, this is great! I wish we had one of these to do every day. In fact I know we have people who are worth it every day!

#### **ITEM NO. 9: HOME OWNERSHIP MONTH PROCLAMATION**

**Councilmember Kinsey** read the following Proclamation:

**WHEREAS**, the City of Charlotte recognizes that Home Ownership helps create a sense of community in Charlotte's diverse, thriving and vibrant neighborhoods; and

**WHEREAS**, Home Ownership encourages personal responsibility, provides social benefits to families and has been widely been recognized as the foundation of the American dream; and

**WHEREAS**, each June, National Home Ownership Month celebrates the many benefits of owning a home and encourages communities to reflect on how Home Ownership enhances their lives, and

**WHEREAS**, the City of Charlotte recognizes that everyone deserves access to affordable housing and has implemented programs that help preserve existing housing and support family self-sufficiency, and

**WHEREAS**, the City of Charlotte partners with various local agencies that help provide local families with access to affordable, safe and permanent housing, and

**WHEREAS**, citizens are asked to consider Home Ownership opportunities in Charlotte throughout the year and recognize the key role that Home Ownership plays in enhancing the quality of life in our neighborhoods;

**NOW, THEREFORE, I** Daniel G. Clodfelter, Mayor of Charlotte do hereby proclaim June 2014 as

#### **NATIONAL HOME OWNERSHIP MONTH**

in Charlotte NC, and commend its observance to all citizens.

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**Neighborhood & Business Services Deputy Director Pam Wideman** said I am often the mouthpiece around the city's housing efforts; however, I do not do this work by myself, I do it with an outstanding team who is here with me tonight. I have Warren Wooten, Zelleka Biermann and Ron Mason, just to name a few and they are all in the audience tonight. I will ask them to stand and join me.

While the city is committed to ensuring diverse housing options for the citizens of Charlotte, homeownership remains an essential ingredient to the health of Charlotte's neighborhoods. The city supports programs that offer wide range of homeownership related services including Housing Counseling, the City's House Charlotte Down Payment Assistance Program, Critical Home Repairs, funding to Community Development Housing Organizations who build homes for low to moderate income working families. Over the last five years the House Charlotte Program has provided over 1,800 down payment assistance loans equaling more than \$12.8 million of City investment in homeownership. Since 2010, you, the City Council have provided over \$1.6 million to Habitat for Humanity for critical home repairs, enabling low to moderate income families to remain in their homes.

I'll end my remarks with a sincere thank you to the Mayor and to the City Council for your tireless efforts and support of these programs and to our many partners, The Charlotte Mecklenburg Housing Partnership, Habitat for Humanity, the Belmont CDC, Crossroads CDC, Friendship CDC, Self Help CDC and to Community Link, thank you!

**Mayor Clodfelter** said I know we've got several of the partners you named also in the audience, would you all also stand so we can recognize you as well because we've got a great delegation here. Thank you all!

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## ZONING

### ITEM NO. 11: REZONING PETITION NO. 2014-013

**Mayor Clodfelter** said I want to take an item a little bit out of order since it is a deferral. We've got one deferral on Item 11 and I don't know if there is anybody here waiting for that item so let me call Item 11 which is a decision on rezoning Petition No. 2014-013. That petition has been protested and we have three Councilmembers absent tonight so it is consistent with Council policy that we would be deferring that decision. Let's go ahead and take care of that in case there is anyone here for that item.

Motion was made by Councilmember Driggs, seconded by Councilmember Barnes, and carried unanimously, to defer Item No. 11, Petition No. 2014-013, by Hawthorn Retirement, LLC to June 23, 2014.
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### ITEM NO. 10: CONSENT AGENDA

Motion was made by Councilmember Kinsey, seconded by Councilmember by Councilmember Austin and carried unanimously, to approve the Consent Agenda as presented with the exception of Item Nos. 38-A and 38-D which were pulled.
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The following items were approved:

#### **Item No. 24: Boulevard Homes (Renaissance) Phase III Bond Issuance Approval**

Adopt a resolution granting the Charlotte Housing Authority's request to issue multifamily housing revenue bonds to finance the development of mixed income housing as part of Phase III of the Boulevard Homes (Renaissance) Hope VI redevelopment plan.

The resolution is recorded in full in Resolution Book 45, at Page 434-438.

**Item No. 25: Police Assets Forfeiture Appropriation – Law Enforcement Projects**

Adopt Budget Ordinance No. 5407-X appropriating \$251,000 in assets forfeiture funds for law enforcement projects.

The ordinance is recorded in full in Ordinance Book 58, at Page 761.

**Item No. 26: Secondary Public Safety Answering Point Funding Program**

(A) Approve a contract with the NC 911 Board to implement the Secondary Public Safety Answering Point funding program, and (B) Approve an Interlocal Agreement with Mecklenburg Emergency Medical Services Agency (Medic), a secondary Public Safety Answering Point for the 911 system, as required by NC 911 Board.

**Item No. 27: Signal Equipment for the City LYNX Gold Line**

(A) Approve the purchase of traffic signal equipment from state contracts as authorized by G.S. 143-129 (e) (9), and (B) Approve a contract with RAI Products for the purchase of traffic signal equipment per state term contracts #550A, #550D, and #550H in the aggregate amount up to \$130,000 for the City LYNX Gold Line project.

**Item No. 28: Scaleybark Road Traffic Calming Contract Amendment**

Approve contract amendment #2 with AECOM Technical Services of North Carolina, Inc. in the amount of \$125,000 for traffic calming and miscellaneous engineering services.

**Item No. 29: Benfield Road (Prosperity Church) Intersection Improvements**

Award the low-bid contract of \$1,077,860 to Blythe Development Company for the Benfield Road (Prosperity Church) Intersection Improvements project.

**Summary of Bids**

Blythe Development Company	\$1,077,860.00
Sealand Contractors Corp.	\$1,213,000.28
Blythe Construction, Inc.	\$1,367,324.18
Carolina Cajun Concrete, Inc.	\$1,407,642.20
Zoladz Construction Co., Inc.	\$1,481,750.30

**Item No. 30: Smart Parking Meters and Wireless Data Services**

(A) Approve the purchase of smart parking meters by piggybacking on a previously bid contract as authorized by G.S. 143.129 (g). (B) Approve a contract with IPS Group, Inc. for the purchase of smart parking meters and wireless data services for the term of three years, and (C) Authorize the City Manager to extend the contract for up to two additional, one-year terms with possible price adjustments as deemed reasonable and appropriate by the City Manager.

**Item No. 31: Airport Communications Infrastructure Services**

(A) Approve a one-year contract with DB Consulting, Inc. in the amount of \$120,000 for infrastructure design and review services for communications infrastructure at the Airport, and (B) Authorize the City Manager to approve two additional, one-year extensions.

**Item No. 32: Heavy Duty Brakes and Related Components**

(A) Approve a unit price, low-bid contract with Advantage Truck Center for the purchase of heavy duty brakes and related components for the term of three years, and (B) Authorize the City Manager to extend the contract for up to two additional, one-year terms with possible price adjustments as authorized by the contract.

