

The City Council of the City of Charlotte, North Carolina convened for a Dinner Briefing on Monday, June 23, 2014, at 5:09 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, Edmund Driggs, Claire Fallon, David Howard, Patsy Kinsey, Vi Lyles, LaWana Mayfield, Greg Phipps and Kenny Smith.

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ITEM NO. 1: MAYOR AND COUNCIL CONSENT ITEM QUESTIONS

Mayor Clodfelter said the Manager wants to start us out and make a couple of introductions to folks.

City Manager Ron Carlee said Keith Richardson as you know has been Interim Corporate Communications Director; he will be going over to Neighborhood and Business Services; that was something that he had planned to do prior to the vacancy occurring in Corporate Communications. He's now going to be able to do that and I would like for if you would join me in thanking Keith for stepping up. I would ask you to welcome the newest member of our team, Sandy D'Elosua, who comes to us from Florida and is now our new Director of Corporate Communications.

Mayor Clodfelter said let's start off with getting out on the table any Consent Agenda questions that you want to get work done on. Eric Campbell is going to take those for us.

Mr. Carlee said Item No. 41 on the Consent Agenda is an award of a consulting contract for some critical services that need to be done. There are two components to that; one is the one-year award to get this critical work done. Item B is authority for two one-year extensions. I will be passing out a revised recommendation that only does the one-year award.

Mayor Clodfelter said it looks like on Item No. 41 the Manager is pulling for tonight Item No. 41-B and will only have 41-A. Are there any other items to be pulled?

Unidentified speaker said Item N. 58-I.

Mayor Clodfelter said If you'll mark your books Item No. 58-I has been withdrawn from the agenda.

Councilmember Barnes said this is in reference to Item No. 50, Municipal Records Retention and Disposition Schedule Amendment, most specifically directed to the City Clerk. Madam Clerk the issue there is the recommendation is that we have a 10 days retention period for audio and video captured during police encounters and the question I had is whether it may be arbitrary but whether that should be a longer period of time; 30 to 60 days for example because there are times where people will have encounters and don't realize that something is worth questioning until after 10 days. For example, does state law require the 10 days? Is that a floor or a ceiling?

City Clerk Stephanie Kelly said I believe that is a ceiling. The representative from the Police Attorney's Office, Linda Fox, worked with the State in coming up with that, and my understanding is that this is an amendment for the City of Charlotte at this time. That 10 day requirement will be a part of the statewide schedule and it is issued for the entire state when a new schedule is issued for the entire state perhaps in 2016.

Mr. Barnes said is there someone here from the attorney's office, someone who can clarify further? Can we only keep them 10 days or a minimum of 10 days?

Mark Newbold, Police Attorney said the issue for us was how long we retain something. My understanding is the intention is you could keep it longer but you would have to keep it for a minimum of 10 days. Prior to Linda talking to folks up at Raleigh there was nothing specifically addressed.

Mayor Clodfelter said 10 is the minimum not the maximum.

Mr. Newbold said that's correct.

Mr. Barnes said would there be a problem in keeping them for a longer period of time?

Mr. Newbold said we'll get an answer for you on that. Probably if you're keeping it for certain periods of time, the amount of storage space that we have to do that is the problem.

Mayor Clodfelter said can we give you some time to work on that while we talk.

Councilmember Mayfield said for number 26 and it's just a question; the lease amendment for the athletic facility at Alexander Street Park. I was just wondering, for that we're considering 2,186 square feet. Are we currently receiving any taxes on that land or not and if we do this expansion does it fall under the full non-taxable land usage that the Episcopal Church has? And if there are any taxes can you get that amount so that I will know whether or not that will be a loss of revenue wise or if it will be a wash.

Councilmember Smith said I've got it to be pulled but I'm not necessarily looking to pull it. I just wanted to; Item No. 27 to find out how much space we have outside of this building and if we use gross.

Assistant City Manager Eric Campbell said yes sir and I forwarded that to management and I will get an answer for you as soon as we can. I'm not sure if we'll get it tonight but we'll get that.

Mr. Smith said I'm going to support 27 it's just I think we could've done a little better on the deal but we can follow up with them after the meeting.

Mayor Clodfelter said that's a question for the future and not for pulling 27 correct?

Mr. Smith said don't pull 27 for me.

Councilmember Driggs said I just want to mention I'm pulling Item No. 57 because I think we ought to talk about it and consider some of the issues that are raised by it. On balance I do support our law enforcement but I'm unhappy about the idea of paying somebody for a property because of the criminal activity that goes on there.

Mayor Clodfelter said okay so that's one pull for Council discussion. Are there any questions you want to get answered before or you just want a Council discussion of it?

Mr. Driggs said I just want to talk about it.

Councilmember Kinsey said I wasn't going to mention this but since he brought it up that's Belmont Avenue not Street.

Mayor Clodfelter said you're correct. Let the record be corrected.

Ms. Mayfield said this is actually more so a question for Item No. 51 where we're looking at the refund of property and building privilege license taxes. I just want to get an idea. I was traveling and when I came home I had three different checks that were delivered regarding the fact that we're doing refunds so this is more on our finance end to find out if we can streamline that process because I'm thinking financial wise if we're cutting multiple checks that's going to the same household because of property taxes there may be a way to capture that total amount and that may help to reduce the cost and the fee when we're looking at these business privilege license tax so I'm thinking of; I want to think about if there's a way to streamline the process so that we don't have citizens receiving multiple checks that equal a very small amount or even if it's a large amount to try to not have multiple checks cut because it seems like we're in the end that's cost prohibitive.

Mayor Clodfelter said I take it that's a question for a future policy question about check writes it's not for pulling the particular refunds tonight though.

Ms. Mayfield said well that's just when we're looking at the business privilege license tax let's look at streamlining that process.

Mr. Carlee said just as a quick response I've actually raised an issue with the County Manager and we're investigating what we can do to do that.

Mayor Clodfelter said excellent so you'll give us some report on that at a future time.

Mayor Clodfelter said any other items on the Agenda for tonight that anybody wants to pull?

Deputy City Clerk Emily Kunze said we are going to pull Item No. 19-D, it was an appointment to the Planning Commission; it didn't make it onto the ballots in error so we'll bring it back to you in July.

Councilmember Phipps said I won't be pulling them but I'll be highlighting Item Nos. 30, 33 and 34 for their favorable impact on the overall traffic flow in the Prosperity Hucks Corridor.

Mayor Clodfelter said do you want to pull them for Council discussion?

Mr. Phipps said I don't think it's necessary to pull them but I just want to highlight them.

Mayor Clodfelter said you're just happy to see them.

Mr. Phipps said yes I'm just happy to see them not necessarily that they've been pulled or anything.

Mayor Clodfelter said good; I think it is going to help out there. Please remember to turn in your ballots on the appointments to the Clerk before the meeting starts. With that then we'll go to Item 4, Brad Richardson on the First Ward Project and then after that we'll conclude and go into Executive Session.

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ITEM NO. 2: FLUORIDATION OF CHARLOTTE DRINKING WATER SUPPLY

This item was deferred to a future meeting.

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ITEM NO. 3: MECKLENBURG COUNTY PARK AND RECREATION PLAN

This item was deferred to a future meeting.

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ITEM NO. 4: FIRST WARD REDEVELOPMENT PROJECT

Brad Richardson, Neighborhood & Business Services said this is on your Dinner Briefing tonight because it's actually an item on your Business Agenda that we thought while fairly simple in concept might read a little bit more complicated, and it might be more helpful for me to walk you through the action tonight. We did a similar type exercise last September when we had a fairly straight forward amendment to a very complicated agreement and it went very well to share with you ahead what we were going to do that night. Let me just do that tonight. I'll talk about a few things tonight. I want to remind you of the development plan. This is a 2009 agreement signed by the City, the County, UNC Charlotte and the Developer and the Developer I will allude to is Levine Properties. I'm going to talk about the development plan. I want to remind you of some current agreements that we have then we'll talk tonight about two modifications to one of those agreements to prepare you for the vote tonight and then we'll give you some updated projects schedule of what's happening out on the site today.

I'll amplify that map on the next slide but let me just point out that this project has a 3.2 acre County Park, it's part of an eight block redevelopment of our Center City, over 1,300 public parking spaces and we'll talk about parking tonight that's one of the requested modifications. It houses UNC Charlotte's Uptown Campus built and delivered already, improvements to 8th and Brevard Streets that will enable a new County park to be built and then a new 10th Street. You recall back in February you allowed us to buy the right-of-way for a new 10th Street Extension through the project. Ten percent of the residential rental units will be reserved for workforce housing and then there are some existing MWSB language and the County participates in this as well. That's the project.

Let me point out just a couple of aspects to you just to orient you because we'll be talking about these tonight. The first thing I'll show is this line right through here, very important and really was the basis for our modification last September because the Blue Line Extension construction or commencement of construction was accelerated and needed to do some work alongside and along with Levine Properties in this development so this is the Blue Line Extension currently

beginning construction, this is UNCC's existing uptown campus. This is the new 3.2 acre County owned park, this is 8th Street running through the park today. This is infrastructure being built to raise this intersection to make a level park that meets the terrace of the new classroom building. This is a new residential complex and a 10th Street parking garage. I'll allude to the 10th Street deck tonight. When I say that I'll be talking about this parking garage here. I'll also mention a park deck or a parking structure adjacent to the park. When I say that tonight I mean adjacent which means abutting a street around the park here or where you see parking podium, a contemplated parking structure here. In general, and this is all within a red boundary that is under the control of the developer and how we'll pay for our portion of the reimbursements for this project is through a tax increment grant. Forty-five percent of the net new taxes in this area over a 10 year period by the City and the County will enable this development to work and we'll talk about what we're purchasing through this.

Councilmember Mayfield said before we move further just so that I have clarification. When we're talking about additional parking are we talking about covered free parking or we're talking about parking that citizens are going to have to pay for? We currently just opened a new park in the uptown area and there is very limited parking to access that park so I want to have a clear understanding of what type of parking are we discussing.

Mr. Richardson said it's the latter. It's paid public parking. We'll have parking on the streets that will be paid as well during the day perhaps free on nights and weekends. That's part of the parking system that will serve this development but any privately built and constructed deck even though there will be public parking spaces in there; they will be available to the public for an hourly rate. Think of it that way. When I say public parking, it was a very good question; public parking is parking available 24/7 to the public for a fee with the exception of on street parking that may have some free parking associated with it. Let me talk about current agreements and remember I mentioned that UNC Charlotte has a separate agreement with the developer; the County has a series of agreements related to the County park. We have agreements related to economic development and reimbursement agreement for public parking in the park as well as an infrastructure reimbursement agreement. We're going to spend most of our time tonight on this grant right here. We're receiving a 10-year, 45% tax increment grant for 1,335 public parking spaces. The maximum grant amount to reimburse the developer for providing that public parking to offset the costs of that parking garage is \$23 million dollars; that's our up to amount. If you recall the original project in 2009 had an underground parking facility under the garage. A request back in August 2012 was to swap that out for an above ground parking facility due to the cost of going subsurface and in return the City lowered its deck reimbursement amount to \$23 million dollars from that original \$29 million. We also have the infrastructure reimbursement agreement; this is essentially to reimburse the developer for our road costs in making this intersection improvement. These are paid for with city approved bonds that we're issued back in 2009 I believe that will reimbursing so its City project, City roads being done in concert with the development by the developer reimbursed upon acceptance by the City.

Let me talk about that \$23 million dollars and this is the basis of one of the adjustments we're requesting tonight. The \$23 million dollars reimburses the developer for providing 1,335 public parking spaces. It's split up into two deliverables though. One is the 10th Street parking garage, the large one at the end of 10th and Brevard Streets that has a residential project wrapped around it. \$17 million of that is for that parking garage. Later by 2019 the developer is required to deliver adjacent to the County park 400 additional parking spaces for this amount of money, \$7 million dollars in a structured parking deck beside the park. Two recommended modifications tonight; one is fairly simple and intuitive it's just time lines for completion of construction. This is regarding utility relocation that has just begun last week and we had some negotiation time that we lost in this process but right now I want to talk about how to clarify public parking spaces. I want to point out we're not reducing the number of parking spaces and we're not increasing the financial commitment on the part of the City or the County. I'll pause here to say that the County Commission will be considering this very same modification on Tuesday, July 1st.

Let's first talk about clarifying public parking and how it's delivered. The current agreement is that the park deck or the parking deck that's situated adjacent to the park; here, here or up here needs to be completed by December 31, 2019. That requirement is coupled with a contingency that we hadn't thought about and we're bringing to you tonight is that the reimbursement to the developer for building this deck here and delivering those spaces is contingent upon him

completing both the 10th Street deck and the future deck by the park. As we've talked to the developer as he is commencing construction this contingency has complicated his private financing for delivering this deck so the financing for this deck is contingent upon building a deck adjacent to the park four years down the road, 4 ½ years in the future that has complicated the private financing for this project.

Mayor Clodfelter said Brad, when is the park itself supposed to be open?

Mr. Richardson said the County will be considering a six month delay, May of 2015 is when the park is to be delivered currently. On July the 1st we believe the County will granting or considering at least a six month extension related to those same utility relocation delays that we're talking about tonight in the second half of my presentation.

Mayor Clodfelter said but it's to be delivered in 2015?

Mr. Richardson said May 2015 and probably add six months to that yes sir.

Councilmember Howard said I'm going to try to repeat what you just said Brad. You're saying that the deck near the park, the language in our agreement says that it's tied to the delivery date of the other deck so the financing or whoever is financing it wants some understanding about how the other one would be financed at the front end. Is there some penalty that we put in there if it's not and that's what this is about?

Mr. Richardson said there's some uncertainty on the part of the lender. The developer will not receive the cities \$16 or \$17 million dollar portion for this deck which the lender counts on is city financing unless the developer, in four years from now, develops another structured parking deck. That uncertainty has caused the private market some concern.

Mr. Howard said it's about our investment in it; not whether or not they can pull it off.

Mr. Richardson said exactly and the developer will tell that he intends to provide the parking as stipulated in a structured parking deck by 2019 but as we've talked about we would prefer not to have a standalone parking deck right here we want it to be incorporated into a mixed-use development. A hotel, an office building, some of that is market driven; the developer is incented to develop structured parking in a development as soon as possible and that what allows him to receive that reimbursement. Again no development diminished reimbursement to the developer because we're capped at \$23 million dollars in 10 years whichever comes first.

Councilmember Driggs said are we just dropping that requirement or are we putting in something that says that if he fails to do it at some future date there's repercussions?

