

The City Council of the City of Charlotte, North Carolina convened for a Budget Workshop on Monday, May 19, 2025, at 1:23 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Vi Lyles presiding. Council members present were Dimple Ajmera, Ed Driggs, Malcolm Graham, Lawana Mayfield, James Mitchell, and Victoria Watlington.

**ABSENT UNTIL NOTED:** Councilmembers Danté Anderson, Tiawana Brown, Renee Johnson, and Marjorie Molina

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

**Mayor Lyles** said [inaudible] those of you who are attending the Council Budget Adjustments Meeting for our upcoming budget year. I want to start off by having introductions, not that any of you need to be introduced, but thank you for being here and present. This meeting is the time that we work on one of the most important things that this organization has, and that as a City Council, which is to review and discuss the proposed budget.

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#### **ITEM NO. 2: DISCUSSION OF POTENTIAL ADJUSTMENTS TO THE PROPOSED FY 2026 BUDGET**

**Mayor Lyles** said The City Manager presented his budget, and it is balanced and incorporates resources to many of our strategic priorities. The purpose of this meeting is to discuss any potential adjustments that should be made to the Budget. So, we had the budget hearing, we've heard a number of folks and thank you for those of you who have come to attend and express what your concerns are. That feedback was valuable. Everyone has had this Budget, I think since I said May 5, 2025, and we've had some time to read through it individually, as well as the opportunity to ask for clarification questions of the Manager. Today is the time that we discuss the Budget proposed together and formulate any changes that we may want to take. For the process today, I'm proposing that everybody have an opportunity to express their perspective and take the time to speak to the things that you find most important or most advantageous for us. Then, at the end of those comments, I would hope that if you have any suggestions for amendments or adjustments to the proposed Budget, that we begin to do that as well. Keep in mind that the proposed Budget is balanced. So, staff will have to do some work if we propose additional reductions or any adjustments that are not one-time revenue expenses. As a reminder, the Manager has identified \$5.3 million in ARPA (American Rescue Plan Act) revenue replacement, that is currently not allocated and available to fund one-time expenses. Also, please note, that we definitely do not have the need to allocate the full amount of this at any time, which would be preserved for capacity for us to address any future policy decisions that may emerge in the future.

So, with that, let's see, I'm going to turn this over. Again, after all the Council members have been recognized, and had the opportunity to speak, we will determine what will move forward and further consideration for any of the potential adjustments. Our policy has been that if there are five or more votes for any proposed change, that change will move forward for the staff to do more analysis of the cost, the considerations, and the consequences of that proposed change, and that item will be included for consideration at the Straw Votes Meeting on Thursday, May 29, 2025. I think there's something that has changed, and I'm sorry, Mr. Mitchell, help me out on the date for that.

**Councilmember Mitchell** said thank you, Mayor. I think there are several colleagues that are scheduled to be absent on May 29, 2025, and so, I would rather us choose a date that most of us could be here. So, I think the next opportunity would be June 2, 2025, at our committee report out, but I think there are several colleagues who said that May 29, 2025, they have a conflict, they will not be present to vote.

Mayor Lyles said okay. So, let us come back to this at the end of the meeting, we'll get everything done, and then that's something that we can work out with scheduling. So, give the Manager a moment to look at his schedule and see how that works for the organization as well.

**Councilmember Mayfield** said clarifying question, Mayor. Marie's going to get us started. I just want to verify, do we want to let Marie get started, or do you want me to go over what is in front of everyone? There's a Budget proposal that's in front of everyone. Manager, did you want to kick it off and then you'll pass it so that I can share where we're at? Thank you.