**Summary of Bids**

Advantage Truck Center, Charlotte, NC	\$292,065.28
Stone Truck Parts, Charlotte, NC	\$295,470.43
TruckPro, Charlotte, NC	\$308,404.94
CARQUEST Auto Parts, Charlotte, NC (Non-responsive)	\$149,432.30
Clarke Power Service, Charlotte, NC (Non-responsive)	\$264,377.48
MHC Kenworth, Charlotte, NC (Non-responsive)	\$268,175.10
Carolina Powertrain, Charlotte, NC (Non-responsive)	\$284,257.19
Rush International, Charlotte, NC (non-responsive)	\$294,601.63

Provost Car, Elgin, IL (Non-responsive)	\$301,606.11
Hale Trailer Brake & Wheel, Concord, NC (Non-responsive)	\$301,766.60
Spring Services, Charlotte, NC (Non-responsive)	\$342,637.27
Transaxle T/A Powertain, Charlotte, NC (Non-responsive)	\$357,526.34

**Item No. 33: Hydraulic Pressure Hose Repair and Replacement Services**

(A) Approve a unit price contract with Pirtek South End for hydraulic pressure hose repair and replacement services for an initial term of three years, and (B) Authorize the City Manager to approve two, one-year renewal options with possible price adjustments as authorized by the contract, and contingent upon the company's satisfactory performance.

**Item No. 34: Citywide Uniform Rentals and Other Related Services**

(A) Approve a unit price contract with Rental Uniform Services of Statesville, Inc., dba Sunshine Uniform Service for uniform rentals and other related services for an initial term of three years, and (B) Authorize the City manager to approved one, three-year renewal option contingent upon the company's satisfactory performance.

**Item No. 35: Donation of Surplus Telecommunications Equipment to the First Responder Network Authority (FirstNet).**

Adopt a resolution approving the donation of surplus telecommunications equipment to the federal First Responder Network Authority (FirstNet).

The resolution is recorded in full in Resolution Book 45 at Page 439-440.

**Item No. 36: Refund of Property and Business Privilege License Taxes**

(A) Adopt a resolution authorizing the refund of property taxes assessed through clerical or assessor error in the amount of \$483,359.44, and (B) Adopt a resolution authorizing the refund of business privilege license payments in the amount of \$150.

The resolutions are recorded in full in Resolution Book 45, at Page 441-620 and 621-622.

**Item No. 37: Meeting Minutes**

Approve the titles, motions and votes reflected in the Clerk's record of the minutes of : April 28, 2014 Combined Zoning and Business Meeting, April 30, 2014 Half-day Retreat and May 5th, 2014 Workshop/Budget Presentation.

**Item No. 38: In Rem Remedy Transactions**

**Item No. 38-B: 263 Dakota Street**

Adopt Ordinance No. 5409-X authorizing the use of In Rem Remedy to demolish and remove the structure at 263 Dakota Street (Neighborhood Profile Areas 141).

The ordinance is recorded in full in Ordinance Book 58, at Page 763.

**Item No. 38-C: 3817 Ironwood Street**

Adopt Ordinance No. 5410-X authorizing the use of In Rem Remedy to demolish and remove the structure at 3817 Ironwood Street (Neighborhood Profile Area 138).

The ordinance is recorded in full in Ordinance Book 58, at Page 764.

**Item No. 39: Property Transactions**

**Item No. 39-A: 9413 Markswood Road and vacant lot.**

Acquisition of 1.59 acres in Fee Simple at 9413 Markswood Road from Terly W. Gilbert and Betty N. Gilbert for \$212,000 for Aviation Master Plan.

**Item No. 39-B: Vacant Lot on Markswood**

Acquisition of .92 acre in Fee Simple, at vacant lot on Markswood from Ngoc Bich Thi Hoang for \$36,000 for Aviation Master Plan.

**Item No. 39-C: 9005 Snow Ridge Lane**

Acquisition of .36 acre in Fee Simple at 9005 Snow Ridge Lane from Blue Sky Homes, LLC for \$140,000 for the Aviation Master Plan.

**Item No. 39-D: 9019 West Steeleberry Drive**

Acquisition of 2.09 acres in Fee Simple at 9019 West Steeleberry Drive from Mary Aileen Lewis for \$165,000 for the Aviation Master Plan.

**Item No. 39-E: 8115 Robbie Circle**

Acquisition of .82 acre in Fee Simple at 8115 Robbie Circle from Claude C. Palmer and Mary N. Palmer for \$175,000 for the Aviation Master Plan.

**Item No. 39-F: 9527 Markswood Road**

Acquisition of 1.19 acres in Fee Simple at 9527 Markswood Road from Jean-Frankie M. Tellus II for \$220,000 for the Aviation Master Plan.

**Item No. 39-G: Markswood Road**

Acquisition of .90 acre in Fee Simple on Markswood Road from Jean-Frankie M. Tellus II for \$50,000 for the Aviation Master Plan.

**Item No. 39-H: 14617 Thomas Road**

Resolution of condemnation of 1,726 square feet (0.9390 ac) in Waterline Easement, plus 400 square feet (.009 ac) in Temporary Construction Easement at 14617 Thomas Road from Trustees of Zoar United Methodist Church and Heirs of Shellie McRoy Adkins and any other parties of interest for \$850 for Youngblood Zoar Water Main, Parcel #9.

\* \* \* \* \*

**ITEM NO. 38-A: 3301 COMMONWEALTH AVENUE**

**Brent McIntyre, 3201 Commonwealth Avenue** said first and foremost I would like to note that beginning in 2009 I made several attempts to contact Camp Properties and its member Managing Director Dr. Paula Newsome regarding the condition of 3301 Commonwealth Avenue and never received a response. I've also been informed by neighbors and developers that they made several attempts to contact which provide fruitless, so filing the initial petition was not our first instinct but instead a last resort. As you can see from the outline and corresponding documentation provided the condition of 3301 Commonwealth is deplorable. If it were simply an eyesore we wouldn't be here, but the fact is it is unsafe and possesses substantial risk not to my family, but to the community at large.

On more than one occasion I had to contact the Police and the Fire Department due to concerns about squatters and/or fire and understandably they will not enter the property, however this year a young child went missing who was last seen on the sidewalk in front of the property. First responders and volunteers canvassed the neighborhood and had no choice to enter the property as there was serious concern that she had fallen into the basement from the hole in the foundation, or worse was dragged into the abandoned property by a vagrant. Luckily, the child was safely found and no one was harmed in the search, but the incident re-enforced how incredibly dangerous the property is to our community. Because of the proximity to my home my family has the greatest risk but please know the petition is greatly supported by my neighborhood at large and the first responders to our area.

I am sure the city has provided the documentation of the procedural history of this process which began over a year ago. Ample notice has been provided to Camp Properties and they have sent several individuals out to the property to clean up debris inside and outside the home. No substantial improvements have been made to the home and it is still uninhabitable. The only explanation given for failing to get this property up to code is the Camp Properties does not understand what needs to be done. This is simply inexcusable. As shown in the outline and documentation Camp Properties have been in the real estate business for 13 years and owns over 20 properties. The only member manager is Dr. Paula Newsome who is a graduate of UNC-Chapel Hill and has a doctorate in Optometry and owns her own medical office. Further she has

personally bought and sold a minimum of 30 properties. This is a real estate company run by an extremely intelligent and educated woman, so claiming not to understand the real estate code and leaving the property uninhabitable is ridiculous. Camp Properties did understand enough about the real estate business to take a \$1.3 million securitized loan against this property and other properties under their management.

In short we have waited long enough for Camp Properties to take responsibility for the danger and risk they have created by allowing this property to fall in such disrepair. They refuse to do so which means unfortunately the duty to act becomes yours. We all understand government budget concerns but this could cost the city exponentially more if nothing is done. The procedures have been followed and the violations are apparent. If you fail to take the necessary steps to eliminate the risk you too become responsible for the tragedies that may result. Lastly, I want to thank the city for all their help during the process and I apologize for the council as they have been left in a position of a parenting role in this matter.