Mr. Richardson said here's our solution. It's to allow the 400 parking space adjacent to the park which is really what we want from a public purpose standpoint to be delivered in a surface parking lot until such time the developer can deliver them in a structured parking deck. What this does is it alleviates the lenders uncertainty because the developer already owns this parcel here and well ahead of the December 2019 deadline can deliver surface parking here. It eliminates that confusion or that uncertainty of a parking deck and whether the market has responded enough to justify a 400 space parking structure. It allows the lender on this project to have certainty that the developer can at any moment deliver 400 surface parking spaces.

Mr. Driggs said if we tied those two things together in the first place did that mean that we were somehow giving; in other words why did we impose this requirement at all and why are we therefore dropping it now and have we protected whatever interest it was that caused this to make the connection in the first place?

Mr. Richardson said the interest that drove us to make the connection was we wanted 400 parking spaces adjacent to the park and recall originally we had a parking deck underneath so back in 2009 we had met our goal of parking adjacent to the park it was just subsurface. When that became financially unfeasible back in 2012 we allowed public parking to be here and here, we coupled them together and I would characterize that as not an oversight but as we're beginning construction we're now seeing how that has complicated the delivery of that deck on time to meet the developers requirements. Our interests are 400 parking spaces near the park and tax increment reimbursement to the developer that doesn't exceed what's a reasonable amount.

Councilmember Lyles said I'm going to follow up to Councilmember Driggs, I understand what we wanted but I'm not quite sure I could tell you what you said that connected them in terms of the financing. I know we wanted 400 spaces but why did we tie the amount of money to both projects?

Mr. Richardson said my answer would be that in that subsequent revision of the grant documents we didn't realize that the contingency would prevent the effective financing of the deck given that there was a four year distance in when we required them to be built.

Ms. Lyles said so it's the four year lag time for the financing and how does that impact the way that the reimbursement works; the timing and allocation of the reimbursement within the 10 year period?

Mr. Richardson said what we're proposing is as soon as the developer delivers; the developer will now be able to finance the 1,335 spaces in this deck. He'll be eligible for reimbursement but again we're not moving the payment date for that deck, it will remain consonant at the original, the January 1st of 2020, so nothing is changing. The developer is still required to deliver this deck, he won't receive reimbursement for that deck until 400 spaces are provided here and January 1st of 2020; years down the road. We're just freeing up the ability for the developer to finance this deck by letting 400 surface parking be a contingency plan for the developer so to speak if he's not able to have a market ready project in a structured parking deck.

Ms. Lyles said you've gone through the planning process but we are comfortable with 400 surface spaces on that lot in this space in our downtown.

Mr. Richardson said that will be the trigger for the developer being eligible to be reimbursed for the public spaces here.

Mayor Clodfelter said I think Councilmember Lyles is asking a different question. Would we have approved this in the first instance if what we were going to get was 400 surface parking spots that's her question.

Ms. Lyles said that's the real question.

Mr. Richardson said I don't know the answer to that Ms. Lyles. What we're solving for here is trying to get the project delivered given an unintended consequence of these being tied together.

Ms. Lyles said not to go back and forth but not to say that that's an unintended consequence but the unintended consequence is 400 surface parking spaces as a potential without any lot to make this a part of something that would fit in our planning design for downtown. That's a question. It's made in that way. I didn't mean to say it that way.

Mayor Clodfelter said I think what you've surfaced is a policy question for Council.

Ms. Lyles said right; that is what I'm trying to say.

Mr. Howard said I'm not sure that's what I'm hearing Vi. What I'm hearing is that he's going to provide us 400 spaces but he can't get the \$7 million until he builds a deck.

Mr. Richardson said correct. He will forgo the \$7 million dollars...

Mr. Howard said he's actually adding in money because he's going to pave that parking lot now for 400 spaces but he didn't get the \$7 million until he builds the deck that's going to be incorporated into that block which is supporting what you're saying which is a type of development patterns we want downtown.

Ms. Lyles said if you go back to that spot that had the 1,300; the number of parking spaces, go back maybe I missed something. So this 1,325 and the deck is going to have 935 so the 400 where is the tie to it being in a deck versus surface to get to the 1325?

Mr. Howard said I'll go to my question. Help me understand underneath the park originally how many spaces were going under that?

Mr. Richardson said good question; about 1,000 or so is my recollection.

Mr. Howard said if I'm reading this right it was going to be 1,000 or so under there and then a deck for 300 for the school. Anyway, my point is that the original agreement had 1,300 spaces all together, about a 1,000 or so or going to be public. When they came from underneath the park we had to put them somewhere because we had still an original agreement of \$23 million, \$29 million at one point. We dropped the \$29 million to \$23 million to reflect the fact that it came from under there and put them in two different decks that's all.

Ms. Lyles said I'm just asking how do you make sure that the other deck gets done.

Mr. Howard said they don't get the \$7 million dollars.

Ms. Lyles said unless they build the deck over on my right that's where you get the \$7 million dollars?

Mr. Howard said no that's the \$16 million.

Ms. Lyles said okay that's the \$16 million so the deck over here you get the \$7 million.

Mr. Howard said if you coupled the 1,300 and put them in two different decks. Now what we're doing is he's coupling it in the deal so that he can actually finance one and then finance the other.

Mayor Clodfelter said what's on the block now?

Mr. Richardson I believe it's vacant and this is a grassy lot here and this is a pre-construction office.

Mayor Clodfelter said surface parking is a lot cheaper than \$7 million dollars.

Mr. Howard said what kind of time period are we allowing from the time it goes from the 400 to the deck because in that period there will be 400 less spaces in downtown Charlotte so any idea of what that transition will be because you're putting the 400 spaces that are not there in right now and then you're going to take them back out?

Mayor Clodfelter said the question is when do we get the 400 surface parking spaces?

Mr. Howard said and what is that turnaround period between the two when it goes into a deck?

Mayor Clodfelter said the question is when do we get the 400?

Mr. Richardson said 400 by the December 31, 2019 surface parking then the developer is incented because the clock is beginning to tick on his reimbursement so he's incented to develop a structured parking deck to be able to capture any reimbursement for this, but again he would have to build the parking deck to be able to receive that.

Mr. Howard said what is the clock on that money?

Mr. Richardson said between the 400 surface and the delivery? We don't know. That's not part of our action tonight. It's open-ended right now.

Councilmember Kinsey said I think part of the confusion is how many times has this come up before us in the past. We've tweaked it to death and I think there are an awful lot of unanswered questions. If we don't know the timetable or how long we're going to have to live with those 400 surface parking; I don't think that was ever in the deal original. I don't recall that. It just seems like the developer comes back to us it seems almost like every six months; I'm sure it's not but I'm not happy with this and I'm really sort of getting tired of this going forward like this.

Mayor Clodfelter said I've got a gazillion hands now going so we're off and running on this one.

Ms. Kinsey said sorry.

Mayor Clodfelter said no you shouldn't be sorry it's just now we're on a roll here. Let me remind you we've got some really critical executive session decisions we need to make tonight. Do you want to continue this item on the Agenda tonight? Is it time sensitive tonight?

Mr. Richardson said yes we believe that it is.

Councilmember Barnes said I believe Ms. Kinsey there have been three amendments. It feels like 10 but I believe its three. The question I have for you Mr. Richardson is actually a few questions and a statement. I want you to explain the second bullet point number one. Number two, how much of our TIFF capacity is tied up in this project? I am extremely reluctant to support anything that's not clear to me and this isn't clear to me so I'm not likely to vote for it but I want you to explain the second bullet point and tell me about the amount of our TIFF capacity that's obligated to this.

Mr. Richardson said sure the second question we'll have to research and get back to you that number changes every time we make payments against tax increment grants but we'll provide that to you. The second bullet though speaks to how we envisioned insuring the developer is working diligently to provide public parking in a structured parking deck and it speaks to relevant or reasonable good faith efforts. As December 31st approaches and the developer if he were to deliver 400 surface parking spaces to meet our desire for adjacent to the park spaces he would only be able to deliver public parking spaces in surface condition if he's demonstrated through documentation to us that he's been in development discussions with hoteliers, financial backers and others so there's a documented standard by which the developer can deliver surface parking and it speaks to his intent and interest and the market being ready to support structured parking.

Mr. Barnes said does that mean that if he can't build structured parking that the grant would drop to some other amount?

Mr. Richardson said if he can't deliver structured parking he loses \$7 million dollars period. If he can't demonstrate that he's made reasonable good faith efforts to deliver structured parking through the means I just mentioned that's a default, a terminating event.

Mayor Clodfelter said what are the consequences of default?

Mr. Richardson said our grant is null and void.

Councilmember Austin said the entire grant?

Mr. Richardson said yes sir, I believe.

Mayor Clodfelter said the entire grant. The \$16 million?

Mr. Richardson said the reimbursement of the \$16 million and the \$7 million.

Mr. Driggs said I just want to say quickly it sounds like we've got a defect in our current structure which the City may be partly responsible for so I think we probably do need to address it or the whole thing blows up. The real question is whether the \$16 million dollar transaction on a standalone basis is something that makes sense for the City so that we can accept different terms for the second portion. If we approve the whole thing as a package on the assumption that we're going to get all that parking as originally contemplated and now a part of it is being broken away the question arise as to whether we should renegotiate the \$16 million. That's one option that's open to us if we felt that we were getting less value as a result of the separation of these two things we go back and so look we can't do exactly the same thing we said we would on the \$16 million and now you have more flexibility on what you do for the \$7 million. The other possibility is that we just say okay the \$16 million works on a standalone basis so let's agree to that and I'm afraid I wasn't here for the whole history of thing; I can't tell which of those but I would point out we do have the possibility of going back and saying if that's what you need then we have to look again at the \$16 million.

Councilmember Smith said I want to follow up a little bit on Councilwoman Lyles because I think I understood what you're asking and I think I have the same question and that is more from a policy standpoint. Say he decides to leave the \$7 million dollars on the table and not build an expensive parking structure was staff comfortable with the project at 400 surface parking spaces because it sounds like it is a distinct possibility. We recognize that \$7 million dollars is a lot of money to leave on the table but it sounds like there's a distinct possibility we may be left with a 400 surface lot as opposed to a parking deck and I think that is a part of your question was would staff from a planning policy standpoint have approved it. I think you know the devils in the details, I think that's a good question.

Councilmember Fallon said let me get this clear it's 400 spots on asphalt, open-air parking. Is it charge parking, do you pay for it?

Mr. Richardson said yes ma'am.

Ms. Fallon said and then when the time comes by 2019 there will be structured parking on it if the market calls for it? What would have happened if the market never calls for it?

Mr. Richardson said well let me back up one second. The 400 surface parking will not be delivered until December of 2019 and only after the market doesn't drive a structured parking deck. What happens afterwards is for an interim period of time or over a prolonged period of time until the market responds have 400 parking spaces adjacent to the county surface parking spaces.

Ms. Fallon said so you would still have parking adjacent to a park.

Mr. Richardson said yes ma'am.

Ms. Fallon said the other parks, do they have outside parking or is it structured parking; most of them?

Mr. Richardson said I don't know the answer to that.

City Manager Ron Carlee said it would depend on the location.

Ms. Fallon said the ones that I know don't have structured parking it's all out door parking.

Mr. Carlee said again it depends on the location. Lamar Bearden doesn't he have dedicated parking, structured parking around there and some surface parking which we'll redevelop. Structured parking is the parking pattern that we're looking for in the uptown area.

Ms. Mayfield said I'm trying to figure out since we're talking about structured parking. One, my disclaimer, you already know I'm not a fan of all the pay for parking we have in uptown because we're pricing out a lot of our citizens from just enjoying the amenities that their taxes are paying for just by saying you got to pay for parking as well as if you actually utilize any of the entertainment. While we're having this discussion and we're renegotiating yet again this 1,300 is there any room to talk about structured parking that will be accessible to the community without a fee; one part, Part A and if not who's going to be receiving the funds from this parking deck? Who's going to be in charge of it?

Mr. Richardson said the first question is no we don't consider this necessarily a renegotiation. We consider this a minor amendment.

Ms. Mayfield said this is potentially the third amendment.

Mr. Richardson said yes that's correct. The revenue from the parking structures will go to the property owner the developer who owns the parking facilities to help pay for the deck as well and the operating of them.

Ms. Mayfield said we're considering identifying tax dollars to help build this development because we want parking but you're also going to receive payment for anyone that utilizes this parking once it's developed. What is being developed in that area to justify this 1,300 plus parking spaces that we're looking at because we're not using this as a stop for the transit line? What's happening in this area to justify us making this investment of tax dollars for 1,300 more spaces when the developer is then going to financially benefit or whoever, the developer or whatever company is going to be in charge of the parking is then going to financially benefit off of those that needs those parking spaces.

Mr. Richardson said the parking will support the county park, future development around this site, public amenities such as the Arena, ImaginOn and other entertainment facilities. That's what's driving the need for public parking and the desire for the City to participate in public parking. This is an eight block redevelopment over time so public parking for a park and then outside the district so to speak are various entities or public purposes uses like an arena.

Ms. Mayfield said Mr. Manager, just so that you know I'm going to have a hard time supporting this for a number of reasons, one being I'm not a fan of multiple amendments. I think we really need to look at how amendments come before us when we're looking at projects but I also mainly because which I mentioned at several meetings we have entirely too many spaces uptown that have red bags over them that the community does not have access to and if we're going to continue to use tax dollars to support amenities then I will be much more comfortable if we saw a greater emphasis in making sure that the community and not just visitors to the city are actually able to utilize these services that we keep bringing to the area.

Mr. Austin said I haven't been on Council very long but have we had other deals where we've used the Business Grant where we've had this many amendments and adjustments. Honestly its feeling a little shaky to me and I think to many members of Council I guess this is on our third one and we're talking about investing a significant amount of public dollars and I kind of agree with Councilwoman Mayfield we need some free parking for people downtown.

Mr. Richardson said we have approximately 11 or 12 tax increment grant agreements and it's not unusual to see amendments. One or two, we have some reimbursement agreements that have extended amendments. I'll point to a couple things this is more complex than most given the urban nature of it and the market dynamics of the past three years. I'll also point out its tax dollars but it's incremental new taxes that drive these grants and their up to amounts so we're limited in the amount of money we would participate in and we're driving the developer or incenting the developer to intensify his development as quickly as possible but amendments aren't unusual.

Mr. Austin said back on bullet two and you may have already answered this; what does reasonable good faith efforts mean? Does that mean I go and have coffee with the developer or potential?

Mr. Richardson said no sir it means documentation. Documentation of meetings, development plans drawn that include a parking deck in either a hotel or an office building or some other use.

Mayor Clodfelter said I think the Manager may want to caucus a little bit.

Mr. Carlee said if I could. I know you wanted to get to a number of closed session items and this is on the Agenda so the conversation can be carried forward into the meeting. Meanwhile, it will give me an opportunity to consult with staff around the time sensitive nature of the action before you tonight and to explore what alternatives we may have.