**Marcus Jones, City Manager** said so thank you, Mayor and members of Council. What I will do, Councilmember Mayfield, is after me, I will kick it to Marie to kick back to you. So, thank you for giving us the opportunity to provide this support as you go through the straw votes. One thing I would like to highlight is what the Mayor said earlier, this Council has done a very good with managing the ARPA Funds, the CARES (Community Assistance Response and Engagement Support) Funds, I think \$300 million, that came during the pandemic. Most of those funds, two-thirds of it actually, went back into the community, as opposed to the City's coffers. Hindsight, maybe we should've clawed back a little bit of that, but that's okay. That \$5.3 million is revenue replacement, so that's available with no time clock on it. So, if that's something that you want to allocate over years, you can do it. If it's something that you want to jump in today. As the Mayor mentioned earlier, there's no need to spend it all, but it is something that's available that's pretty different than I think any other budget we've had up to this point. Normally, there may be a half a million here that's unallocated, or things of that nature.

So, having said that, there have been conversations that are going on. Marie opened herself up for any questions that Council members may have, and she has had some. There is an item that's in front of you, that Councilmember Mayfield has placed in front of you, that deals with financial partners that I think may be a good starting point as Marie explains the process that occurred to have financial partners in the Budget, as well as what's in front of you now, if that makes sense, Mayor?

Mayor Lyles said are there any questions from Council members, that would be more important to know? Alright, so, hearing no additional questions, we're going to recognize Marie, thank you.

**Marie Harris, Strategy and Budget** said thank you, and as the Manager said, I'll just briefly touch on the process. Cherie and her team, she worked with a lot of the neighborhood organizations and really got the word out. So, we had 50 people apply, around \$8 million worth. So, if y'all recall, you adopted a Financial Partners Policy in October 2024, so this was the first year under that new policy. So, we actually had teams of experts pulled from different departments across the City to rank these, and that's where you get the rankings that are before you. The Manager proposed a budget based on those rankings, and a few other criteria, and I've got feedback from several of you, and then we'll go into detail on Ms. Mayfield's rankings. One of Ms. Mayfield's rankings was her feeling that staff should've been a little bit more pure to the policy. In the policy it says you have to be eligible, you had to submit less than 30 percent. So, the original proposal was for those organizations, we just cut the funding down to 30 percent, but to her point, they did not meet the upfront criteria, and the applications were opened in the fall and closed at the end of December 2025. Front end on the application, it said we will not fund more than 30 percent, and that was stated on the front. Any other questions on the general process? If not, we'll go over Ms. Mayfield's sheet.

**Councilmember Watlington** said just so I'm clear. I heard you say, and I'm sure you're about to show us what Councilmember Mayfield said in terms of being more pure. Can you help me understand what your original position was, given the policy was there, and it sounds like there was some adjustment to be more in line with the policy? Can you just kind of explain what the rationale was?

Ms. Harris said sure, thank you. So, first, just because of limited funding, we said if you're an existing partner and you scored high, we'd fund you at a flat amount, we didn't fund an increase for you. So, you got 100 and you asked for 135, and you scored high, we proposed 100, and then if you're a new partner, we didn't propose more than 100. If you ask for more than 30 percent of your budget, we said we can't give you that much, but we said, okay, up to this much. So, we reduced it arbitrarily, instead of saying you're not eligible, because you did not meet the criteria.

Ms. Watlington said gotcha, okay.

Ms. Mayfield said thank you, Marie and Manager Jones. So, for full clarification, one, I apologize that this is the first time that a lot of you are seeing this. There was a little bit of miscommunication, and I didn't clearly share with Marie that I wanted to try to get this out last week, so that we could've had a chance to look at it over the weekend. I thought I had, but I didn't, so I take full responsibility of that.

Last Thursday, Marie and I sat together for 2½ hours. So, for me, one, what is the definition of financial partner? Two, staff identified that some of those that applied as a financial partner actually were better suited in a different budget line item. So, we see that there's some recommendations through workforce development, through housing, through their budget, where that's really where some of our applicants belong. The commitment that I made and that I suggested last year and coming into this year is, one, because I'm guilty of it, where I'll throw in a new partner, that I would not try to add anyone in. We had an application process. As was mentioned, we received 50, 51 applications. The total was around \$8.8 million in total. I had asked, okay, Manager, what is our starting point with Financial Partners? I was under the impression that it was \$1.5 million. In actuality, we do not have a budget line item that says Financial Partners. Financial Partners is something that we have done for many years, but those funds come from General Funds, when we had ARPA, those dollars, and other things.