**Mayor Clodfelter** said Mr. McIntyre thank you for your persistence.

**Councilmember Barnes** said Mr. McIntyre did you provide this to us?

Mr. McIntyre said yes sir I did.

Motion was made by Councilmember Kinsey, seconded by Councilmember Barnes, and carried unanimously to adopt Ordinance No. 5408-X to demolish and remove the structure at 3301 Commonwealth Avenue (Neighborhood Profile Area 2).

Mr. Barnes said I'm going to pass this down to the City Attorney; I'm going to vote for the demolition, but I want you to take this so you can recycle it and reuse it.

The ordinance is recorded in full in Ordinance Book 58, at Page 762.

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**ITEM NO. 38-D: 901 ROWAN STREET**

**Michael Mitchem, 2807 Whaley's Court** said we are here to ask for a time extension on this property and you will see with the notices that are passed around to you here; the property was just actually purchased today. The former owner, Mr. Richard McQuay was an elderly gentlemen and he was in no shape to actually fix up this property on his own. Actually it was purchased today by another one of our contractors and there is a scope of work here and also a letter of notice to Travis Mumbuio in Code Enforcement for an extension for the property. The property is the same property along with 1028 Fern Avenue. Mr. Mumbuio is over both of those properties right now which the gentlemen will be working with to fix that and revitalize this in the neighborhood. The scope of work here which is clearly stated out step-by-step plan to fix the property so this property can be re-rented and one day purchased by a homeowner and revitalize that neighborhood there. Also in return of this right here because we didn't have enough time today there is going to be a certified check delivered to Code Enforcement tomorrow in the amount of \$6,300 as a demo bond that was requested by Mr. Ben Krise of Code Enforcement as collateral to insure that this property will be fixed up; that along with the building permits. We are asking that this property not be demolished and that we have more time to actually fix this property up.

**Mayor Clodfelter** said is there anyone here from Code Enforcement? It looks like we have a new property owner here.

**Jane Tailon, Neighborhood and Business Services** said Mr. Krise couldn't be here this evening so I'm here on his behalf.

**Councilmember Lyles** said I don't know that I have a question but I believe it is the council's practice to go ahead and adopt the motion for demolition with the idea that we ask the staff to

work on this and as long as you are working with them and the progress is being made that the house would not be demolished. Am I stating that practice correctly?

Ms. Tailon said we will be willing to work with the homeowners. Let me give you just a little background. Mr. Krise has had several conversations with Mr. Mitchem. He explained to Mr. Mitchem on or about May 22<sup>nd</sup> that he needed to provide us with proof that he received his permits. He needed to give us an established scope of work and timeframes for completion and we wanted to see what work he could complete between May 22<sup>nd</sup> and tonight's council date. We have received none of that from Mr. Mitchem.

Mr. Mitchem said Mr. Mitchem has not purchased the property. Mr. Rob Brown from RRB Investments has. You see we wanted to make sure we had someone with enough funds to go in and fix this property up correctly and at the time I did not have enough funds to do that.

**Councilmember Barnes** said we've had a couple of these issues pop up over the years and to the point Ms. Lyles just made, one I would like to make sure that they have in fact bought the property; two, give them 30 days perhaps to bring it up to code and then report back to council. Do you see what I'm saying? They've bought it. Give them time to fix it up.

Ms. Lyles said Mr. Mayor and Mr. Barnes, what I want to avoid is I know how much time it takes to put something on an agenda and how much time that means so my preference would be to determine if we could take the action and then within the 30 days, if there has been sufficient progress the staff would not take any further action, but if within that 30 days if there is not progress that they not have to come back.

Mr. Barnes said I'm agreeing with you. I did not articulate well Mr. Mayor, but that was my intent.

**Councilmember Austin** said we have been working with these two gentlemen since May. I have been on the campaign in my district to relieve my community of many blighted properties and we have quite a few. We gave Mr. Mitchem a very detailed accounting of what he needed to provide for us by today's date and matter of fact I went out today at 4:00 to see if anything had been achieved. Nothing had been done to this particular property and I have no clear feeling or belief that anything else will be done over the next 30 days. I too, like Mr. Barnes would need verification that this actually has occurred, the sale of this property in order to even consider anything moving forward. I think staff has been very open to working with these two individuals over the last couple of months and again I went out at 4:00 today to make sure I was clear on what was happening, not even a window that was broken out were boarded up or nothing happened. I'm not quite sure if we are actually doing anything to move ourselves forward. This information is new as of just right now and so I would defer to staff if you are willing to work with them any longer. I know we've worked quite a bit with them, but I will say that I am tired.

Ms. Tailon said first and foremost we would ask Council to go ahead and pass the ordinance. If Mr. Mitchem or Mr. Brown who may be the property owner now can provide us with the documentation that we've already requested we would be willing to enter into a consent agreement but without proof that he has purchased the property and proof that there is an established scope of work and all of the other things that we've requested since May 22<sup>nd</sup>, we would not enter into that consent agreement if they are not able to provide that information.

Mayor Clodfelter said Mr. Mitchem, do you have a copy of your deed?

Mr. Mitchem said the deed has not been filed yet because these are the closing documents as of today, dated today, that we closed on the property today. Sometimes closings do not always close effectively and on time. Mr. McQuay's wife had died and that was another issue to the closing of the property.

Mayor Clodfelter said who is Men in Motion Home Renovations LLC?

Mr. Mitchem said that is my company sir.



Mayor Clodfelter said so that is the company that you are buying this in?

Mr. Mitchem said that is the company that we did purchase the property in, yes.

Mayor Clodfelter said let me ask you a question City Attorney. If we adopt an ordinance of demolition that is an ordinance of demolition and then it is staff's discretion as to whether that is carried out or not?

**City Attorney Bob Hagemann** said my understanding is that there is precedent for working with the property owners post council action so this would be consistent with how we've dealt with it in the past.

Mayor Clodfelter said has it ever been done where council adopted an ordinance of demolition with a delayed effective date so that if the property owner does get it done right then it could be rescinded? I just think having an ordinance out there and leaving it up to staff as to whether they like or don't like what has been done makes me a little uncomfortable.

Mr. Hagemann said if I could let me defer to Senior Assistant City Attorney Anna Schleunes.

**Anna Schleunes, City Attorney's Office** said Mr. Mayor I work with Code Enforcement and Neighborhood & Business Services on these. We have in the past had occasion where the council does go ahead and adopt the ordinance and then we enter into essentially a contract with the owner but it needs to be the owner to work with them, give them certain parameters and deadlines that they have to meet and as long as they are making progress we just stay the demolition. If the work is done, the agreement is completed to the terms then we withdraw or basically cancel the In Rem Ordinance. We cancel it, meaning that we note on the file that it is no longer in effect.

Mayor Clodfelter said doesn't the council have to rescind the ordinance? It's an ordinance.

Ms. Schleunes said but essentially the work is never done so the In Rem Ordinance authorizes city staff to demolish the property because the property owner has not done so. We just never act on it if that makes sense.

Mayor Clodfelter said not really.

**Councilmember Smith** said from a procedural standpoint provided we did not have a new owner that was closing on the property, how long would it take from start to finish after this ordinance is passed before the house is demolished?

Ms. Schleunes said I'm sorry, I'm not sure I understand.

Mr. Smith said under normal circumstances when we don't have somebody that has just purchased the house, if we pass this ordinance how long does it take from tonight until the house would actually be demolished? How long is our procedure?

Ms. Schleunes said I'm going to let Ms. Tailon answer that because essentially you have to get a demolition permit and it doesn't happen within 24-hours, there is a time range which I will her give you.