Mayor Clodfelter said let's suspend this because we've got some important business to get to so I'm going to recognize at this point Councilmember Barnes for a motion.

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ITEM NOS. 6 AND 7: CLOSED SESSIONS

<p>Motion was made by Councilmember Barnes, seconded by Councilmember Lyles, and carried unanimously to go into closed session pursuant to NCGS 143-318.11(a) (3) consult with attorneys employed or retained by the City in order to preserve the attorney-client privilege and to consider and give instructions to the attorneys concerning the handling or settlement of Jeffery Green v. Officer Matthew Wilson 3-CVS-00548 and (a) (4) to discuss matters relating to the location of an industry or business in the City of Charlotte, including potential economic development incentives that may be offered in negotiations.</p>
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YEAS: Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Kinsey, Lyles, Mayfield, Phipps and Smith

NAYS: Councilmember Howard

Councilmember Howard said question on the motion. Mr. Mayor, I disagree with stopping something in the middle. We can stay after that's what we come for. This rushing just so we can go home early is wrong to me. We should have finished this one because all we're going to do is carry over questions to the actual agenda item.

Mayor Clodfelter said I think the Manager asked for an opportunity to consult with staff and I want to honor that. You're free to vote against the motion. We will now be in closed session and consider the matters.

The Dinner Briefing was recessed at 5:50 p. m. to go into Closed Session.

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BUSINESS MEETING

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

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INVOCATION AND PLEDGE OF ALLEGIANCE

Councilmember Mayfield gave the Invocation and led the Council in the Pledge of Allegiance to the Flag.

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CITIZENS' FORUM

Homeowner's Association Law Reform

Jane Jordan, 9510 Elizabeth Townes Lane said greetings to you Mayor Clodfelter and you all as esteemed members of the Charlotte City Council. Tonight I wish to address the needed issue in our city and state for Homeowners Association Law Reform. In North Carolina and other states we have horror stories of huge lack of accountability in HOA's. There are 18,000 Homeowner Associations in North Carolina. Our economy is therefore impacted. In 2010 to 2012 the House Select Committee came up with the following reasons we should have some oversight in our state. "The committee finds that the current laws governing community associations in Chapters 47C and 47F of the General Statute do not offer sufficient protection for the rights of owner's property in planned communities and condominiums and that statutory revisions are necessary in order to achieve a better balance in the interest of property owners in these communities and the associations that govern them." In my particular association I was astounded to be stripped of my constitutional free speech and property rights and staunch to be held in contempt for even asking that my grass be seeded and that my air conditioner fixed. I was fined for three red begonias. My 81 and 84 year old parents who owe no HOA dues have our property completely paid off and have no liens on it nor were sighted for any violations of the Bylaws were sued because of my complaint to the North Carolina Real Estate Commission when the HOA Board would not submit a copy of the financials to us. We have lost well over \$30,000 fighting frivolous law suits; such monies that my parents need for their retirement and medical needs. This is outrageous and totally tragic and inexcusable. Thus, House Bill 883 that you have a copy of, I gave to the Clerk, if you will review those; 883 mandates education of all newly elected Board Members and House Bill 871 mandates for Property Managers to finally be licensed in our state. I ask that you call your area representatives and give your support for these bills and sign the petition before you if you so witness to it in your heart. I leave you with this thought, "Walk with the dreamers, the believers, the courageous, the cheerful, the planners, the doers, the successful people with their heads in the clouds and their feet on the ground. Let the spirit ignite a fire within you to leave this world better than when you found it." Wilford Peterson. I solicit your support, thank you for your time.

Mayor Clodfelter said I've been fighting this fight for a long, long time. Don't give up, one day it's going to pay off. Be persistent.

Charlotte-Mecklenburg Youth Council

Hikma Al-Shami, 700 E. Stonewall St. said I'm representing Lade and Deidra Austin. I'm taking their places. I go to East Mecklenburg High School and I'm part of both the Youth Council and the Mayor Youth Employment Program. The Youth Council helps me learn about

the local government civic issues and we also serve as a resource for community leaders and the Mayor Youth Employment Program also allows for students and youth to help develop the workforce and at this moment I would like to defer my time to my fellow Councilmember.

Clarissa Brooks, 700 E. Stonewall St said I go to South Mecklenburg High School graduate this year. I'll be going to Spellman College next and I live in First Ward. As a member of the Charlotte-Mecklenburg Youth Council we are a collection of about 110 teams from all around the City of Charlotte and we represent the diverse and deeply cultural esthetic of Charlotte as whole. This year we were able to have a lot of great things happen to us. We held a Youth Summit, we got to go to a bunch of different conferences and meetings and really represent Charlotte as a whole. The reason why we matter and why we're here basically is because children under the age of 18 represent about 25% of Charlotte as whole so we want make sure that we're being represented properly and that we're stakeholders in our community.

Jason Kerman, 700 E. Stonewall St said I live in the northern part of Charlotte in the University area. I participated in the Youth Council Group for about the past year and Sarah is here to talk to you about our proposals and recommendations.

Sarah Kerman, 700 E. Stonewall St said I also live in the University Area and I'll be a freshman at Duke next year. I want to talk with you all about some of what I believe are the biggest takeaways from this experience and then also what you all as a Youth Council can continue to do to partner with us and our recommendations for you all to continue to partner with us so that we can continue to provide this educational experience to our youth. All of the youth that participate in the Youth Council were able to interact with public officials. They were able to participate in local policy dialogs and truly engage with these issues which I felt was really beneficial for all of the youth who participated in our group and we believe that we are stakeholders in this community and of something really important that we need to have greater youth participation in our government. That sort of leads into what our recommendations are which is we recommend that you all as a City make programs that impact children and youth in our City a priority as you all are deliberating in this Youth Council because we are stakeholders and we really want to encourage youth to come to the City of Charlotte so I would ask that you all as the City Council think about that as you are making your policy decisions. In addition, we want you to prioritize Charlotte-Mecklenburg's future and one of the biggest things I would ask is that you all please collaborate and work bi-partisanly because we want our leaders to work together in government not just work on behalf of the district they represent but really focus on impacting the City as a whole and prioritize the greater City over just the needs of your individual district. Thank you all so much it was a great year for the Youth Council and I appreciate it and we're a resource to you all in the future. Thank you so much.

Mayor Clodfelter said thank you all that was great. You all have promising careers ahead of you. I hope you stay engaged.

Eviction Due to Sale of Property

Walter Dixon, 1027 Harrill Street said me and my wife moved there about four months ago. We thought we were going to have a nice place to stay for at least about a year then all of the sudden people on the street saying, the landlord didn't tell us that they were going to sell the property. Last Thursday the people on the street said ya'll got to move. I said what do you mean? They said ya'll got to get out. I said why do we have to get out? They said the City bought the property. The landlord never did say anything to me and my wife, my fiancée who's behind me. He still hasn't said anything to us. The only thing that I know is that we have to be out by July 17th. How is that? We always paid our rent. We struggle to hard to get what we got today. Here I am running around like a chicken with his head cut off because the City has bought the property. The landlord still hasn't told us anything. We still don't know nothing. I'm trying to find out why do we have to move my July 17th. I don't understand.

Mayor Clodfelter said Mr. Dixon you say that the City bought the property from the landlord?

Mr. Dixon said yes sir.

Mayor Clodfelter said Mr. Manager this might be part of project where there might be some relocation assistance. Would you be sure that someone gets in contact with Mr. Dixon about the possibility of relocation assistance?

City Manager Ron Carlee said yes sir, we can. I'd be happy to do that. I'll have someone talk with him while he's here so we can get his information. Let us find out which item it is on the agenda tonight.

Mayor Clodfelter said apparently we have something on our agenda tonight about this so they're going to take a look and see what the item is tonight. Do you know the number ma'am?

Councilmember Kinsey said its consent item number 57.

Mayor Clodfelter said Mr. Dixon; we're going to have somebody get in touch with you. It may be that there is assistance for you in relocating if this is a condemnation of property that the City is doing so someone from the Manager's office is going to be in contact with you about that.

Mr. Dixon said so I'm free to go?

Mayor Clodfelter said well, you still have your three minutes to talk to us about anything you want to talk about but we're not going to hold you here. Do you see the gentleman over here who is raising his hand; he will talk to you about this if you will approach him.

Mr. Dixon said thank you and God bless ya'll.

Charlotte Motor Speedway Affecting the Economy

Fred Mauney, 61 Newton Moore Rd, Peachland, NC said Mayor, City Council members; it's been a little while since I was here. The last time I was here and the last that I was here I was talking about the Speedway and how it's nice to pay attention to things that are going on out there and stuff and it's been quite a few things that's changed and there's a lot more going on so I'm here to kind of give everybody a little heads up. Councilmember Autry, if you remember over a year ago I was talking about one time we was over at Midwood, it's amazing, you have to pay attention because Duke's got this problem with sludge and it hasn't boiled over yet but it was coming around. Since Duke has had a problem with this sludge; a big, multi-million dollar black-eye PR problem and I got with some friends and they got me up with some people who off the record with Duke but had some ties with Duke and I said I've got an idea that you might want to consider and it was to think out of the box and that was to do something with Bruton Smith about buying the Speedway. They look kind of funny. I said just went over to them, the trash dump or his private dump out there. It's not against any waterway or reservoir. There's a line coming in downtown Harrisburg to make a spur to bring over the ash that they ship out from all of the other coal plants and stuff that they've got to clean up. I said to just think of it as an out of the box experience because ya'll going to have to think out of the box getting this problem done. They thought more and more about it and they said gosh almighty this is a piece of property that is viable to them. They asked me what does Ms. Smith think about it and I said well I want you to first look at then I'll get back with him. I'm talking to one person that talks to him. I said if Duke Energy makes a reasonable offer would he sell? He asked what are you talking about and I said well a billion for him and a half billion or so to build a new Speedway somewhere. They couldn't comprehend it and so he's not interested in selling but I understood what they weren't comprehending they didn't know that this thing came out where Duke themselves had come out and said that they are going to have spend maybe \$10 billion and everybody knows that could come out to be \$20 billion before it's over with to the rate payer. I took that back to the Smith people and now they know that it's a viable thing going on and it is real big money on the table somewhere. As I talked with him I said now does that change anything and he said well it depends on what Duke Energy has to say. I said well if they say \$2 billion and a billion to build a superspeedway somewhere because we're talking about this \$10 billion dollar figure and they just kind of smiled. Then they came to me to find out more. Well this time when I'm back with some people behind the scenes with Duke Energy. Cindy came to me and said she was actually talking to somebody now that's way up at the top. They speak right to the people at the top. They inquired of me a little more to make sure I was in contact with some of Bruton Smith's people which I didn't mind answering. I said would this kind of figure be alright does anybody want to let me finish real quick or do ya'll want me to just stop? This is an issue because ya'll getting ready to lose five hundred million a year in tax revenue. It goes to ya'll treasury. Not that ya'll tax five hundred million ya'll actually lose five hundred million a year.

Mayor Clodfelter said that's not something we want to have happen. We're going to follow your work on this very closely Mr. Mauney. Thank you for coming down tonight.

Mr. Mauney said because he's out in Vegas to talk with them billionaires about that hundred million dollars for a race and they are looking now at where would they move Speedway and it wouldn't be around this area.

Mayor Clodfelter said we want to keep it here. Thank you for coming down tonight and alerting us to that.

Police Profiling at the CATS CTC on Trade Street

Abbegail Adams, 534 Spratt St. said I first must tell you why I have my crutches. I have clots on my lungs and sometimes I get dizzy so I take my crutch. Tonight I've addressed a very strange thing; I didn't know that the only word that we down for me would be profiling. I live at 534 Spratt Street. We all know that is the Salvation Army Center for Women and Children who are homeless. Many of us are there for many reasons but in the winter months many of our citizens in our community, they sit at the CATS transit so there identified as homeless people and I feel that I'm not so much identified as a homeless person. I don't really think I carry myself as a normal homeless person but because I'm always on television one of my church members didn't even want to give me a ride to church because I was on television then she said once we get to church everyone will know you live at that shelter and I cannot drive you to church. I felt that when I go into the transit since I have that 534 on my ID I am not just profiled I am just identified as that person. For what I felt that would be so good if the citizens of Charlotte would have lunch every day for the homeless and needy people. Many of the needy people are not going to be homeless but many are going to be homeless. I think it's better because they sit there on Trade Street and they sit on Tryon. The only church that I know of that serves lunch is Second Calvary. They pick people up pretty much at shelters but there are all those people; men, women and children sitting along on Trade on Tryon and all around and I thought if seven more churches could join them like Victory Christian. Victory Christian feeds people every Sunday. What I think seven churches should contribute their duty to the community and I wanted the city to know that I wanted them to be at a 1,000 beds for homeless because the Salvation Army where I live is not really responsible for all of the citizens of Charlotte. I think they do a good job but since this is the address that I carry I do identify myself as a homeless person so I want to see the churches step up and start to serve lunch so that these men and women do not have to sit out in this heat this summer. It is going to be very hot out there. I'm not out there because I'm at the Salvation Army but there are many men and women sitting on Trade and Tryon and they need the help of the citizens. There are many business people I'm sure on Trade and Tryon would be more than happy to help and so that is what I'm here to say so I don't think the police is out to beating us up we're just identified as homeless people and some of us are not carrying ourselves that good so I really pretty much have to fight for the community and say since I'm identified as one of the apples in the barrel you really don't know who the person who has the worm. That's not really the way it should be but one bad apple in that barrel has a worm and since I'm in the barrel I fight for the barrel so that's why I'm here.

Mayor Clodfelter said thank you Ms. Adams. Thanks for speaking to us about that and I think you've made a very good suggestion. I hope the churches will pick up on that.

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AWARDS AND RECOGNITIONS

ITEM NO. 8: RECOGNITION OF GREG GASKINS

Mayor Clodfelter said we're going to start with a very special recognition. Most of you know that our Chief Finance Officer, Greg Gaskins is going to be retiring at the end of this month. Before he became the Chief Financial Officer of the City in 2002, Greg served the city as Deputy Finance Director beginning back in 1986. He's been serving us since that time. In addition to having 28 or more years with the City Greg spent eight years before that as Departmental Attorney for the North Carolina State Treasurer and as Lead Council for the North Carolina Local Government Commission. Over Greg's time as Chief Financial Officer the City has received recognition for outstanding financial reporting every year since he has served as the City's CFO. He's been responsible for growing and maintaining the City's outstanding credit

rating and its fiscal quality. At this time it's my pleasure to recognize Greg Gaskins in special appreciation for his commitment to excellence, for his outstanding accomplishments and his impact as Finance Director during his 28 years of service to the City of Charlotte. Greg if you will come forward and meet me in the middle here we have a special presentation we want to make to you. If we had people this good we wouldn't have had the problems on Wall Street in 2008 so thanks for keeping us solid all that time Greg. I really appreciate you.