So, if you look at the second sheet that's up on the board and that you all have in front of you, you will see that there's an additional column that says, proposed based on criteria, it's the second column. Then, the third column was the proposed Budget that staff submitted to us. So, when Marie and I got together, I looked at the two basic criteria. One, how did you score? So, first of all, let's look at the scoring. So, what we did is we went back under each category, Great Neighborhoods, Safe Communities, Well-managed Government. We went through each category, totaled the number of applications outside of the ones that were already pulled aside, because we identified additional funding source for them, and just did old school. We did the average. We did the total number of their scoring divided by the total number of applications. If you look to the far right, you'll see what that average score was, that was the first piece. The second piece is, we all remember in our financial partner books, we had a number of items that, when you scrolled down and looked at their total budget, they were in the red, because they were 30 percent or higher of their budget. Some even requested, honestly, 100 percent of their budget. Those were the two basic criteria. So, once we went together, and I looked at the proposed, based on criteria, what we identified looking at the minimum scoring and if you look at the second to last line, the application scoring, you will see what the scores for each of the organizations were. So, for Great Neighborhoods, the minimum scoring was 47.77. We had some, unfortunately, that scored 46 or lower. Now, what you see in the red, was the fact that they missed one or both of the criteria, either they were over 30 percent and/or they didn't score. So, even though you look on here and the scoring may be a little higher, Just Do It Movement. They scored 49, but unfortunately, your actual total proposal was over 30 percent. So, to try to keep this clear and to keep it as equitable and transparent as possible, those were the two main criteria, as we went through.

I know all of us received an email earlier today for an organization that does really great work, and that's Power Up USA. Here's the challenge. Their initial proposal request was for \$125,000. That \$125,000 was over 30 percent, that is why they're listed in the red. If we were to fund at \$92,000, because actually there were two different numbers in their application. So, there was a little bit of confusion in there, because on the front page,

the request was for \$125,000, in the actual application it had \$92,000, so you had two different numbers in there. That was one of the challenges with that particular, but that is what the red is outlining. The red is saying, these are the organizations that did not meet either or both of the initial criteria. By us going back, with Marie and I, and actually averaging the scores, you will also notice that a number of additional partners were added in that weren't in initially. So, if you look at the very bottom, the very bottom gives us a total of \$1,256,468, whereas, the staff proposal had \$812,000. So, that is an additional \$444,430 when we just go strictly by proposed based on criteria. My suggestion and proposal is, out of the \$5.3 million, because I don't want us spending all of the \$5.3 million, and I shared with the Manager, for me, if we're going to spend any of the \$5.3 million, we learned last Monday that we have City staff that have had to utilize services, and the amazing work that the HR (Human Resources) is doing under Shelia's leaderships, I would say we put \$1 million, \$1.5 million over a three-year period there to help with that. If we were to agree and support this recommendation, that additional \$444,430 would give us additional partners just based on the two criteria, being, one, you scored well, and we reduced the scores, and/or you did not surpass the 30 percent. Then, we also must step back and acknowledge that last year we had a number of concerns where some of our partners reached out where they did not receive their funding in a timely manner. We also have to acknowledge that some of those partners were brand new partners. We had to get contracts in place, had to do other things, but I'm still going to say, for Council, we take responsibility for helping to speed that process through. At the end of the day, to get us consistent as we move forward, be very clear what the expectations in the application are, because this is not guaranteed funding, and we had to make some very hard decisions with almost \$9 million in requests, and having a million or less to actually fund here.

So, my hope is that the recommendations that I am presenting to you all, that you understand why we have proposed based on criteria, you also see what the previous proposal was, and you see that we actually have a number of partners that scored well that were under the 30 percent, and we have an opportunity to actually expand it, and that expansion will be less than \$445,000, and I will entertain any questions.

Ms. Watlington said so, okay, thank you for doing this, much appreciate it. I just want to make sure I understand. So, I'm going to ask you a few quick questions. I think I hear what you said over here in column A, if you're red you missed one of the criteria.