Ms. Tailon said I would say typically anywhere between two weeks to 30 days at max.

Mr. Smith said did we have a case earlier this year Mr. Barnes where we left the hearing open in lieu of passing and then circled back?

Mr. Barnes said I think we did and if the District Rep is comfortable.

Mr. Austin said again I've been on the campaign, again going by there today and just not seeing anything done was really disheartening. If they can get something really done and detailed and

listed out and give it to staff and you actually do the thing that you say then I would be open to it in 30 days; otherwise I'm just done.

Mr. Barnes said can I propose something just for thought Mr. Austin?

Mr. Austin said sure.

Mr. Barnes said that it would be that we approve the demolition order tonight per the ordinance, but ask staff to give us a report back on June 23<sup>rd</sup> as to whether they have begun to take action. They have agreed to get a \$6,300 demo bond and if nothing has happened by the 23<sup>rd</sup> staff will know by 30 days from today that they can take the building down or sooner actually. Is that fair Ms. Schleunes?

Mayor Clodfelter said Mr. Austin, this is your district so what do you think of that proposal?

Mr. Austin said I will go with that.

**Councilmember Fallon** said is that bond forfeited if it isn't done by the 23<sup>rd</sup>?

Ms. Schleunes said we use that money to undertake the demolition ourselves. That is the amount of the estimated that we've been given.

Ms. Fallon said have you got proof that there is a bond?

Ms. Schleunes said I believe he said he would give us a certified check. Essentially I think we just hold it in escrow.

Ms. Fallon said instead of bond a check?

Mayor Clodfelter said it will be a certified check.

Mr. Mitchem said if I may speak please. Mr. Ben Krise said that he wanted a certified check. It is called a demo bond but he said he wanted a certified check and it is our understanding that once this project is complete to the satisfaction of Code Enforcement and the City of Charlotte and we receive a Certificate of Occupancy for the property that that certified check will be returned to the owners.

Mr. Fallon said but you are aware that if something isn't done by the 23<sup>rd</sup> you are going to forfeit that check.

Mr. Mitchem said oh yes.

Mr. Smith said I just want to make sure I fully understand, so was it the previous owner that failed to do the work or was it the new owner? So it is the previous owner that failed to do the work?

Mr. Mitchem said yes it was the previous owner who failed to do the work and also it is against the law in Charlotte to work on a house that is not yours without the owner's consent. You see we had to actually purchase the house first.

**Councilmember Autry** said I just have a question; are you related at all to Mr. McQuay?

Mr. Mitchem said no sir.

**Councilmember Driggs** said the only concern I have is that we are not defining exactly what has to happen. Basically the petitioner could spend some money and we could come back and just say no, we don't have an objective reference as to what would cause us to allow. It is just a fuzzy agreement.

Mr. Austin said what we actually did; we had a list of about six items that Ben was very clear about that he needed to achieve.

Mr. Driggs said are those the items that now have to occur in the timeframe we are talking about?

Mr. Austin said exactly.

Mayor Clodfelter said I think Councilmember Austin is on top of this one so I think he has worked this one pretty hard. So what would you like to do?

Mr. Barnes said were you saying Mr. Austin that we would approve the In Rem tonight and allow the automatic delay that Ms. Schleunes talked about giving them until June 23<sup>rd</sup> to make progress as opposed to suspending it.

Mr. Austin said yes.

Mayor Clodfelter said the motion is to adopt the ordinance by Councilmember Austin with a report on June 23<sup>rd</sup> from staff as to the progress on the six enumerated items.

Mr. Barnes said with the understanding Mr. Mayor that if nothing has occurred by the 23<sup>rd</sup> that Mr. Austin would support the demolition.

Motion was made by Councilmember Austin and seconded by Councilmember Barnes to adopt Ordinance No. 5411-X authorizing the use of In Rem Remedy to demolish and remove the structure at 901 Rowan Street (Neighborhood Profile Area 385) but delay demolition to see if substantial progress has been made on the list of six numerated items by June 23, 2014.
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The vote was taken on the motion and recorded as follows:

YEAS: Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Kinsey, and Lyles.  
NAYS: Councilmember Smith

The ordinance is recorded in full in Ordinance Book 58, at Page 765

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**ITEM NO. 22: CONCLUSION OF THE CONSENT AGENDA**

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**PUBLIC HEARING**

**ITEM NO. 12: PUBLIC HEARING ON VOLUNTARY ANNEXATION**

**Mayor Clodfelter** said Item No. 12 is a series of public hearings and ordinances to adopt voluntary annexations and we have to do these separately. What we will do is open the public hearing, see if we have any speakers and at the end of the public hearing we will close the public hearing and take a motion if that is your pleasure to adopt the ordinance of annexation effective June 30, 2014.

**Public Hearing for Voluntary Annexation of Property Generally Located on West Boulevard / Berewick IV.**

There being no speakers, either for or against, a motion was made by Councilmember Lyles, seconded by Councilmember Barnes and carried unanimously, to close the public hearing and adopt Ordinance No. 5401-X with an effective June 30, 2014, to extend the corporate limits to include the property generally located on West Boulevard/Berewick IV and assign it to the adjacent City Council district.
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The ordinance is recorded in full in Ordinance Book 58, at Page 731-734.

**Public Hearing for Voluntary Annexation of Property Generally Located on Wilkinson / I-485 IV.**

There being no speakers, either for or against, a motion was made by Councilmember Lyles, seconded by Councilmember Fallon, and carried unanimously, to close the public hearing and adopt Ordinance No. 5402-X with an effective June 30, 2014, to extend the corporate limits to include the property generally located on Wilkinson/I485 IV and assign it to the adjacent City Council district.

The ordinance is recorded in full in Ordinance Book 58, at Page 735-738.

**Public Hearing for Voluntary Annexation of Property Generally Located on Avery Meadows.**

There being no speakers, either for or against, a motion was made by Councilmember Barnes, seconded by Councilmember Driggs and carried unanimously, to close the public hearing and adopt Ordinance No. 5403-X with an effective June 30, 2014, and extend the corporate limits to include the property generally located on Avery Meadows and assign it to the adjacent City Council district.

The ordinance is recorded in full in Ordinance Book 58, at Page 739-741.

**Public Hearing for Voluntary Annexation of Property Generally Located on Frank Vance Road.**

There being no speakers, either for or against, a motion was made by Councilmember Kinsey, seconded by Councilmember Fallon and carried unanimously, to close the public hearing and adopt Ordinance No. 5404-X with an effective June 30, 2014, to extend the corporate limits to include the property generally located on Frank Vance Road and assign it to the adjacent City Council district.

The ordinance is recorded in full in Ordinance Book 58, at Page 742-745.

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**ITEM NO. 13: RESOLUTION OF INTENT TO ABANDON AN UNOPENED ALLEYWAY OFF OF NEWBERRY STREET AND TO SET A PUBLIC HEARING DATE.**

Motion was made by Councilmember Barnes seconded by Councilmember Autry, and carried unanimously, to (A) Adopt a Resolution of Intent to abandon an unopened alleyway off of Newberry Street, and (B) Set a public hearing for June 23, 2014.

The resolution is recorded in full in Resolution Book 45 at Page 417-420.

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**POLICY**

**ITEM NO. 14: CITY MANAGER'S REPORT**

**City Manager Ron Carlee** said I would like to introduce the Council to Sarah Hazel, the City's new ICMA Fellow. This is part of a national program where we try to attract the best and

brightest to the profession in cities across the country and we have selected Ms. Hazel this year out of UNC.