Finance Director Greg Gaskins said this is a great honor. Thank you very much. It has been an honor to work with this Council, with this Mayor for a short period of time, for many other Mayors and Councils over the years. It really has been fantastic. For me it is very special because I grew up 20 miles from here, this is my City, it will continue to be my City and I thank all of you for everything you've done for me. Vi, especially you, I've worked with you a long time. I'd like to recognize my wife, Janet. I would not be standing here without Janet because I wouldn't have made it so Janet if you would wave to everybody so that they can see you. Thank you.

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CONSENT AGENDA

Motion was made by Councilmember Driggs, seconded by Councilmember Howard, and carried unanimously, to approve the Consent Agenda as presented with the exception of Item Nos. 26, 50, 51 and 57 which were pulled, No. 41-B which was withdrawn and 58-I which was deferred.

The following items were approved:

Item No. 22: Juvenile Offender Diversion Program Grant

(A) Accept a grant from the Mecklenburg County Juvenile Crime Prevention Council, in the amount of \$73,683, to fund the Juvenile Offender Diversion Program, and (B) Adopt Budget Ordinance No. 5418-X appropriating \$73,683 in funds from Mecklenburg County.

The ordinance is recorded in full in Ordinance Book 58, at Page 792.

Item No. 23: Police LYNX System Implementation

(A) Approve a contract with Northrup Grumman, in the estimated amount of \$1,080,000, for the implementation of the LYNX system, and (B) Authorize the City Manager to extend the contract for up to three additional, one-year terms with possible price adjustments as deemed reasonable and appropriate by the City Manager.

Item No. 24: Ballantyne Commons Parkway/McKee Road and Providence Road Municipal Agreement

(A) Authorize the City Manager to execute a Municipal Agreement with the North Carolina Department of Transportation for construction of various improvements at the intersection of Ballantyne Commons Parkway/McKee Road and Providence Road, (B) Adopt a resolution accepting a Congestion Mitigation Air Quality grant from the Federal Highway Administration allocated through the North Carolina Department of Transportation to the City of Charlotte for the project in the amount of \$1,113,000, and (C) Adopt Budget Ordinance No. 5419-X appropriating \$1,113,000 to the General Community Investment Plan.

The resolution is recorded in full in Resolution Book 45, at Page 640.

The ordinance is recorded in full in Ordinance Book 58, at Page 793.

Item No. 25: Interstate-485 Infrastructure Upgrades Municipal Agreement

Adopt a resolution authorizing the City Manager to execute a Municipal Agreement with the North Carolina Department of Transportation for infrastructure upgrades associated with Interstate-485.

The resolution is recorded in full in Resolution Book 45, at Page 641.

Item No. 27: Risk Management Office Space Lease Extension

Approve a three-year lease extension with 301 South McDowell Street Holding, LLC for the City's Risk Management Division in the amount of \$196,241.11 per year with 3% annual increases.

Item No. 28: Eastwood Neighborhood Improvements

Award the low-bid contract of \$1,024,169.30 to United Construction, Inc. for the Eastwood Neighborhood Improvements project.

Summary of Bids:

United Construction, Inc.	\$1,024,169.30
Carolina Cajun Concrete Inc.	\$1,065,341.20
Sealand Contractors Corp.	\$1,163,000.30
Blythe Development Company	\$1,171,346.00
Showalter Construction Co., Inc.	\$1,292,132.60
Zoladz Construction Co., Inc.	\$1,306,800.00
D.E. Walker Construction Inc.	\$1,371,614.10
Blythe Construction, Inc.	\$1,409,055.18

Item No. 29: Grounds Maintenance and Property Securing Services

(A) Approve unit price contracts for grounds maintenance and property securing services for one-year terms with the following firms: Carolina Commercial Landscaping, LLC, \$125,000, Carolina Property Preservation Specialist, \$75,000, and Sho-Off Lawn Care, \$87,500. (B) Authorize the City Manager to approve one renewal each, up to the original contract amount.

Item No. 30: Johnston Oehler Road Farm-to-Market Project

Award the low-bid contract of \$7,684,005.73 to Ferebee Corporation for the Johnston-Oehler Road Farm-to-Market project.

Summary of Bids:

Ferebee Corporation	\$7,684,005.73
Blythe Construction, Inc.	\$8,373,516.68
Sealand Contractors Corp.	\$8,547,510.86
Blythe Development Company	\$8,994,150.00
Zoladz Construction Co., Inc.	\$9,969,190.00

Item No. 31: Myrtle/Morehead Storm Drainage Improvements-Phase I

Award the low-bid contract of \$12,154,891.54 to Sanders Utility Construction Co., Inc. for the Myrtle/Morehead Storm Drainage Improvement project-Phase I.

Summary of Bids:

Sanders Utility Construction Co., Inc.	\$12,154,891.54
John D. Stephens, Inc.	\$13,042,165.50

Item No. 32: Pete Brown Road Extension Project-Phase I

Award the low-bid contract of \$955,427.81 to United Construction, Inc. for Pete Brown Road Extension project-Phase I.

Summary of Bids:

United Construction, Inc.	\$955,427.81
Red Clay Industries, Inc.	\$992,738.09
Sealand Contractors Corp.	\$1,074,112.36
D.E. Walker Construction Inc.	\$1,099,805.70
Blythe Development Company	\$1,139,915.33
Showalter Construction Co., Inc.	\$1,153,672.80
Carolina Cajun Concrete Inc.	\$1,169,807.10
Morlando Construction, LLC.	\$1,247,380.47
Blythe Construction, Inc.	\$1,476,081.18
Zoladz Construction Co., Inc.	\$1,629,600.00

Item No. 33: Prosperity Village Community Improvements

Award the low-bid contract of \$964,321 to Sealand Contractors Corp. for the Prosperity Village Community Improvements project.

Summary of Bids:

Sealand Contractors Corp.	\$ 964,321.00
Morlando Construction, LLC	\$ 974,413.45
State Utility Contractors, Inc.	\$ 993,920.00
D.E. Walker Construction Co.	\$1,095,543.26
United Construction, Inc.	\$1,484,451.00

Item No. 34: Prosperity Church Road Northwest Arc-Phase A

Award the low-bid contract of \$1,304,690 to Blythe Development Company for the Prosperity Church Road Northwest Arc-Phase A project.

Summary of Bids:

Blythe Development Company	\$1,304,690.00
Sealand Contractors Corp.	\$1,421,000.96
Blythe Construction, Inc.	\$1,479,909.27
Carolina Cajun Concrete, Inc.	\$1,564,121.47
Showalter Construction Co., Inc.	\$1,604,854.00
D.E. Walker Construction	\$1,666,466.69

Item No. 35: General Building Maintenance and Painting Services

(A) Approve contracts for general building maintenance services with the following: D. E. Brown Construction, up to \$175,000, Corner Stone Construction Services, Inc., up to \$150,000, Edison Foard construction Services, Inc., up to \$50,000, and McFarland Construction, up to \$50,000, (B) Approve contracts for painting services with the following: Treadaway & Sons, up to \$125,000, J&M Painting Co., up to \$50,000, and (C) Authorize the City Manager to approve one renewal each, up to the original contract amount.

Item No. 36: Utility Gas Monitor and Detection Safety Equipment

(A) Award the low-bid, unit price contract to Safety Resource, Inc. for the purchase of gas monitors and supplies for the term of one year, 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:

Safety Resource, Inc.	\$32,944.50*
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*The award amount includes additional contingency amounts in the contract.

Item No. 37: Idlebrook Drive Sanitary Sewer Replacement

Award the low-bid, unit price contract of \$458,781.75 to R. H. Price, Inc. for the construction of the Idlebrook Drive Sanitary Sewer Replacement project.

Summary of Bids:

R. H. Price, Inc.	\$458,781.75
Sanders Utility Construction, Inc.	\$480,876.60
State Utility Contractors, Inc.	\$715,205.82
Midland Contracting, LLC.	\$944,103.00

Item No. 38: Paw Creek Sewer Line Improvements Professional Design Services Contract

Approve the professional services contract with McKim and Creed, Inc., in the amount of \$1,430,456 for design and construction services of improvements to the sewer line along a portion of Paw Creek.

Item No. 39: Airport Checked Baggage In-Line System Maintenance Contract

(A) Approve a maintenance contract with Siemens Postal, Parcel & Airport Logistics, LLC to operate and maintain the checked baggage in-line system for a start-up period and two-year base term in the amount of \$3,341,203, (B) Authorize the City Manager to approve two, one-year

extensions of the contract with set price escalations, and (C) Adopt Budget Ordinance 5420-X appropriating \$1,239,454 from the Aviation Discretionary Fund to the Aviation Operating Fund.

The ordinance is recorded in full in Ordinance Book 58, at Page 794.

Item No. 40: Airport CityWorks Asset Management Software

Approve an agreement with AECOM in the amount of \$205,000 to provide implementation services for the setup and configuration of CityWorks as the Airport's work and asset management tool.

Item No. 41: Airport Financial Services Contract

Approve a service contract with Newton & Associates, Inc. for financial and business consulting services for an initial term of one year.

Item No. 42: Airport Telecommunications Technician Contract

Approve the Master Services Agreement with AT&T in the amount of \$248,253.20 for the maintenance of the Airport's telecommunications system for a term of two years.

Item No. 43: Airport Parking Revenue Control Equipment

(A) Approve the purchase of additional parking lot revenue control equipment as authorized by the sole source exemption of G.S. 143-129 (e) (6), (B) Approve a contract with Scheidt and Bachmann USA for the purchase and installation of additional parking lot revenue control equipment, and (C) Adopt Budget Ordinance No. 5421-X appropriating \$1,055,783 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

The ordinance is recorded in full in Ordinance Book 58, at Page 795.

Item No. 44: Hourly/Rental Car Parking Deck Access Control Equipment

(A) Approve the purchase and installation of access control equipment as authorized by the sole source exemption of G.S. 143-129 (e) (6), and (B) Approve a contract in the amount of \$166,034 with Johnson Controls, Inc. to furnish and install access control equipment in the Hourly/Rental Car Parking deck.

Item No. 45: Airport Ramp Surface Cleaner

(A) Approve the purchase of a ramp surface cleaner as authorized by the sole source exemption of G.S. 143-129 (e) (6), and (B) Approve a contract in the amount of \$178,500 with Team Eagle Incorporated for the one-time purchase of a ramp recycling surface cleaner.

Item No. 46: LYNX Blue Line Capacity Expansion Project- Construction Materials Testing and Special Inspection Services

Approve the professional services contract with Kleinfelder Southeast, Inc. in the amount of \$114,990.24 for construction materials testing and special inspection services for the LYNX Blue Line Capacity Expansion project.

Item No. 47: Multidisciplinary General Design Services for Transit Facilities

(A) Approve the professional services contract with Kimley-Horn and Associates, for multidisciplinary general transit planning and design services, for an initial contract amount up to \$250,000, and (B) Authorize the City Manager to approve up to three contract renewals, each in the amount of \$250,000.

Item No. 48: CharMeck311 Software Support Contract

Approve contract with Verint, Inc. for software implementation, professional services, and training in support of a major upgrade of the 311 Call recording and Workforce Management System in an amount up to \$325,000.

Item No. 49: Citywide Rental Equipment Contract

(A) Approve the rental of equipment from a cooperative purchasing contract as authorized by G.S. 143-129 (e) (3), (B) Approve a contract with Hertz Equipment Rental, for the rental of equipment, for the term of three years under U.S. Communities Contract #31172, dated April 1, 2014, and (C) Authorize the City Manager to extend the contract for additional one-year terms as

long as the cooperative contract is in effect, at prices and terms that are the same or more favorable than those offered under the cooperative contract.

Item No. 52: Resolution of Intent to Abandon a Portion of St. Julian Street

(A) Adopt a resolution of intent to abandon a portion of St. Julian Street, and (B) Set a public hearing for July 28, 2014.

The resolution is recorded in full in Resolution Book 45, at Pages 656-658.

Item No. 53: Meeting Minutes

Approve the titles, motions, and votes reflected in the Clerk's record as the minutes of: May 14, 2014, Budget Adjustments, May 19, 2014 Zoning Meeting, May 28, 2014, Budget Adjustments/Straw Votes.

Item No. 54: LYNX Blue Line Extension Project-Condemnation Settlement with Roseclay, LLC

Approve the settlement of the condemnation action, City vs. Roseclay, LLC (12 CVS 17644), acquiring a 1.42 acres parcel in the amount of \$2,225,000.

Item No. 55: LYNX Blue Line Extension Project-Partial Acquisition of the Norfolk Southern Former Intermodal Yard

Authorize the City Manager to negotiate, and, subject to Federal Transit Administration approval, execute the necessary documents to acquire approximately 17.57 acres of the Norfolk Southern Intermodal Yard in Uptown Charlotte for the amount of \$4,816,031.

Item No. 56: Sale of City-Owned Property

(A) Adopt a resolution approving the sale of 1838 Remount Road for \$42,000 (tax parcel identification number 119-021-21), and (B) Authorize the City Manager to execute the sale documents for these transactions.

The resolution is recorded in full in Ordinance Book 45, at Page 659.

Item No. 58 Property Transactions

Item No. 58-A: 9212 Markswood Road

Acquisition of 1.33 acres in Fee Simple at 9212 Markswood Road from Jerry M. Cauble and Isle S. Cauble for \$190,000 for Aviation Master Plan.

Item No. 58-B: 9023 Snow Ridge Lane

Acquisition of .39 acre in Fee Simple at 9023 Snow Ridge Lane from Raymond C. Wilson and Teresa B. Wilson for \$145,000 for Aviation Master Plan.

Item No. 58-C: 9231 Markswood Road

Acquisition of 1.71 acres in Fee Simple at 9231 Markswood Road from Brandon Hardie and Holly Hardie for \$265,000 for Aviation Master Plan.

Item No. 58-D: 9324 Dorcas Lane

Acquisition of .92 acre in Fee Simple at 9324 Dorcas Lane from Kimberly Wallace for \$174,000 for Aviation Master Plan.

Item No. 58-E: Dorcas Lane

Acquisition of .75 acre in Fee Simple at Dorcas Lane from Charles H. Tyndall Jr. for \$30,000 for Aviation Master Plan.

Item No. 58-F: 9334 Snow Ridge Lane

Acquisition of .66 acre in Fee Simple at 9334 Snow Ridge Lane from Catrina Watkins for \$172,000 for Aviation Master Plan.

Item No. 58-G: 9419 Snow Ridge Lane

Acquisition of .54 acre in Fee Simple at 9419 Snow Ridge Lane from Susan Deed for \$150,000 for Aviation Master Plan.