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**ITEM NO. 15: CITY MANAGER AND CITY ATTORNEY'S EVALUATION CRITERIA**

**Councilmember Autry** said it's been a fruitful process I think at coming to a process and a way to evaluate performance of the City Manager and the City Attorney and I'm happy to support this measure this evening and I hope my colleagues will do the same.

**Councilmember Kinsey** said just a correction, under the Governance & Accountability Committee discussion paragraph, on May 12th I am listed as being there and voting and I was in South Africa.

**Mayor Clodfelter** said it is hard to vote from South Africa so correct the minutes and Madam Clerk will show that as a correction.

Motion was made by Councilmember Autry, seconded by Councilmember Barnes, and carried unanimously to approve the Governance & Accountability Committee recommendation of the performance criteria for the City Manager and the City Attorney.

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**ITEM NO. 16: FISCAL YEAR 2015 OPERATING BUDGET AND FISCAL YEARS 2015-2019 COMMUNITY INVESTMENT PLAN**

**Mayor Clodfelter** said nothing there really significant right? You've been working on it for six months now very diligently through a series of Workshops and Council meetings and have had for the benefit of those who are watching this; the Council has had a series of Workshops and meetings on this and has taken some tentative preliminary votes on the proposed budget already in a work session about a week or so ago. We are at the point of decision tonight. Mr. Manager, do you have anything you want to add?

**City Manager Ron Carlee** said no sir, I just want to thank you and the budget staff are all here tonight as well as all of the departmental staff who worked hard to put your budget together for you.

**Councilmember Fallon** said make note there is no tax rate increase.

Mayor Clodfelter said there is no increase in the property tax rate. That is correct.

Motion was made by Councilmember Barnes, to adopt the following ordinance, resolutions, agreement and contracts: (A) The Fiscal Year 2015 Operating Appropriations and Tax Levy Ordinance No. 5405-X, (B) The Fiscal Years 2015-2015 Community Investment Plan Resolution, (C) The Fiscal Year 2015 Storm Water Interlocal Agreement, (D) The Fiscal Year 2015 Pay and Benefits Plan Resolution and associated Human Resources Contracts, (E) Outside Agencies and Municipal Service Districts Contracts, (F) Approve Other Budget Items, and (G) Charlotte-Mecklenburg Housing Partnership Contract.

**Councilmember Barnes** said for the benefit of the general public this is the fiscal year 2015 budget, operating and capital for the City of Charlotte. We will be investing \$2.1 billion in our community with no tax increase; there has been a great deal of consternation and concern expressed regarding water and sewer rates and we understand those concerns. We have asked our staff to come back to us with some potential solutions to resolve what I consider rate deficits and structural deficits that exist with respect to storm water and water rates in general so we hear the general public on that. I think we are all tired of having to raise those rates as well, but we also are having to deal with the growth that is occurring in Charlotte and Mecklenburg County over the last several years and part of that is extending that infrastructure so we recognize it and we are working on it, but I think overall Mr. Manager this is a good budget and I think it meets a  
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number of needs and we are able to resolve some issues regarding after school funding. We gave additional money to the YWCA and to Above and Beyond so we were able to help some programs that were going to be cut substantially. All in all I like the budget and I'm going to support it.

**Councilmember Driggs** said throughout this budget process I communicated to my colleagues a couple of concerns about the way this has come about and I would like to clarify; we are actually not investing, we are spending \$2.1 billion in our budget. The investment that we are committing to make is \$4.1 billion across all of the enterprise zones and in the CIP. We are reducing our available funding capacity by about half so I feel that the operating and capital commitments we are making are aggressive. We know about \$250 million in other spending needs that have been identified for which no source of funding has been established yet and we are talking about incurring debt on a schedule that goes out to 2020, but in fact in the course of our budget process did not look at any forecast as to what our capacity would be to service that debt on those future dates. It is probably just a matter of my background, but I'm not accustomed to making commitments like that, looking out that far into the future and not having some context as to what our capacity is to actually service those debts or meet those commitments. For me the straw that broke the back, and I really did want to recognize the good staff work that was done; we are in the second year of a budget process without a tax increase it shouldn't be that hard, but one thing that sort of broke the back for me was, I was in Raleigh and the General Assembly finalized a decision to terminate the Business Privilege License Tax starting next year, to reduce it somewhat this year. It is not clear to me that we know exactly how we are going to adjust for the \$18 million in revenue that will be lost because of that. The General Assembly has committed to find new revenue sources for municipalities; however, we have the certainty of a cut in our funding against the uncertainty of a commitment to try to find replacement revenue.

The last subject that I would mention that I've also brought up in our meetings is that in my district the total spending per capita was about \$134 million, which I learned in response to a question over the past 10 years there is almost no money for Districts 7 in the five-year plan that we are adopting now. The Community Investment Plan General Fund portion, which means that over a 15-year period the spending in District 7 is going to average about \$8 million to \$9 million per year. In fact if you look at the information we receive for District 6 the story is very different. The bond financing that is going to be done in District 6 is \$29 million and I think in relation to the share of the property taxes that are paid by residents in those areas that this is a bad relationship. I'd like to work with staff in the coming year to try and achieve better transparency, the kind I'm talking about. I got here late this time and I wasn't able to kind of figure out how everything worked until we were well down the road, but I do think it is possible for us to be just more aware of the commitments we are making and to avoid putting ourselves in a position where we really have to make difficult choices which we may end up having to do with the loss of the Privilege License Tax, therefore I am not going to be able to support the budget.

**Councilmember Smith** said I want to first thank staff for the enormous amount of effort you've put into preparing next year's budget and the hard work and the Budget Workshops and all the questions that you answered during that process for me. I did not support the proposed budget at the straw poll vote and I don't plan to support it tonight. I ran for office because I was tired of government nickel and diming me at every turn. Even when government doesn't raise taxes it is good and very proficient at raising fees. This will be the fifth straight year we've raised water, sewer and storm water rates ... would have ... for those increases have been above 5.5%. During add and deletes I recommended that we hold the rates flat for one year. My hope was to save nearly \$12 million and give us adequate time to create a long-term funding model that can bring payment stability to the citizens of Charlotte. I also echo the sentiment of Councilmember Driggs, although I probably can't say in quite as eloquent economic terms I would like to see us have a little bit more of a rainy day budget in there. That is what we call it around my house. But I do want to be clear there are very positive aspects to the budget. I am really glad we were able to find funding for our financial partners such as the YWCA and Above and Beyond students that were at risk of losing our participation. The budget includes a pay raise for our employees, helps convert some long-term full-time employees over to full-time status, but in the

end I'm just not comfortable with the fee increase and what I call the lack of rainy day fund and I'm not going to support the budget this year.

**Councilmember Lyles** said I too wish I were as articulate as my fellow Councilmembers Kenny Smith and Ed Driggs about some of these matters. I think it is always very, very tough to talk about some of the issues that we have that are very, very difficult in the sense of the way I studied economics at Queens, which I barely passed. I do want you to know that when I look at this I need to learn a few things from these gentlemen about these kinds of efforts, but I want to go at it in a little different way. I think when we think about having our taxes paid. But the thing that we do is that we don't pay taxes to put them in a savings account and keep them in the bank. We ought to return them to our citizens if that is what we are going to do with it. I do think the citizens expect to have roads to drive on, they expect to have buses to take to work, they expect to have the police officers and the firefighters come when they dial 911, they expect to have a clean city in this community and there are a number of expectations that I think that we have allowed our citizens to accept and they've endorsed. When I think about all of our bond referendums and some of those issues, we can differ on some of the edges around the budget and I think that is a good and fair thing to do. We ought to have those debates and those differences, but overall I think what I've heard is that our budget is built around sound fiscal investment and our capital program is built to bring a level of operations that have been expected and normal to our citizens in this past year without a tax increase. I know that we have difficult choices to make in the future. I think this council is very capable of dealing with those and I hope that we will have the opportunity over the next year to talk about what is our philosophy and how do we do that, but today I would support this budget with a stable tax rate, a significant investment in our capital infrastructure that will make our community a great place or continue to be a great place to live and work.

**Councilmember Austin** said I will be supporting this budget this evening and thank you Mr. Barnes for making the statement. This is an investment of \$2.1 billion in Charlotte. Charlotte is a growing city with growing needs and we have developed a budget with no tax increase so I think we need to feel proud of that and I want to recognize staff for all the hard work that you did over several months of presentations and those types of things, also I want to thank members of the city council for considering our After School Programs and helping fund those. I think we have to be creative and I think we were this year. I believe that what we've developed here is sound, is fiscally sound and also meets the needs of our community and again I will be supportive and I hope other members of council will support it as well moving forward.

**Councilmember Fallon** said I'm going to support it. This is a growing city and a growing city creates business and jobs and that is what we are about on this council, making sure people who want to work can work, pay taxes, live here and live decently. Roads need to be fixed; water and sewers need to be created for the influx of people that we get. We can't stand still. If we stand still and we don't grow we will shrink. I don't think that is anything anybody wants. We have to prepare for the people that are coming and that are here already, so I will vote for this budget.

Mr. Barnes said I wanted to respond briefly to a few things that my colleagues Mr. Smith and Mr. Driggs mentioned. First of all when I described investments Mr. Driggs, what I meant was that as Charlotte continues to grow, as people continue to move here, businesses come here, businesses start here, we have to provide the infrastructure for those businesses to get their employees and goods and services from point A to point B. Within this budget there is several million dollars for road projects, road infrastructure which will be beneficial to the business community. I would also point out that over the last 20 years the city has spent \$450 million in district 7 and one of the reasons that you see perhaps a minimal amount of spending in this particular budget in district 7 is because so much of the infrastructure has previously been provided. There are some road projects in fact underway right now in district 7 that I think benefit people throughout the city. Within this budget; also for both you and Mr. Smith, ultimately within the CIP package will be police stations within your district and Mr. Smith's district so the CIP may not spend as much money in district 7 as it does in other parts of the city, but that is generally based upon need. I understand what you are saying but there is a lot of really good stuff in here, the Cross Charlotte Trail which benefits South Charlotte is contained in this budget. The Joint Communication Center is part of COPS Program, but there is a lot of money to be invested in Charlotte that will help the city grow. I'm going to support the budget

as I said before, but I do have one question for the Manager. Mr. Manager, looking at the items A through G, if we were to break them out item by item which item contains the water rate increase? Is it Item C or is it under F?

Mr. Carlee said let me confirm with Budget Director.

**Budget Director Randy Harrington** said it is under A.

Mr. Barnes said it is under A, so Mr. Smith if we were to break the items out and vote them individually would you support everything but A?

Mr. Smith said I think I could be on board with it, give me a second.

Mr. Barnes said Mr. Mayor I suggest that is a way for him to support all of the spending except the water rate increase.

Mayor Clodfelter said I understand but if you break it up like that and something should happen and there would be six votes for all the rest of the items, but not six votes for that item I'm not sure Mr. Manager how you would have a budget.

Mr. Barnes said I think we would have five votes right?

Mayor Clodfelter said I'm sorry you are correct on this vote tonight under the state law you only required to have a majority of those present and voting.

Mr. Barnes said we would have five votes on everything or at least five on everything on A through G, but he wanted to support everything but A.

Mayor Clodfelter said you've done your head count, I have not. Mr. Smith, do you want to defer the question? You are not obligated.

Mr. Smith said give me a few minutes; I'm flipping through.

Mr. Driggs said while he is thinking about it, for one; my figure on the district 7 investment was based on the answer I received from staff in writing if you've got something that contradicts that I'd be interested in knowing what it is. I also just want to make it clear, it is important that the public hear this conversation. If I wasn't sitting here tonight raising the issues I am you would not be hearing the pros and cons, you would not have any basis on which to decide for yourself whether you think we are in this financially sound position. I also am raising the basic issue that I'm not sure the information we considered during our budget process actually allows us to make that statement. You can't say we're in a financially sound position without knowing, as you would at home, if you were deciding on how much to borrow to mortgage your house for example, what your income outlook is, what your other expenditures are, how much flexibility you want to have for unforeseen developments. My concern is not that this is a bad budget; I am concerned that it stretches us and that it leaves us without a lot of flexibility, but the other concern I have is just if we sit here and make assertions about the fact that it is a sound budget, that should be backed up by something. Based on my experience in looking at the budgets of countless private sector companies and also having served on the board of non-profits, I'm just not sure there is enough here for us to be able to say with confidence if we get hit by the \$18 million revenue loss and if a few other things happen that we are going to have an easy answer for that, and that is not going to involve either a tax increase or curtailment of some pretty important services. This shouldn't be looked upon as some sort of partisan wrangle or a criticism of others, I'm just bringing up perspective to this conversation what I think needs to be here so that at the end of the day when we do decide the course to pursue it is the right thing for the city.

Mayor Clodfelter said I'm going to take the liberty of offering an observation or two. I came into this exercise very, very late so I don't presume to be nearly as knowledgeable about this year's package as any of you are and so I'm not going to try to pronounce on it for that reason, but I just want to share an observation or two about, not this budget, but about going forward.

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Those of you who know anything about the work I did before in my last day job know that I was what they call in the General Assembly a finance geek, we divided into two camps up there and you either work on the spending and appropriations side or you work on the money raising finance side and I was on the money raising and finance side. I really don't have anything to say about this is a spending plan, it is a very well put together and very well thought out plan for expenditure of the funds that the city has coming in, and Councilmember Driggs I may not go quite as far as you've gone tonight, but I do share with you at least one view about the task ahead of us in the upcoming 12 months and that is that a lot of our work does lie on the finance side of things going forward from here. One of the things that caught my eye when I looked at the budget was that we were able to come into balance without a property tax increase because in large part we had a very robust growth in our sales tax collections this year. I think Mr. Manager if I remember the number right it was in excess of 8% growth annually. Well, that is great as long as it continues, but as we saw here locally and as we've seen in the state level the sales tax can be volatile on you from year to year and especially so as the base of the sales tax continues to shrink and the taxes levied on a diminishing base of goods and services. I'm not sure whether we should necessarily always count on an 8% increase, I know the Manager will not do so, but that is why we were able to balance this year. When I look ahead and think about the finance task ahead of us Councilmember Driggs, I do agree with you that replacing \$18 million of revenue in next year's budget and trying to figure out what we do in the event the economy flattens out on us or doesn't grow as robustly as it has grown in the last 12 months, those really are the major challenges that I see looking at the finance picture going ahead. I don't fault the decisions that are made in this budget at all, but I do think there is an awful lot of work to be done on that topic in the next 12 months.