Item No. 58-H: 3308 Johnston –Oehler Road

Acquisition of 4,059 sq. ft. (.093 ac.) in Fee Simple plus 8,123 sq. ft. (.186 ac.) in Fee Simple within Existing Right-of-Way at 3308 Johnston-Oehler Road from Clarence Ross Ritchie III and C. Yvonne Poole Ritchie for \$16,600 for Johnston Oehler Farm to Market, Parcel #36.

ITEM NO. 26: LEASE AMENDMENT FOR ATHLETIC FACILITY AT ALEXANDER STREET PARK

Assistant City Manager Eric Campbell said if I frame your question correctly Councilmember Mayfield, you were asking about the tax implications; if taxes were paid, if they were paid what the differential would have been once we executed the lease and if so were there any other taxes involved. Actually, the lease we're talking about is the City is directly involved with the lease with the county so there are no taxes involved. We are not working with a third party, here the Trinity Episcopal School so our lease is only with the county so there are no taxes involved in this at all.

Motion was made by Councilmember Mayfield, seconded by Councilmember Lyles , and carried unanimously to approve a lease amendment to the existing long-term Ground Lease with Mecklenburg County for an additional 2,186 square feet (.05 acre) to accommodate a restroom facility (Tax Parcel Identification number 08108607).

ITEM NO 50. MUNICIPAL RECORDS RETENTION AND DISPOSITION SCHEDULE AMENDMENT

Councilmember Barnes said this item concerns the disposition and retention of municipal records. It is most specifically related to the City Clerk's office and the question that I had concerned the retention of audio and video recordings by the police department and the recommendation is to keep those items for 10 days if they're not made part of a case file. I had a conversation earlier with our CIO regarding storage capacity and apparently the reason for the limitation on time was related to storage capacity and I don't see our CIO, Mr. Stuvall, here. I was going to take his word for it but since he's not here I'm going to move for 60 days.

Mayor Clodfelter said so now you understand why the Manager to all the staff, now you understand why the Manager wants you here.

Motion was made by Councilmember Barnes, seconded by Councilmember Mayfield, to approve the amended North Carolina Municipal Record Retention and Disposition Schedule with the amendment that the retention schedule be 60 days instead of 10 days.

Mr. Barnes said unless the City Attorney can explain to us why it shouldn't be so.

City Manager Ron Carlee said Mr. Mayor, I would ask that the item be deferred so that we could actually provide you with the implications of such an action.

Mayor Clodfelter said are you willing to withdraw the motion if the item is pulled from the agenda?

Mr. Barnes said I will withdraw it in light of the Manager's offering.

Mayor Clodfelter said the motion is withdrawn, Councilmember Mayfield withdraws her second and the item is pulled from the agenda tonight for further discussion. I think you know where this is headed.

ITEM NO. 51: REFUND OF PROPERTY AND BUSINESS PRIVILEGE LICENSE TAXES

Mayor Clodfelter said I made an error earlier. Councilmember Mayfield, I think your point on Item 51 was simply for future reference. My apologies, I shouldn't have pulled it. My mistake.

Motion was made by Councilmember Barnes, seconded by Councilmember Mayfield, and carried unanimously to (A) Adopt a resolution authorizing the refund of property taxes assessed through clerical or assessor error in the amount of \$78,033.82, and (B) Adopt a resolution authorizing the refund of business privilege license payments in the amount of \$7,603.71.

The resolutions are recorded in full in Resolution Book 45, at Pages 642-655.

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ITEM NO. 57: PROPERTY ACQUISITION FOR COMMUNITY IMPROVEMENT

Mayor Clodfelter said I believe Councilmember Driggs, you and Councilmember Smith did want to have some Council discussion of that item.

Councilmember Driggs said I thought we should pull this out and just talk about it for a minute because it raises a couple of interesting questions or principle here. We're talking about buying a couple of properties in the Belmont area because of activity there that as reported to us by CMPD and as part of an effort on the part of CMPD to improve law enforcement in the area. The concern I have about this is it feels as if we're rewarding the owner of the property for being a party to illegal activity for one, secondly, I'm not sure that the price we're paying is truly a market price. I think if the owner were trying to sell this privately he probably would not realize these proceeds and thirdly, I'm not convinced that it solves the problem. I'm afraid that the activity that we're hoping to address with this could just relocate somewhere else. Having said those things, I'm very concerned about the safety issues that were raised by CMPD and therefore in balance I'm coming out in favor of this item but I just wanted to highlight the fact that I do think there are some problems with it and I'm concerned about applying this concept more generally and paying off people who break the law in order to get them to go somewhere else and possibly do the same thing.

Councilmember Smith said I have just a little bit to add. I applaud the efforts of CMPD and sympathize with the area residents that are suffering through these issues of crimes but I agree I fear this sets a bad precedent. I feel in some ways it's kicking the can down the road a little bit. I'm not sure it cures the root of the problem. Again, as Councilmen Driggs said I think we're rewarding a bad land owner with purchasing his property even if it's slightly above the price. I think it sets a bad precedent. I am going to be in a position where I am from time to time, the lone one probably against this. I am not going to support this.

Councilmember Lyles said some of the good news about being on the Council is I get to have this great dialogue. Some of the bad news about being on the Council is that I remember a lot of this dialog. The place that we sit today was acquired the very same way. This used to be shanty shacks, tough neighborhood, high crime and we made a conscious decision to take a look at this community and say how do we improve it and a lot of that is through the idea that if we acquire a property and we can change the use of this property then it can work. Now I'm going to agree with Councilmember Driggs and Smith because generally, fiscally I'm very much conservative in that respect. It is difficult because you don't know where that owner is going to go. Is he going to buy the next property? I think we need to be very careful and sometimes remember that the owner may not be breaking the law. I don't know the answer in this case because there are influences in a neighborhood that an owner can put up security cameras, can put up fences, all of those things can happen and it still is a place in a neighborhood that congregation of bad influences. I think the most important thing to know, for me to remember, is that when we acquire these properties in neighborhoods our best hope is that we're making a real difference and that it is revitalized. It's what we've done in the past in neighborhoods like this and we've made some significant advances. You can look at First Ward, their corner stores there; you can look at Brooklyn, the neighborhood that we set today. So I hope that we will support this because we have significant investment in this area. We've got Seigle Avenue, Seigle Point, all of these things are happening. We've got neighborhoods that are rebuilding. I have a very good friend

that lives in Belmont. She works at John's Oncologist office and she's been there 30 years and she said Vi this is necessary. I really believe in the people in our community that make a difference and I'm going to respect that and support this motion.

Councilmember Austin said in my district I have similar structures that are causing my residents problems and I know they are also frustrating our police department who feel they're kind of at their wits end of trying to resolve criminal activity. Although it may not be the best resolve and yes there might be owners who are involved in the criminal activity or they may not be but I think this is a good resolve to try clear our neighborhoods from criminal activity and try to revitalize it and do something else, something new that helps that community and I'm very supportive of it. I'm looking hopefully to staff and Council to sward some that I might have in my own community moving forward.

Councilmember Barnes said I'm going to support both of the items primarily because what we heard about from CMPD was extreme criminal activity, gun running, running major league drug activity, major league gang activity that has the tenancy to be destabilize neighborhoods and based upon what we heard from our police officers and what we've heard from the neighborhoods and what we've seen in some videos I think eliminating these structures will actually benefit that community. Unfortunately, I don't think we'll be able to do it everywhere because this is a fairly, if you guys remember what we heard about it, it's a fairly unique set of circumstances at these properties and I think it makes sense to eliminate the challenges at least in these locations.

Councilmember Fallon said I think we've done it once before in a similar neighborhood. I think it's important to give people a chance to revitalize where they live and this is pulling that neighborhood down. It's been a constant, constant thorn in the side of the City and the police department. We've got to give these people a chance to make a decent community for themselves and their children and if that means us spending a little money to get rid of an eyesore that's causing so many problems then we have to do it.

Mr. Smith said I just want to say for the record that I was not suggesting that the owner of the property was necessarily involved in illegal activity only that the owner of the property has allowed an establishment to become such a refuge so I just want to make sure that I wasn't accusing him of illegal activity then two, if I remember correctly from the CMPD presentation, I don't think this is the only such store in the neighborhood and again my fear is simply that we're not going to solve the real problem. We're going to buy this and we're going to transfer it just to another spot within the area. Again, I support every effort that CMPD is working over there and applaud their efforts.

Mr. Driggs said I just wanted to comment also on the last point. Following demolition and environmental cleanup of the site it states that staff will share will the City Council recommendations for final disposition. I hope that the staff will consider the sale of the property to a suitable new owner and the recovery of some of the costs of buying it as one of the options and not treat it as an asset that now available for other housing purposes at no cost because there is a cost involved and there is the opportunity to recover some of that.

Councilmember Kinsey said the Belmont area is a significant neighborhood in City Council District 1 and that's of course the district in which I'm elected so I thank my fellow colleagues for expressing support for this. The City has made significant investment in the area over the years but so have the citizens there. People are moving back into the neighborhood and restoring houses and I'm sure all of us heard from some of the neighbors. I go to the neighborhood meetings and I hear from them consistently. This will make a huge difference in one area of Belmont. Yes there's some other areas in that neighborhood that we need to address and hopefully we can over a period of time but this does free up some of our police officers who work in this area and are constantly called out to these particular buildings but hopefully they will have now a little more time to address some of the other issues in the area so thank you for your show of support so far. We'll wait to after the vote to make sure.

Motion was made by Councilmember Austin, seconded by Councilmember Driggs, to (A) Approve the purchase of approximately .84 acre (tax identification numbers 081-124-10 and 081-129-02) and demolition of existing structures from Lawrence Farrar and Kathryn Hamorsky (Sellers) in an amount up to \$345,000, and (B) Authorize the City Manager to execute all documents relating to the purchase and demolition of the properties between the Sellers and the City of Charlotte, a North Carolina municipal corporation (Buyer).

Councilmember Howard said the only thing I'll add to this is that knowing a little bit about this, Mayor Clodfelter, if you remember a couple of weeks ago when we were dealing with the rezoning of the restaurant that wanted to go across from Seigle Point. If you go back a few years the rest of us remember it being Piedmont Courts and I was excited about the fact that a restaurant wanted to go across from where Piedmont Courts used to go and cars used to just go through there really quick because nobody wanted to be there. A lot of times that's what it takes. It takes investment and it took government investment in Seigle Point to make that happen. In this situation I can tell you that after doing this for almost two decades now that a lot of times it just small cancers in neighborhoods. The majority of our neighborhoods are really good places. When you allow these cancers to kind of pop up in different areas of the neighborhood it pulls the whole area down and it give the perception that the whole area is bad. In this situation I can tell you that actually dealing with these small cancers in this neighborhood will help change the whole trajectory of this community. I've seen it happen many times. Vi gave you a few examples and I could give you more but this is what it takes to do that. That's why I'm going to support this wholeheartedly.

Mayor Clodfelter said 25 years ago, Councilmember Kinsey, I was representative of District 1 and at least one of these two pieces of property was a constant headache 25 years ago and what's changed it seems is that 25 years ago folks were resigned to the fact that this is the way the neighborhood was and it was discouragement about that fact and so it was very hard to motivate folks in the neighborhood and folks in the City as a whole to care about what was happening. The silver lining in all this is that the bad thing is it has taken 25 years David like you say for these particular properties. The good news is it's because the community as you say has turned around and that there is signs of revitalization in the community that the pressure is there now to let's solve this problem, let's get rid of it, let's get on with it.

Ms. Kinsey said they're motivated now.

Mayor Clodfelter said it took 25 years but we're there. Councilmember Driggs, I'd say this is kind of sort of a last act I hope. I hope it's the last act of this. I'm glad to see it finally come in my lifetime. Having said that, Mr. Attorney, I continue to think that I'm not well enough informed about the City's use of the nuisance powers that we have because they are quite robust under state law and if we are worried as I appreciate the point that Councilmember Smith and Councilmember Driggs make about precedents here. We have other tools and those tools are ones that don't involve buying property, they involve requiring property owners to deal with the problems very aggressively. I would just like to have at some point a better understanding of our use of the nuisance tools to deal with problems like this. With that I think I've recognized everybody so we're ready for a motion.

Mr. Austin said I already made it.

Mayor Clodfelter said Councilmember Austin moves A and B and Councilmember Driggs seconded on A and B. Further debate?

Mr. Barnes said you have the ones from Mr. Phipps.

Mayor Clodfelter said I think Greg just wanted to make a comment about 30-34.

Mr. Phipps said items 30, 33 and 34. These are three road projects in the Prosperity Hucks area, the Johnston Oehler farm-to-market project, Prosperity Village Improvement and the Prosperity Church Road NW Arch Phase I. I just want to state that the citizens in that area that with this approval tonight for these three projects is another step in the right direction in terms of mitigating some of the traffic, traffic flow and traffic congestion issues and I thank my colleagues for approving that tonight and I look forward to smooth traffic driving in that area going forward once these projects are complete.

YEAS: Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Kinsey, Lyles, Mayfield and Phipps

NAYS: Councilmember Smith

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ITEM NO. 20: CONCLUSION OF CONSENT AGENDA

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ZONING

ITEM NO. 10: ORDINANCE NO. 5422-Z, PETITION NO. 2014-013 BY HAWTHORNE RETIREMENT, LLC, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF CHARLOTTE TO AFFECT A CHANGE IN ZONING FOR APPROXIMATELY 10.01 ACRES LOCATED ON THE EAST SIDE OF PROVIDENCE ROAD BETWEEN LAKESIDE DRIVE AND KUYKENDALL ROAD FROM R-3 (SINGLE FAMILY RESIDENTIAL) TO INST (CD) (INSTITUTIONAL, CONDITIONAL).

A protest petition has been filed and is sufficient to invoke the rule requiring affirmative votes of $\frac{3}{4}$ of the Mayor and Council, not excused or recused from voting, in order to rezone the property.

Mayor Clodfelter said with that it will take us back to Item 10 in the Agenda which is a decision on proposed rezoning petition 2014-013 by Hawthorn Retirement LLC. from R-3 to INST (CD).

Councilmember Driggs said I just want to point out that there is a protest petition on this one. I spent quite an amount of time with the area residents and I feel just to recognize the position they have taken I should acknowledge some points they raised. There were concerns about the impact on the environment because this is now a 10 acre site that has only a single family home on it which will be moved to a one acre corner of the site and the proposed structure is an independent living facility of 120,000 square feet on three stories. The opponents thought that the size of the building was not in keeping with its setting, we're concerned about impact on trees, raising issues about the traffic in the area. I talked through this with them and I don't know if my colleagues here remember the hearing at which they raised all those concerns. My conclusion was that for one, an independent living facility involves elderly people you are generally pretty peaceful neighbors. The traffic impact as measured by the staff was essentially beneficial to the extent that peak hour traffic was mitigated and total trips were reduced so on balance I didn't find that there was a reason to disagree with the staff's recommendation, the 6-1 vote of the Zoning Committee and therefore I'm going to recommend approval of this.