Ms. Lyles said I also want to second your perspective Mayor as well as Mr. Driggs. I hope in no way did I indicate or expect this to be an easy task. I do think it is a huge task before us and one of the things that I continue to struggle with is the same concept that we have around being conservative in a number of ways. Really for Charlotte it is going to depend on what the state is going to do and consistently, once we know what the path is going to be, it is not just talking about how many dollars are cut, it is talking about how do we sustain ourselves long-term financially to do this. Right now I think that that discussion can't be held in the next week or the week before. At some point we have a plan that was put in place. I do believe that we have the ability to adjust both on the expenditure side if there are revenue issues in the year coming up. I want to say it is not going to be easy. It is not going to be easy because we don't know what our foundational premises are financially because the state has not made some of those decisions. I have been consistently asking the question what is our philosophy about financing local government in North Carolina. If we would know the rules of the game, then we can play by them, but right now we have the rules that are in place that were built around it and we have to wait until someone gives us that. Today we don't have it, I know it is not going to be easy, but I do believe that the city has had fiscal policies that put in place fund balances of a sufficient nature by each fund to take care of emergency issues. I do believe we have a management system in place that if expenditures become out of whack with what is coming on with our new revenues or not coming available, that we have the ability to react in that way. It is not going to be easy but I believe the plan in place that we have today is the one that we can go ahead and go forward on and be prepared to adjust next year as we get more firm around what we are supposed to be doing either on the expense side or on the revenue side. It is not easy and I don't want to even approach the idea that everything is in place to do it, but I do think that we are going to have the ability to operate from where we are and make adjustments as necessary.

Mr. Smith said I'm going to echo Mr. Driggs sentiment and we don't need to separate them out. I'm not so confident that we will be able to address things on an expenditure side without a revenue raise with some of the stuff we may be facing in the future. I'm not as optimistic there.

**Councilmember Autry** said I will second Mr. Barnes' motion.

Mr. Driggs said I just wanted to specifically recognize Randy Harrington's work on the budget and to make it clear I have no problem about the confidence of the staff and the way it has all been done. I would just like to see us be more included in some of the deliberations that go into these decisions.

Mayor Clodfelter said the motion before you is to adopt the FY2015 Operating Budget and the FY2015-2019 Community Investment Plan Items A through G.

The vote was taken on the motion and recorded as follows:

YEAS: Councilmembers Austin, Autry, Barnes, Fallon, Kinsey and Lyles.

NAYS: Councilmembers Driggs and Smith.

Mayor Clodfelter said thank you again Mr. Manager and all your staff. It's a great labor every year to deliver this and deliver it as smoothly and efficiently as you do. It is really commendable. Thank you!

The ordinance is recorded in full in Ordinance Book 58, at Page 746-758.

The resolutions are recorded in full in Resolution Book 45, at Page 421-422 and 423

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#### **ITEM NO. 17: BUSINESS PRIVILEGE LICENSE TAX CITY CODE AMENDMENT**

Motion was made by Councilmember Kinsey, seconded by Councilmember Autry, to adopt Ordinance No. 5406 amending Chapter 13 of the City Code to conform with recent legislative changes to the City's Business Privilege License Tax authority and to move the due date and imposition of penalties and interest back 30 days for Fiscal Years 2014 and 2015.

**Councilmember Fallon** said I have asked during the discussions on the budget, since we know we are not going to have it in the future, can't we take that money and put it on a dedicated line, put it aside so that we can soften the blow when we don't get it after next year. So we could add to from something else rather than have to start from the beginning because I don't see it coming back. Just because they are going to discuss how we are going to get something else, I don't trust what Raleigh will come up with.

**City Manager Ron Carlee** said the City does have a general reserve of 16% which provides sufficient revenue in case we had a dramatic economic shift, however within the amount of money in the Privilege License Tax, which is only about 3% of our operating budget, while as was articulated on the previous item it will be a challenge if we have to balance the budget with the total loss of those funds. However, the commitment that we've received from the Governor and from leadership in the House and the Senate is that they will come back in the long session with more comprehensive action that would aim to replace the Privilege License Tax in a way that would make up the revenue for local governments. I'm certainly prepared to accept them at their word that they will do that at the same time and to work with them and we will be doing that with the League as we have. I believe our first priority should be to work with state leadership in what they have committed to local governments. Now this is obviously not a Charlotte only issue; it affects cities and town all across North Carolina and we should be working in partnership with our fellow cities and towns through the League and we will certainly do that from a Charlotte perspective. As we go into the fall and we begin doing our modeling for the FY16 budget we will be taking into account all of our revenue flows, those that have increased and those that are decreased, we will model at different levels including potential loss of the Privilege License Tax and we will be putting together, I will be constructing for you our recommendation of a spending plan that insures that the City of Charlotte lives within its means.

We will be presenting the initial financial analysis of that to the city council at your retreat in January. Hopefully by that time we will have made substantial progress with the leadership in the General Assembly and have an idea of what they may bring forward in their long session or we will have a stronger idea that something cannot be worked out. But, based on the commitments that have been made and we actually heard the Governor say it again last week on behalf of the Senate and the House leadership while we were there for Town Hall Day, they have committed to work with cities to do a replacement. I think in good faith we should work with them to try to make that happen. Meanwhile the item before you tonight would be to provide

additional time for people to pay their tax this year since bills had to go out late due to the accidental repeal in the previous session because in fact we do not want to adversely impact our businesses for something that was not their fault.

Ms. Fallon said I would just like to say that I don't believe that 16% that we put aside for emergency should be used to fill in what we are going to lose. We have to find another source and what is that old thing, what do you call it, and verify, that is the way I'm going to go on the commitment I got from Raleigh.

Mr. Carlee said I would only recommend using any of our general reserve on a transitional basis to a balanced budget. Because we have advance notice I don't expect that that will be necessary. I would not anticipate that it would.

Ms. Fallon said I hope not.

**Councilmember Driggs** said Mayor I just wanted to clarify what we are voting on right now in light of the conversation is a procedural change that says we will revise the tax that we levy to include only people who are physically located in Charlotte as required by the new law and that we are also deferring for one month the due date of the taxes because there was a technical glitch in the General Assembly where the tax was actually cancelled and it was then reinstated, but our tax collectors were not able to act and therefore are giving taxpayers an extra month without penalty and that is the thing we are talking about right now.

**Mayor Clodfelter** said that is correct.

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

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## **BUSINESS**

### **ITEM NO. 18: CHARLOTTE TRANSIT CENTER – TRANSFER OF OWNERSHIP**

Motion was made by Councilmember Kinsey, seconded by Councilmember Austin, and carried unanimously to (A) Authorize the City Manager to execute all documents required to dissolve the non-profit corporation known as Charlotte Transit Center, Inc. to (the "Corporation") and to transfer all assets, liabilities and obligations of the corporation to the City, and (B) Authorize the City Manager to negotiate and execute a contract with Lincoln Harris, in an amount not to exceed \$195,000 to provide property management services for the Charlotte Transit Center for fiscal year 2015.

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### **ITEM NO. 19: GENERAL OBLIGATION BOND REFERENDUM**

Motion was made by Councilmember Lyles, seconded by Councilmember Autry, and carried unanimously, to adopt resolutions authorizing staff to proceed with the necessary actions to conduct a general obligation bond referendum on November 4, 2014.

The resolutions are recorded in full in Resolution Book 45, at Pages 424-433.

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### **ITEM NO. 20: NOMINATIONS TO BOARDS AND COMMISSIONS**

**Item No. 20-A: Charlotte Housing Authority** - The following nominations were made by one appointment for an unexpired term beginning immediately and ending December 17, 2014, and then continuing for a full three-year term beginning December 18, 2014, and ending December 17, 2017:

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Sheila Jones, nominated by Councilmembers Austin, Autry, Howard Mayfield, and Smith  
Thomas Rothrock, nominated by Councilmembers Barnes and Fallon  
Alexander Vuchnich, nominated by Councilmember Driggs  
Annette Ebright, nominated by Councilmember Kinsey  
Patrick McNeely, nominated by Councilmember Lyles  
Dimple Ajmera, nominated by Councilmember Phipps

Motion was made by Councilmember Barnes, seconded by Councilmember Driggs, and carried unanimously, to close the nominations.