Motion was made by Councilmember Driggs, seconded by Councilmember Barnes, to adopt the Statement of Consistency and approve Petition No. 2014-013 by Hawthorn Retirement, LLC for the above zoning change as modified and recommended by the Zoning Committee.

This petition is found to be inconsistent with the South District Plan but to be reasonable and in the public interest, based on information from the staff analysis and the public hearing by a 6-1 vote of the Zoning Committee. The Committee voted 6-1 to recommend approval of this petition with the following modifications:

1. Amended note 2a to refer to Section 9.503 and specify the type of "Home for the Aged" units as dependent units. The petitioner added the following language for clarity, "except for the two independent units, for management staff only, not for rental purposes."
2. Amended note 4a to specify a maximum proposed building height of 44 feet, which is more restrictive than the 45 feet requested by staff.
3. Placed an X over note 5c; the note will be removed completely with final plan submission.
4. Amended note 6a to reflect the amount of tree save provided as specified in the Development Data on sheet 2/3.
5. Provided additional building articulation and step downs along the southeastern and northern building façades.
6. Revised the Site Section A-A to reflect the current site design.

7. Deleted references to Lots A and B in the data table and amended site acreage under the data table to show the proposed acres to remain R-3 and proposed acres to be rezoned.
8. Amended the Providence/Kuykendall perspective drawing and explained it is for representational purposes and to refer to the preliminary landscape plan for exact trees and plantings.
9. Clarified the use of vinyl by stating the prohibition will not include soffits and windows.
10. Added a note to each sign location on the landscape plan stating that they will be subject to a separate permit.
11. Added the required eight-foot planting strip along Providence Road to the Preliminary Landscape Plan.
12. Amended note 8a to limit the height of freestanding lights to 16 feet, which is more restrictive than the 20 feet requested by staff.
13. Clarified "non-peak hours"
14. Added the proposed CATS waiting pad to the Preliminary Landscape Plan.
15. Removed the "Undisturbed Natural Area" label located on the lower edge of the Preliminary Landscape Plan at the Kuykendall driveway.
16. Clarified the conflict between the "Undisturbed Natural Area" labels and the 46-foot Class C buffer that is being planted along the northern property line in common with the abutting property by removing the "Undisturbed Natural Area" labels and adding a note stating "Work within the buffer area limited to planting additional trees and shrubs for benefit of neighboring property owners."
17. Labeled the sidewalk around and extending from the covered well to the sidewalk along Kuykendall Road shown on the lower right hand corner of the Preliminary Landscape Plan.
18. Amended site plan to reflect a required 50-foot Class C buffer instead of the 46-foot Class C buffer.
19. Removed unneeded sheets in the site plan packet.
20. Added note 8b for garage lighting.
21. Added overhang foliage to the retaining wall on the landscape plan and site sections.

Councilmember Howard said one of the things that concern me when I saw it was kind of the material of the building and I noticed that's one of the things that came up with the residents. Can you tell me kind of what you guys agreed to in the notes?

Tammy Keplinger, Planning said in terms of the building materials they vary quite a bit on the project to create the building elevations that were shown as a part of the rezoning and they include stucco, horizontal siding with brick veneers, stone or simulated stone, vinyl siding is prohibited as an exterior building material.

Mr. Howard said what did you guys do about the traffic and the in and out? They were worried about the commercial trucks that had to come in and out of there; they were worried about that intersection.

Ms. Keplinger said there is a note on the site plan where they clarified the non-peak hours. The wording is such that it says that the delivery times will be limited to non-peak hours. Peak hours are defined as the hours between 7 a.m. and 9 a.m. and 4 p.m. and 6 p.m.

Mr. Howard said and nobody is here from C-DOT but that was the time that everybody was worried about peak traffic being or the opposite times is when they were worried about the traffic being so heavy coming out of that subdivision.

Ms. Keplinger said I believe that that was the concern but by limiting the deliveries to the non-peak hours I think that somewhat resolves some of the issues.

Mr. Howard said you guys got comfortable with the scale of the building on that corner. Can you give me a little bit on that one?

Ms. Keplinger said in looking at the elevations there is a little bit of a hill on the property but when you look at the site plan they have proposed three acres of open space that is to the rear of the site that is closer to most of the single family residents that adjoin so we didn't feel like the height was inappropriate. It is limited to about 45 feet which when you look at the residential structures in that area in the R-3 that are surrounding there are limited to 40 feet in height and they can increase up for every time they increase their side and rear setbacks so it's compatible with what the single family would have.

Mr. Howard said my last question Mr. Mayor is for the e-mail we got Bob that we forwarded to you. What does that mean or not mean?

City Attorney Bob Hagemann said as noted an attorney in town representing a property owner sent you a notice indicating that if you approve it they would likely challenge your decision in court contending that this rezoning would be illegal spot zoning. We're prepared to defend this decision. I would suggest that you make your decision based on your best policy judgment and not out of fear of legal action.

Councilmember Phipps said I guess I was sort of conflicted by this particular rezoning in as much as the current zoning being R-3 (single family) would appear to me to have more of an impact if those properties were developed than this institutional use that we have before us. I don't care that much about the scale; constituents or people have been approaching me about the extra floor, the third floor that they wanted to keep it to at least the two floors. On balance I have to balance it out to the impact on that open space, the preservation of the tree save and natural area and I would at this point come down in favor of the motion.

Mayor Clodfelter said anyone else? Are you ready for the motion? Councilmember Barnes, this one's protested so we're going to need you up here to be present for the vote. Since this one's protested we need everybody here. The motion before you from Councilmember Driggs is to adopt the statement of consistency as recommended by the Planning Commission, the Zoning Committee or the Planning Commission and to approve the petition as amended and modified. Ms. Keplinger is that correct?

Ms. Keplinger said that's right.

YEAS: Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Kinsey, Lyles, Mayfield, Phipps and Smith

NAYS: Councilmember Howard

The ordinance is recorded in full in Ordinance Book 58, at Pages 796-797.

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PUBLIC HEARING

ITEM NO. 11: PUBLIC HEARING ON A RESOLUTION TO CLOSE AN UNOPENED ALLEYWAY OFF OF NEWBERRY STREET

Mayor Clodfelter said we will first conduct a public hearing to close an unopened alleyway off of Newberry Street. The public hearing on that item is now open. Are there any speakers on the matter of abandoning an unopened alleyway off of Newberry Street?

There being no speakers, either for or against, a motion was made by Councilmember Barnes, seconded by Councilmember Kinsey, to close the public hearing and adopt a resolution to close an unopened alleyway off of Newberry Street.

Councilmember Phipps said when I was reading this I had a hard time understanding. You're going to close an unopened alleyway. If it's unopened isn't it closed?

Mayor Clodfelter said it's legally being closed. It's just not being used in the sense of being unopened. Right?

City Attorney Bob Hagemann said what this does is extinguishes the potential for the City to open up the alley and return ownership to the adjacent property owners. The term close is a statutory term. I understand why it's confusing if it's not actually currently being used.

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

The resolution is recorded in full in Resolution Book 45, at Pages 624-627.

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POLICY

ITEM NO. 12: CITY MANAGER'S REPORT

City Manager Ron Carlee said I just wanted to let you and the Council know that I have pulled Item No. 15 so that I could get answers to questions that were raised in the Dinner Briefing.

Mayor Clodfelter said did everybody get that? The item that we were discussing at the Dinner Briefing has been pulled for further discussion and further questions.

Councilmember Howard said can I encourage staff to talk to each one of us to get us to understand exactly what that was. I think that was some of my frustration is I guess it seems simple to me that they were just making a small tweak so as opposed to just working with the developer if somebody could work with us then that would be good.

Mr. Carlee said absolutely and I'll be checking with the county since this is also an agreement in which we share so that we're all on the same page with it.

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ITEM NO. 13: DEVELOPMENT PLANNING, PERMITTING, AND INSPECTION PROCESS REVIEW

Motion was made by Councilmember Howard, seconded by Councilmember Lyles, to (A) Authorize a contract Gartner, Inc. for review of the City's development planning, permitting and inspection process in an amount up to \$162,500, and (B) Authorize the City Manager to negotiate amendments to the contract for adjustments to price or scope to support unanticipated services that may result from review findings.

City Manager Ron Carlee said unless there are questions we'll be happy to provide you with the presentation for review as you like.

Mayor Clodfelter said I think we should have the presentation because this is an important item.

Assistant City Manager Ann Walls said tonight the City Council will consider a contract with Gartner Consulting to provide an independent review of the current development review process and approval process used by both the City and the County. This is part of an extensive effort by the City and Mecklenburg County to improve our entire development and review process. I did want to take a moment to recognize Leslie Johnson, Assistant County Manager for Mecklenburg County who is with us this evening. Leslie and I have been working very closely on the work as it relates to the development review process. Just to provide a brief amount of background; as Council will know the City and the County are both intricately involved in the approval, permitting and approval of development that occurs in the Charlotte-Mecklenburg area. Generally, the city is focused on the horizontal approvals. That would be zoning, site plan approval, infrastructure such as utilities and roads and the County is responsible for vertical development, building inspections and building permitting. Fire code, however, is a function of the City and enforcement of fire code is a function of the City but imbedded in the construction development portion which works with the county.

As we go forward on the review of inspections and permitting I think there are three important parts of our review. The first is collaboration, and Leslie speaks to that with her presence here the evening. The City and Mecklenburg County are working very closely together to ensure that we create a seamless process for our customers, we have to work together and the process is designed so that we have a review of what is going on in development from the point of idea to the point the CO is issued. The second part of that review is customer feedback. We need to hear from the customers to hear what the customers concerns are, what their experiences have been and what their ideas for improvement are.

To that end we are currently under way with a series of focus groups, these focus groups are organized by customer type and we hear from the customers and those focus groups. There will be two waves of focus groups. The first wave will be a broad overview of the development process. When we hear themes and issues that come out fairly consistently through that process we'll do a second wave of focus groups where we'll do a deeper dive so we can get in depth discussion of specific subject related issues. The third is the process. This project addresses the

process and procedures. It does not take into account regulations. To that end we want to work again as I've indicated several times through this presentation; we want to understand what the customer goes through from the point of an idea to the point of a CO or Certificate of Occupancy so we want to make sure that customer works seamlessly through the process. The point of this Gartner contract is to conduct that independent review and so that we understand again what the customer is dealing with, we know the issues that are up front and Gartner can also provide some recommendations for how to proceed and some suggested changes for our work. With that I'll answer any questions.

Mr. Carlee said we did think it's important. We've been working on this for quite a while. This moves the process forward in a very collaborative way. I know there have been some questions even in the General Assembly this year about the efficiency of development process and I just want all of you to know that we're working very hard with the County to try make this the best county anywhere to do business.

Councilmember Howard said I think it's important to point out to that part of this checking to make sure we have checks and balances relates to the motion we made some months ago or a couple weeks ago about our ethics conversation that we've been having now for a couple of months. That is part of this as well. I just wanted to point that out for the public.

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

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BUSINESS

ITEM NO. 14: BUSINESS INVESTMENT GRANT FOR YG-1 TOOL COMPANY

Motion was made by Councilmember Kinsey, seconded by Councilmember Howard, to approve the City's share of a Business Investment Grant to YG-1 Tool Company for a total estimated amount of \$108,427 over three years (Total City/County grant estimated at \$297,128).

Councilmember Smith said I'm a little concerned about this one. We had a meeting I guess in late March to discuss this and do a straw poll vote and during that meeting we were made aware of some locations to consider. I got on the phone the next day and called what eventually ended up becoming this company's headquarters, the place they closed on about a week ago. My concern is that this isn't a huge amount of money; they'd already identified the location, were almost under contract before we even took our straw poll vote to do this and they were coming anyway. This just falls into one of the areas that really frustrates me with our policy and we talk about this a lot and I know that we have a wide variety of opinions on this matter at the dais and I respect all of those and I think in some instances I'm more open to maybe agreeing with some of my colleagues on this. This is one where a little less than 90 days later; I'm in commercial real estate, I represent buyers for properties; it takes a little while for this to happen so they were almost at contract so they had already been looking in Charlotte and basically been down to their decision point. I just wanted to get that off my chest.

Councilmember Lyles said could I ask Mr. Richardson to address the timing because I'm not in real estate and I really hear what Mr. Smith is saying so when you talk about these timing; is it a function of when it gets to us or is it a function of the work being done? I don't understand it so I'd like to a little bit of understanding of that.

Brad Richardson, Neighborhood and Business Services, Economic Development said it's not unusual for the closed session straw vote indication to happen before the project announcement. It is unusual and we would not look favorably on a lease execution or a signing of the lease prior to that time. We have seen and have evidence in the past of leases being executed contingent upon local incentives. It's a real issue that we want to make sure that we follow and honor the integrity of the program because we do -

Mr. Smith said the conversation I had with the listing broker. I called to inquire about the property and he said we've almost got a deal done and so in brokers terms that means that they've done a fair amount, enough negotiating that he isn't going to show it to them if that had a prospect and it just gave me a little cause for concern.

Councilmember Howard said you know this area better than I do Kenny. Wouldn't it be kind of regular for them to tie up maybe more than one site? Do we really know whether or not they negotiated the same thing in multiple sites depending on how final vote went? It's just a lot of unknowns that when we just kind of grab at stuff. I think it would be good business for them to have negotiated prior to release on a number of sites but it wouldn't go through until something was completed.

Mr. Smith said it is my understanding that they purchased the property and I don't think they would negotiate all the way up to the deadline of a purchase of multiple properties.

Mr. Howard said touché.

Mr. Smith said again, we're not talking about large scale money, this is just an opportunity and I rarely get on my soap box but this is an opportunity for me to get on my soap box.

Ms. Lyles said I actually appreciate your soap box and one of the things that I think about in these kinds of processes is is there a way to fix that and how do we use this expertise and knowledge of process and negotiation to build ours better. I don't think it's a soap box, I actually think it's an opportunity for a conversation about how do we make this work better.

Councilmember Mayfield said Mr. Richardson this is really for the sake of transparency and the sake of for those that aren't able to attend tonight's meeting and aren't able to come down and review a lot of the conversations that we're having so for tonight's Business Investment Grant. I would really like for staff to consider when we move forward I asked in a previous setting for us to really look at the numbers so that when we go to the community and we share our excitement of identifying a new business coming to the area and why we will support that business with incentives and grants so that the community understands that here are the financial benefits for that. For staff since you're going to be leaving us very soon and you will be missed because you have been a tremendous asset to the City for the short period of time that I've been here. We'd really like to not just look at the projections but the look at the actual numbers so when we have made an investment seven years ago or 10, 15 years ago and that investment has reached its full life cycle and now it is time to start seeing those taxes paid directly into the community, having some on the ground numbers and figures will be really useful as we continue to have these conversations so that the community knows that we are taking conservative measures as well as all concern possible how we're investing tax dollars.

Councilmember Phipps said I think in a meeting we had several months ago there was a presentation of I guess a schedule that detailed the amount of grants and incentives that we've granted over the years and a performance of those incentives and it illustrated just because we make an announcement that a company would get a grant or an incentive if they don't meet certain triggers that those incentives are not paid so I think that type of information would be helpful I think to the community in showing that those incentives are rigorously reviewed and rigorously enforced to ensure that a proper performance is achieved before any such incentives are paid and grants are distributed. I think that kind of information would be helpful to know. I think people would be surprised to know that quite a few incentives weren't really paid and so that would show that we are more or less good stewards over performance indicators that would give those grants and incentives follow through to the extent that we could do that would be good.

Mayor Clodfelter said I think that's good there is information on that I know Mr. Richardson has that.

Mr. Richardson said and I'll remind the Council that the Economic Development and Global Competiveness Committee has this on their agenda this summer to just do a policy review. We may be able to begin that as early as your next meeting.

Councilmember Austin said thank you Brad for all the hard work that you have done and we're going to miss you. Just quickly, just help me, do we or can we require that many of our corporations be philanthropic in our own area. When I see that this company is headquartered in Korea, that's great but this is Charlotte and we have many organizations, many entities and many needs. Is there any way to require any sort of philanthropic support?

Mr. Richardson said I'll answer it by the current Council policy that was last revised in 2012. The Council decided to adopt some encouragement clauses meaning we would contractual encourage participation in things that we value in this community such as hiring locally, using minority contractors and giving philanthropically. The Council stopped short though of requiring it looking at it as a bigger issue to do with competitive advantage and a competitive environment when we're competing against other jurisdictions. They stopped short of requiring it but that's the type of conversation that can happen through the committee process when they review the policy.

Mr. Austin said where I'm going members of Council is you know we make these investments and we have corporations who move here but then they don't give back to our communities; they may have other initiatives that are probably truly more global but we need good community corporate partners here in Charlotte that are helping out organizations and universities and other entities here in Charlotte so that would be my concern. I know that's more policy and going back to our ED Committee maybe not relevant to this particular decision tonight.

Councilmember Driggs said I just wanted to comment, any decision like this is basically looking at the benefits which are always appealing we'd like to get jobs and then looking at the likelihood that somebody's not going to come here if we don't pay this. We're making a bet and the question is is it a good bet? I just think we have the same conversation over and over again because of the difficulty of quantifying that. We probably would say if there's a 10 percent chance that they won't come here if we don't pay this then so we're going to be talking about this, we did earlier this evening and we will be again and again and that what it comes down to. I don't think you can take a categorical position on incentives. Job creation is of vital importance, you can't rule out the possibility that the right incentive leads to very meaningful job creation and should be embraced. I would say on this one I'm with Councilmember Smith. I'm not convinced that this is a good bet and therefore I don't intend to support it.

Mr. Smith said Mr. Richardson, you may not miss me in new endeavors but I will definitely miss working with you and I do applaud all your efforts for the City.

Mr. Richardson said thank you, the feeling is mutual.

Mr. Carlee said there are a lot of underlying policies that the Council discussed tonight and some issues specific with this case. I would just like for us not to overlook that there is a good news story here. We lost a couple of employers to incentives offered by South Carolina recently. We're in a very competitive market and I think at the end of the day we should not lose sight that we are bringing a new international company to our city. It's a company that will be investing over \$10 million dollars and creating 38 new jobs, wages that are 138% of the average wage and I don't want that part to be lost in the discussion. We've got a new employer, it's addressing the global competitiveness that's involved internationally which is something that we want to do and with a fairly modest investment from taxes that they will actually be paying we're able to add this important business to our economic sector and welcome them into the Charlotte business community.

Mr. Driggs said I wanted to point out there was a recent newspaper article about South Carolina which highlighted the fact that among other things the comparative tax rates were a factor. I think that's something we need to always kind keep in mind. There are a bunch of things that go into these decisions and whether or not this incentive is the one right on the cusp and the other think I want to point out is the idea that just because it comes from future tax receipts it's costless is something that doesn't sit well with me. We've had the conversation before but when you dilute your tax base by giving these preferences to certain companies then you have to ask yourself where are we going to get that money instead because the costs that are created by the presence of the company are the same so it's appealing to look at it that way but we need to accept the fact that there is a cost, a real cost in giving away those tax incentives.

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

YEAS: Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles, Mayfield and Phipps

NAYS: Councilmembers Driggs and Smith

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ITEM NO. 16: UTILITY RESIDUALS MANAGEMENT SERVICES AGREEMENT CONTRACT EXTENSION

Motion was made by Councilmember Kinsey, seconded by Councilmember Barnes, and carried unanimously to approve a five-year extension to the contract with Synagro WWT, Inc. for disposal of solids produced at the water and wastewater treatment plants for an estimated cost of \$24,500,000.

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ITEM NO. 17: GENERAL OBLIGATION BOND REFERENDUM

Motion was made by Councilmember Mayfield, seconded by Councilmember Austin, to (A) Introduce each of the three bond orders required for a General Obligation Bond Referendum, which includes \$110,965,000 of Street bonds, \$20,000,000 of Neighborhood Improvement bonds, and \$15,000,000 of Housing bonds, and (B) approve a resolution setting public hearings for July 28, 2014.

City Manager Ron Carlee said I would ask the indulgence of the Council for a brief presentation. This is fact will be our CFO's last presentation. There were some questions about the sustainability of our capital programs and the assumptions of which we projected. Mr. Gaskins has been the steward of our credit worthiness for the many years that you heard about earlier. I've found him to not only be extraordinarily confident in that but also extraordinarily conservative and I thought it would be helpful for him to share those assumptions and to show you and the public the basis of which we feel confident in the ability to go forward with these bond recommendations.

Finance Director Greg Gaskins said I will try to be brief and go through this except I want to point out this, as some of know who have talked to me and the Manager certainly knows, this subject to really get into it requires more than what we're going to do tonight and so there will be questions that will not be answered tonight. I will assure you that there is staff still here even though I'm going that does understand this and can explain it and the Manager and I had a conversation about that this morning.

Let me highlight for you the way we do what we do. Dedicated revenues to support debt repayment; that sounds very simple, I'm going to explain to you why that's a very important element. Debt modeling ensures ability to repay future debt service; we're going to talk specifically about the debt model in a minute. External agencies review the City's ability to repay debt; we'll go over who those external agencies are and finally this is the conservatism point; conservative debt modeling and the Manager and I have had an argument about which one of us is most conservative which we probably won't resolve tonight.

Over six decades ago it was a City Councilman who was a banker who made the original recommendation for the method that we use today in terms of debt modeling. Ultimately, that council which I think at the time contained three bankers and at least two businessmen are the people that made the recommendation and it's a very simple one. I'll explain it to you this way and that is they simply recognize that the City's credit needed to be better for the City to be able to grow the way they wanted it to grow. They wanted to do something to make it better and the banker suggested that one of the ways to do that was to very definitively set aside revenue for capital and make a determination about how that capital was going to be expended and to model that process so that they could securely tell the public when it came to time for them to vote that they were going to be able to fund those projects that they said they were going to fund. We have taken that many steps further since the first time I actually looked at Charlotte's program in 1982 as one of the external agencies reviewing Charlotte's process. I was with the Local Government Commission at the time, presentation by J.B. Fennel who was the Finance Officer at the time and I said wow, this is a very impressive system in 1982. It has been tweaked many times since 1982.

Let's talk about the debt modeling. What we're really doing in the debt model is taking all the factors, all of the revenues and the expenses and the economic conditions that change that. In other words the assumptions which I'm going to show; put them into a model to try to project

what is going to happen and as the Manager and I have talked about many times you're probably not going to get it exactly right. That's where the element of conservatism comes in to that. In this particular case in determining debt capacity we do make an assumption for a property tax rate that is going to meet those requirements over many types of conditions and other than when we do analysis for City Council or the City Manager that remains even though we go every year and look at it; we use it using that particular modeling requirement. Therefore, the model assumptions are very important. We're going to deal with those. We do believe that this is a conservative model and we had the ultimate test. We had the great recession after the 2008 financial crisis and it is not just a model for the General Fund although we're talking about the General Fund tonight. It is a model that was also for our various Enterprise Funds including the NASCAR Hall of Fame which was brand new and was a very acid test as to whether or not we do this well or not and we were both able to fund that and fund that at an attractive rate and to continue to finance that. From a testing standpoint we had the kind of 100 year test that you look for in modeling.

Here are the key assumptions related to the core plan and this is the General Fund Plan. If you'll look at that and I look at Mr. Driggs looking at it, you will see general obligations 5%, certificates of participation 5.7%; that is higher than we are getting today and those assumptions are in fact based on a model over time and not based on current assumptions. However, as each year goes past and we actually do something, the real numbers are put into the system for that debt that is done and that allows us to bring back and each year as we bring to you something to talk about what has happened to the model and what you can do with either additional capacity or with revenues. Every year is a new year to take a look at how that model works. The same is true with your long term growth rates on your property tax, your sales tax and your interest income. It converts over to the actuals for that period and we relook at the model from a short and long term basis to determine where we are with those assumptions so that is a continual process. The General Obligation Bond terms of 20 years and the COP 20 to 30 years are in fact ingrained into the system. If there was a change in that we would also add that to the mode. If there is something changed where the state passed a new law so that you could only do it for 15 years, boom we'd put that in the model and we would be able to analyze what the impacts are.

Here are some of the agencies that we have to deal with and review what we're doing. We have financial advisors and there are more than one, in addition to the one that looks at the City we quite often have other people who might be somehow associated with one of the processes, they are reviewing that. The underwriters also in many cases have financial people who are working with them who rerun the same numbers we run. Bond Counsel is also reviewing it because they know that you have to make certain representations, the way the SEC operates now even a small variation can get you in trouble with the SEC in terms of what your disclosure requirements are. They are now very carefully looking at the work of us and those two people related to each and every assumption that we make.

In addition to that you have the credit agencies which have gone through a revolution in terms of the way they look at debt. They are much more difficult to deal with than they were and in many cases they can be befuddling when you discuss them. I don't have time to talk about that. There are some great recent cases of how befuddling they can be. Finally, there's the North Carolina Local Government Commission; we're blessed actually in North Carolina to have somebody who really understand this to look over our shoulder. That is great for the people that are buying our bonds as well as for us and the citizens of Charlotte that are looking at that. They do understand this and we have as the Mayor knows a very strong statute related to this that really requires that we do things right. This is also a protection for us now given the new SEC and IRS regulations. This is a model which actually the Manager and I looked at this morning. This is one of two models that we looked at. Let me try to simplify what it looks like. All of those red, blue and the green numbers and the light red colors are all revenues. That line is the expenditure of the debt mode and that is showing you that you have enough money to pay for everything. What it is not showing you and this is a separate issue is that there's actually some additional revenue beyond that capability that is available because the fund balance over time of such a large amount of issues of debt that we have and the fact that we made conservative assumptions gives you a margin of error. You have plenty of money in the immediate and you have a margin of error. Every year you're looking at it again and making long term determinations about where you are. There is another model that shows this a little bit better just from a standpoint of the fund balance but the concept is that you put the money out there because you gather it first, you make your determination about how much your revenues are so you actually are going to build

up a little excess revenue before you issue the debt. That gives you two things; it gives you additional security for the bonds, it also gives you a little bit of additional security that you might have estimated wrong and that you're covered and then ultimately you will pay down that money as you get further in there because you will draw that balance down as future issues. As I said there's actually another model that goes from this.

The key highlights are that we did something that is recommended highly by banks and distinguished the revenues that we were going to use to do capital formation and we make a determination through our CO process that goes through the City Council. What are our needs? I will tell you I have looked at this program as I said since 1982 before I was even here. There has never been a time that you're CIP needs didn't far exceed any capabilities of you to fund. Never has it happened. With the growth of the City that we're still experiencing it is unlikely to happen so you're going to have to choose how much revenue are we going to have versus the capital that we need and there's always going to be a tough choice there. I haven't done anything to make that an easier choice. I think the model is a very sound model. As we have presented this over the years to investors, to rating agencies, to other people including the SEC; over the years they have consistently said that this is one of the best models in the United States. Consistently they have told us that and that is still true today as much as it was before. This is one piece of a very great model that we have for CIP but ultimately it works primarily because of the work that the Council has to do to make that assessment about how much money their willing to spend for that capital. This is simply a tool to get us there.

Mr. Carlee said Mr. Mayor with that we would recommend that the board introduce the three bonds orders and set a public hearing for July 28th.

Councilmember Driggs said since I was the one who did a lot of the complaining during the budget process I think I should respond. I'd like to emphasize that it was never a question in my mind as to the competence or the thoroughness of your process so what I tried to impress upon my colleagues was just that more information like this needs to be considered by us as we went to approve these large future commitments because I think a lot of us were acting in a context where we wouldn't have been able to say do we have a lot of room to incur more debt without a crossing a line and kind of exceeding. We don't know what new needs we might be identifying over that whole 20 year period. I really welcome this and I appreciate it. I thank you for doing that and as you can imagine it's really just the beginning of a conversation. I'd like to see us get to a point where we have kind of a dashboard where some of the critical metrics that the people you talked about look at on coverage ratios and things like that that's actually available to us as well and we can say okay are we going to be aggressive because we have a lot of current needs that we like to meet and fund or is this a good time to kind of keep a little dry powder because we can see some things taking shape and that's something that can evolve. I think on this occasion I just want to say thank you and this is a very helpful first step.

Mr. Gaskins said Mr. Driggs, I happened to run into you in the hall and we talked about that and I think the Manager intends to give some more detail in fact we were already working on some of the things that Mr. Driggs had mentioned earlier and so some of that material is going to be coming shortly to you. This has been a personal thing that I have spent a lot of time on. I have a lot of confidence in this and in fact I'll guarantee the remainder of the time that I'm here every promise that we made will be met.

Mr. Driggs said I'm just sorry you won't be here.

Mayor Clodfelter said question for you Greg. I don't know the current practice but as you know the State Treasurer every year publishes the current iteration model; all assumptions that go into it, what it discloses about a potential debt capacity of different types and under different scenarios. Is that part of the annual budget documentation in the City? Is a publication of the debt model an annual publication of the updated model part of the normal budget documentation?