**Item No. 20-B: Charlotte-Mecklenburg Public Access Corporation** - The following nominations were made for two appointments for three-year terms beginning July 1, 2014 and ending June 30, 2017:

Michael Hernandez, nominated by Councilmembers Austin, Autry, Driggs, Howard, Mayfield, Phipps and Smith  
Antreice Mitchell, nominated by Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles and Mayfield,  
Dwayne Heyward, nominated by Councilmembers Barnes, Fallon and Phipps  
Carmen Johnson, nominated by Councilmember Driggs

Motion was made by Councilmember Fallon, seconded by Councilmember Smith, and carried unanimously, to close the nominations.

**Item No. 20-C: Domestic Violence Advisory Board** – The following nominations were made for one appointment for a three-year term beginning September 22, 2014 and ending September 21, 2017:

Beatrice Cote, nominated by Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Kinsey, Mayfield, Phipps and Smith

Motion was made by Councilmember Autry, seconded by Councilmember Kinsey, and carried unanimously, to appoint Ms. Cote by acclamation.

**Item No. 20-D: Historic Landmarks Commission** – The following nominations were made for two appointments for three-year terms beginning July 17, 2014, and ending July 16, 2017:

Larken Egleston, nominated by Councilmembers Austin, Autry, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith  
Leonard Norman, nominated by Councilmembers Austin, Autry, Barnes, Driggs, Fallon  
Paige Wagoner, nominated by Councilmembers Barnes, Fallon, Kinsey,  
Laura Hoover, nominated by Councilmembers Driggs, Lyles,  
Richard Clark, nominated by Councilmember Phipps

Motion was made by Councilmember Smith, seconded by Councilmember Driggs, and carried unanimously, to close the nominations.

**Item No. 20-E: Planning Commission** – The following nominations were made for one appointment for a three-year term beginning July 1, 2014 and ending June 30, 2017:

Karen Labovitz, nominated by Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Kinsey, Mayfield, Phipps  
Paisley Gordon, nominated by Councilmember Smith

Motion was made by Councilmember Barnes, seconded by Councilmember Fallon, and carried unanimously, to close the nominations.

**Item No. 20-F: Storm Water Advisory Committee** – The following nominations were made for one appointment for an environmental professional; individual to be a member of a generally recognized organization involved in environmental issues for a three-year term beginning July 1, 2014 and ending June 30, 2017:

Leslie Jones, nominated by Councilmembers Austin, Autry, Driggs, Mayfield, and Phipps  
Thomas Rothrock, nominated by Councilmembers Barnes, Fallon, Kinsey, Lyles, and Smith

Motion was made by Councilmember Autry, seconded by Councilmember Driggs, and carried unanimously, to close the nominations.

**Item No. 20-G: Transit Services Advisory Committee** – The following nominations were made for one appointment for an express service passenger for an unexpired term beginning immediately and ending January 31, 2017 and one appointment for a van pool rider for an unexpired term beginning immediately and ending January 31, 2016:

Myron Taylor, nominated by Councilmembers Austin, Autry,  
John Murphy, nominated by Councilmember Barnes,  
R. Casey Celli, nominated by Councilmembers Driggs, Fallon,  
James Hilsman, nominated by Councilmembers Kinsey, Lyles,  
Dwayne Heyward, nominated by Councilmember Phipps

Motion was made by Councilmember Driggs, seconded by Councilmember Smith, and carried unanimously, to close the nominations.

There were no nominations for the Van Pool Rider.

**Mayor Clodfelter** said since there were no nominations for the Van Pool Rider they will carry this over to the next meeting.

**Councilmember Lyles** said could we ask staff to give us some ideas of people that may be interested that are riding in van pool please?

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## **ITEM NO. 21: APPOINTMENTS TO BOARDS AND COMMISSIONS**

**Item No. 21-A: Neighborhood Matching Grants Fund** – The following nominees were considered for one appointment for a neighborhood representative for a two-year term beginning April 16, 2014, and ending April 15, 2016:

Julio Colmenares, nominated by Councilmember Driggs  
Joel Gilland, nominated by Councilmember Barnes  
Chris Land, nominated by Councilmembers Austin, Howard, Mayfield and Phipps

Results of the ballot were recorded as follows:

Julio Colmenares, 3 votes – Councilmembers Driggs, Fallon  
Chris Land, 5 votes – Councilmembers Austin, Autry, Barnes, Kinsey, Lyles and Smith

**Councilmember Smith** said I voted for Julio Colmenares; I will change my vote and vote for Chris Land.

Mayor Clodfelter said we have a change; have we verified eligibility on that one after the discussion this afternoon?

**City Attorney Bob Hagemann** said Mayor, I understand there was a question about that and the council's policy is if the council deems somebody to be qualified they are qualified.

Mayor Clodfelter said even though the criteria say it is a slot for a designated representative?

Mr. Hagemann said staff is not in a position to make that judgment for you so it is left to the majority of council to make a determination because sometimes those criteria on the qualifications are somewhat subjective.

Mr. Smith said I'm willing to move my vote to Mr. Land if that brings closure.

Mayor Clodfelter said this is an appointment; we have the nominations and they were closed so we now have six votes for Mr. Land and that means Mr. Land will be elected. Even though it is a designated slot anybody can be put into it.

**Councilmember Kinsey** said Mr. Mayor he does indicate that he has served as an officer in both homeowner associations where he has lived. I did vote for him and I sort of hung my hat on that. I felt like he had been involved with the neighborhood organizations.

Mayor Clodfelter said I was looking at a different form earlier today.

Ms. Kinsey said I have requested and get the full report.

Mayor Clodfelter said good for you because that information was not in the material that I had.

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#### ITEM NO. 23: MAYOR AND COUNCIL TOPICS

**Councilmember Barnes** said I want to take a brief moment of personal privilege to congratulate my son on finishing first grade tomorrow, and my girls graduated from pre-school last week. My kids are getting old and getting big on me and I'm missing the babies.

**Councilmember Kinsey** said and you are getting old too.

Mr. Barnes said yeah I am, especially in the last week or so I've aged quite a bit, but congratulations to my baby boy and to my baby girls.

**Councilmember Driggs** said I would like to advise my colleague to pay attention and don't let it go by too fast because my daughter graduated from college this week.

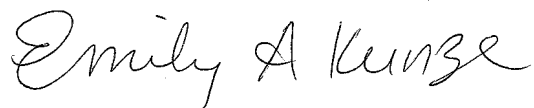
**Councilmember Smith** said we would not be wrapping up a meeting if I were not able to give NASCAR congratulations. My family was five-wide yesterday on the couch watching Dale Earnhardt, Jr. go past the finish line and much to my daughter's happiness Danica Patrick played a small role while she was nowhere near victory, played a role in the victory so our whole family was happy. Congratulations to Mr. Earnhardt on your victory and to Mr. Rick Hendrix for the success his team had in this season.

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#### ADJOURNMENT

Motion was made by Councilmember Lyles, seconded by Councilmember Smith and carried unanimously to adjourn the meeting.
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The meeting was adjourned at 8:12 p.m.



Emily A. Kunze, Deputy City Clerk

Length of meeting: 3 Hours, 6 Minutes  
Minutes Completed: June 27, 2014

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