Mr. Gaskins said it typically has been presented as part of the pre-budget process, in other words in the retreats was typically where that was presented every year. Before you started working on your budget you got presented the current nature of the model.

Mayor Clodfelter said you know what I'm referring to when I talk about the State Treasurers Report and you do something similar at the annual retreats.

Mr. Gaskins said absolutely and in fact in the past it has also been at other times where there was some significant change there has been a presentation related to this factor has changed.

Councilmember Barnes said two quick things. One, I wanted to say thank you publicly, Mr. Gaskins, for his expert guidance since I've been on the Council. You and I had some good off the record conversations and I appreciate your guidance over the years. Additionally, with regard to my colleague Mr. Driggs we are going to have to borrow some amounts of money in order to fund government and earlier tonight we approved an \$8.1 million dollar project at, Ballantyne Commons Parkway and McKee Road that is an example of Charlotte spending money in District 7. I know you don't think we spend money down there but we do and I know you appreciate it so it will be necessary and by the way that was from the June 2010 Bond Referendum. I'm not suggesting we spend everything that we can get our hands on but we do have to spend some money in order to function as a City.

Councilmember Phipps said I know you're in the twilight of your career here with the City and we certainly appreciate and wish you well in your retirement but how concerned are you that the City's Bond Referendum that you just described will be competing on the November ballot with a bond proposal by the County to raise the sales tax?

Mr. Gaskins said they're two different things I prefer to let the manager answer that.

Mr. Carlee said that would be strictly an opinion at this point. We're still evaluating how that may affect us. What I wanted to do tonight was to make sure as you may authorize to bring referendum on the ballot that the people voting on our bond referenda know without question that those bonds can be paid at the tax rate that has already been adopted. That's the point of greatest concern to me is that as we go before our voters to try to provide all of the information that any of you may need to demonstrate that with the tax rate you have already set that the city has the capability without question and what we expect continuing AAA bond rates that we can borrow money at the lowest rates possible because we can pay it back based on the conservative model that we use and particularly that the taxes that are levied for the capital fund are segregated and protected just for the capital fund. Neither Mr. Gaskins nor I would presume anything about other items that may be on the ballot. We just want to make sure that for our items on the ballot people have all the information they need so that they can make an informed choice about investment in this City.

Councilmember Fallon said thank you because I've gone over this with you in the past. I try to understand it. How do we set a bond rate? How does the bond rate get set that we sell them for?

Mr. Gaskins said it's a market rate so the rate will depend on the timing of us going to the market and the quality of the debt that we go to the market with. For our GO Bonds we have the top rate that you can get and in fact we are in high demand because right not security is important and our bonds are considered extremely highly valued. In other words people think that Municipal Bonds are paid back with a greater frequency than other debts so we're at an all-time great place but that could change and so each time that we do this we have to estimate what the rate is and the real rate will differentiate it in some ways from that. If it's lower than that potentially is a good factor and the next year when you look at it that will be weighed in so that you can make a judgment of what impact that has had on your model. The good thing about this is it continues to evolve and you continue to be able to look at what those impacts are and what that means for your model. I would echo the Manager's thought and that is as a professional who's been doing this for over 30 years this is the best model I've seen. We have a great deal of confidence that this \$145 million dollars absolutely will be repaid according to the model and within the limits that we have set in this model. I'm very confident.

Mayor Clodfelter said and without any additional taxes beyond those currently being levied.

Mr. Gaskins said absolutely.

Mayor Clodfelter said that's the key point. I want to share with Councilmembers a couple of interesting facts that I learned through the course of my other existence. You all know that we have the top rated as Greg just said credit in the United States among local governments. It's the highest you can get. Of all of the local governments in the United States, in all 50 States that carry that top rating 25% of them are located in the State of North Carolina. One fourth of all the highest rated credits in the United States are in this state, this one state. That's how

conservatively managed the fiscal policies that local governments in this state operate under. Some of you know that I've had some involvement in some local government insolvencies and bankruptcies in other states outside North Carolina where there different policies. I was involved in one recently where the creditor group hired an investment advisor to talk to us about what should be done to change the local government oversight and fiscal policy in that state to avoid future bankruptcies and the report we got back was you should adopt the policies that are in use in North Carolina in order to avoid future insolvencies and bankruptcies so it's a very high recommendation coming out of top financial advisors.

Mr. Driggs said I just wanted to mention I'm sure we can repay this at existing tax rates. That statement appears to take off the table the idea that we might want to reduce tax rates. It doesn't reflect the fact that we're already at a competitive disadvantage compared to South Carolina at our current tax rates. I think we need to be dynamic in recognizing the impact of the tax rates in terms of the revenue it generates and our ability to service debt versus the deterrent value that it can have when it comes to people making location decisions. I don't think the fact that we don't have to raise tax rates; bear in mind it wasn't that long ago we raised them by 7.25%, our property taxes, so the fact that we're not looking at the immediate prospect of having to do that again the track record shows that we're quite capable of doing that and I think we need to try to think more dynamically in terms of taking advantage of an opportunity when it presents itself to reduce the rate.

Mayor Clodfelter said the motion also includes a Part C which is a resolution of thanks to Greg Gaskins.

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

YEAS: Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith

NAYS: Councilmember Driggs.

The resolution is recorded in full in Resolution Book 45, at Page 628-639.

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ITEM NO. 18: NOMINATIONS TO BOARDS AND COMMISSIONS

18-A: Transit Services Advisory Committee: The following applicants received nominations for one appointment for a van pool rider for an unexpired term beginning immediately and ending January 31, 2016.

William Grimm Jr., nominated by Councilmembers Austin, Autry, Driggs, Fallon, Howard, Kinsey, Mayfield, Phipps and Smith

Motion was made by Councilmember Autry, seconded by Councilmember Mayfield, and carried unanimously to close nominations and to appoint Mr. Grimm by acclamation.

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ITEM NO. 19: APPOINTMENTS TO BOARDS AND COMMISSIONS

19-A: Charlotte Housing Authority: The following nominees were considered for 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:

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

Results of the ballot were recorded as follows:

Dimple Ajmera, 2 votes-Councilmembers Fallon and Phipps
Annette Ebright, 1 vote-Councilmember Kinsey
Sheila Jones, 6 votes-Councilmembers Austin, Autry, Driggs, Howard, Mayfield and Smith
Patrick McNeely, 1 vote-Councilmember Lyles
Thomas Rothrock, 1 vote-Councilmember Barnes
Alexander Vuchnich, 0 votes

Ms. Jones was appointed.

19-B: Charlotte-Mecklenburg Public Access Corporation: The following nominees were considered 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.

Dwayne Heyward nominated by Councilmembers Barnes, Fallon, and Phipps.

Carmen Johnson nominated by Councilmembers Driggs.

Antreice Mitchell nominated by Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles, and Mayfield.

Results of the ballot were recorded as follows:

Michael Hernandez, 9 votes-Councilmembers Austin, Autry, Driggs, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith

Dwayne Heyward, 2 votes-Councilmembers Fallon and Phipps

Carmen Johnson, 1 vote-Councilmember Driggs

Antreice Mitchell, 8 votes-Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles and Mayfield

Mr. Hernandez and Ms. Mitchell were appointed.

19-C: Historic Landmarks Commission: The following nominees were considered for two appointments for three-year terms beginning July 17, 2014, and ending July 16, 2017.

Richard Clark nominated by Councilmember Phipps.

Larken Egleston nominated by Councilmembers Austin, Autry, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith.

Laura Hoover nominated by Councilmembers by Driggs and Lyles.

Leonard Norman nominated by Councilmembers Austin, Autry, Barnes, Driggs and Fallon.

Paige Wagoner nominated by Councilmembers Barnes, Fallon and Kinsey.

Results of the first ballot were recorded as follows:

Richard Clark, 1 vote-Councilmember Phipps.

Larken Egleston, 9 votes-Councilmembers Austin, Autry, Driggs, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith

Laura Hoover, 3 votes-Councilmembers by Austin, Fallon and Mayfield

Leonard Norman, 4 votes-Councilmembers Autry, Barnes, Driggs and Howard.

Paige Wagoner, 4 votes-Councilmembers Barnes, Fallon, Kinsey and Lyles

Ms. Egleston was appointed.

A second ballot was taken between Leonard Norman and Paige Wagoner and recorded as follows:

Leonard Norman, 9 votes-Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Lyles, Mayfield, Phipps and Smith

Paige Wagoner- 1 vote-Councilmember Kinsey

Mr. Norman was appointed.

19-D: Planning Commission: The following nominees were considered for one appointment for a three-year term beginning July 1, 2014, and ending June 30, 2017.

Paisley Gordon nominated by Councilmember Smith

Karen Labovitz nominated by Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Kinsey, Mayfield and Phipps.

Mayor Clodfelter said the Planning Commission item was pulled from the agenda tonight.

Deputy City Clerk Emily Kunze said it was not on all the ballots so we decided to pull it for fairness.

Councilmember Howard said just for verification that terms ends at the end of this month so it is clear that she keeps serving until somebody else is appointed?

Mayor Clodfelter said the appointee serves until the successor is selected.

Councilmember Driggs said can we vote by a show of hands on that one?

Ms. Kunze said there were two nominations unless someone had another one from the floor. It was Paisley Gordon and Karen Labovitz.

Mayor Clodfelter said would you like to take a vote?

Councilmember Smith said I nominated Mr. Gordon and I voted for the incumbent so if that gives you any indication. I don't know if it needs a show of hands.

Mayor Clodfelter said let's see if we can. Madame Clerk, let's go ahead with that.

Results of the ballot were recorded as follows:

Karen Labovitz, 11 votes-Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith.

Ms. Labovitz was reappointed.

19-E: Storm Water Advisory Committee: The following nominees were considered for one appointment for an environmental professional 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.

Results of the ballot were recorded as follows:

Leslie Jones, 7 votes-Councilmembers Austin, Autry, Driggs, Howard, Lyles, Mayfield and Phipps
Thomas Rothrock, 4 votes-Councilmembers Barnes, Fallon, Kinsey and Smith

Ms. Jones was appointed.

19-F: Transit Services Advisory Committee: The following nominees were considered for one appointment for an express service passenger for an unexpired term beginning immediately and ending January 31, 2017.

R. Casey Celli nominated by Councilmembers Driggs and Fallon.
Dwayne Heyward nominated by Councilmember Phipps.
James Hilsman nominated by Councilmembers Kinsey and Lyles.
John Murphy nominated by Councilmember Barnes.

Results of the first ballot were recorded as follows:

R. Casey Celli, 3 votes-Councilmembers Driggs, Fallon and Smith
Dwayne Heyward, 1 vote-Councilmember Phipps
James Hilsman, 5 votes-Councilmembers Austin, Autry, Howard, Kinsey and Lyles.
John Murphy, 1 vote-Councilmember Barnes

A second ballot was taken between R. Casey Celli and James Hilsman and recorded as follows:

R. Casey Celli, 3 votes-Councilmembers Driggs, Fallon and Smith

James Hilsman, 8 votes-Councilmembers Austin, Autry, Barnes, Howard, Kinsey, Lyles, Mayfield and Phipps

Mr. Hilsman was appointed.

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ITEM NO. 21: MAYOR AND COUNCIL TOPICS

Councilmember Barnes said I wanted to ask a couple of things of the Manager. Could you provide us with a report regarding the status of the completion of the Fire Department Headquarters and also if you could provide us with a report regarding whether what we've been seeing lately in our homicide rates is unusual or if we're just seeing an aberration.

City Manager Ron Carlee said I will be happy to do that. We are actually three below same time last year. It's about 17 I believe is the number but we'll look very closely to see if there are any trends that are occurring.

Councilmember Howard said I wanted to recognize my colleague, Ms. Mayfield, for graduating from the Harvard Kennedy School for Senior Executives in State and Local Government. She did that last week so she has something new to put on her wall and I wanted to say congratulations.

Councilmember Austin said I just want to remind residents in District 2 that are traveling Beatties Ford Road between Sunset and Lakeview that please try to avoid that intersection. The bridge is out and NC-DOT is going to be repairing that until September. We've had a number of really, really intense traffic problems over the last couple of days so please, please try to avoid that area.

Councilmember Driggs said I just wanted to acknowledge the work of the Charlotte Chamber and all of those involved in the organization of our trip to Minneapolis last week. It was superbly executed. All of the transportation arrangements, the events, the presentations, I thought it was very successful and I just wanted to thank them.

Councilmember Mayfield said I just wanted to give an update. Unfortunately, we did have a loss of life in March of 2012 where we had two youth that were hit by a vehicle off of West Tyvola Road and thanks to this Council moving forward and being proactive once funding was identified through the City Manager's office we were able to move forward with the project and we were anticipating really November of this year initially but I am happy to announce thanks to the amazing staff that we have with the City of Charlotte and our Planning Department and to all the neighbors that live off of West Tyvola that really came to the table and recognized the importance and the ability to come together as a community with the sidewalks. We are looking at completion of the West Tyvola Road Sidewalk Project I believe in the next week and a half so by June 30th the project should be completed so I want to thank all of the staff through the City of Charlotte as well as all of the residents in the neighborhood. There is conversation for a dedication because we do want to remember those lives that were lost that we'll never get to see achieve but their legacy will live on to help others.

Councilmember Phipps said I just want to remind the community again of a free community shred event that's going to be happening on Saturday morning, July 19th from 9 to 12 at the parking lot of IKEA, 8300 IKEA Boulevard. We have a lot of good partners that are helping us to sponsor this, Cintas, the FBI, IKEA, Charlotte-Mecklenburg Police Department, Fire Department, and CharMeck 311. Just come out and bring your sensitive documents so they can be properly shredded and disposed of and also we're going to be getting rid of outdated medications this time too so those won't fall in the wrong hands so I wish everybody could come out and enjoy this free shred event.

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Motion was made by Councilmember Barnes, seconded by Councilmember Mayfield, and carried unanimously to go into closed session pursuant to NCGS 143-318.11(a) (3) to consult with attorneys employed or retained by the City in order to preserve the attorney-client privilege and to consider and give instructions to the attorneys concerning the handling or settlement of Universal Cab Inc. and Mohammed Mustaffa v. The City of Charlotte and Others 14-CVS-10914, Kahn Brothers Inc. v. The City of Charlotte and Others 14-CVS-10933, Frank and Lisa Henson v. The City of Charlotte and Others 14-CVS-10961 and The City of Charlotte v. The State of North Carolina and Charlotte Douglas International Airport Commission 13-CVS-12678.

The meeting was recessed at 8:46 p.m. for a closed session.



Emily Kunze, Deputy City Clerk

Length of Meeting: 3 Hour and 37 minutes
Minutes Completed: August 8, 2014