Ms. Mayfield said one or both.

Ms. Watlington said in column E, the application score, what does this color signify?

Ms. Mayfield said Marie, correct me if I'm wrong, the color really doesn't signify anything. When we were going through it together, some of them we highlighted just to make sure that they were over the average score that's all the way to the right, but you don't see it all the way under Safe Communities, well, actually you do. If you look at it, the colors are the ones that were at the minimum scoring or greater.

**Councilmember Brown arrived at 1:43 p.m.**

**Councilmember Johnson arrived at 1:43 p.m.**

So, like you see the first one was at 55.20, but your average score was 47. So, anything above 47.77, that is what you should see highlighted on, one, Well-Managed government, we only had two organizations, the average between the two was the 42.99, so that's why that's highlighted and so forth and so on.

Ms. Watlington said okay, thank you, that answers that question. Then, just to follow on the application score. What you've done here is take the application score, calculated the average, and then you took everything above that, and that's what's highlighted here. What was the score beforehand like?

Ms. Mayfield said okay. So, the application score was their application score. Initially, under the average score, of which Marie, you still have the original in the sheet don't you?

Ms. Harris said yes, ma'am. The scores did not change any, but originally, we said anybody that had at least 50 points overall, not by category.

Ms. Mayfield said right. So, initially, we were at 50, and my question was, one, how do we get to 50 versus us actually going through each category, giving that total, and creating a true average based on the scoring of the applications we received in each category?

Ms. Watlington said so, the 50 was an arbitrary minimum initially, and you [INAUDIBLE]?

Ms. Mayfield said that was an identified number, yes.

Ms. Watlington said okay, got it, thank you. Then, this \$444,000 would presumably come from the General Fund?

Ms. Mayfield said that \$444,000 would come out of the potential \$5.3 million that has been identified, which is ARPA dollars that we still have available. We still have \$5.3 million. So, if Council were to support this recommendation, an additional \$444,430, that little bit could come out of that \$5.3 million.

Ms. Watlington said okay, and then over here in the last column notes, where some are marked already General Fund, what does that mean?

Ms. Harris said so, I may be better to speak to that. So, that was just showing you the current proposed Budget. So, the current proposed Budget, these were the ones that were coming out of the \$812,000, that were hitting the nondepartmental General Fund.

Ms. Watlington said oh, okay. So, I thought I was understanding that the original \$1.5 million was coming out of the General Fund initially anyway?

Ms. Harris said no, sorry, and we can go into more detail too, but if you look in the budget book on page 16, I believe, the financial partners, the \$812,000, these match to those. Like, Ms. Mayfield said, if you look at this first sheet, you can see like some of them are General Fund, some went into ARPA workforce dollars, TreesCharlotte went to the Tree Canopy Care Program.

Ms. Watlington said so, if it's blank?

Ms. Harris said yes, if it's blank, then it wasn't in the proposed Budget.

Ms. Watlington said okay, got it. Last question, along those aims, because I know that you were mentioning before that there were some that were on this list, but got moved somewhere else?

Ms. Mayfield said that we identified a different funding support system for it. So, as an example, under Well-managed Government, in the original proposal by staff we had TreesCharlotte in there, but we really realized that can go under our Tree Canopy Program. So, moving that to the correct Budget, then that gave us the opportunity for better alignment, and it removed them out of Financial Partners, which is what we're looking at today.

Ms. Watlington said gotcha, okay, so that's helpful. It's also a little concerning, though. I say a little concerning, because I thought we were optimizing the Budget ahead of time.

Ms. Harris said so, I'm sorry, Dr. Watlington, if I may. So, we did. That was already in the proposed Budget, like TreesCharlotte. What Ms. Mayfield did then is say, okay, of

the ones that stayed in the General Fund, let's relook at that \$812,000, but the ones she's mentioning that got realigned to TreesCharlotte, that was already in the Manager's proposed budget. Sorry, I know everybody joining us can't see, but this handout has the Manager's proposed with it that says what was optimized. Then, Ms. Mayfield took all the ones that were in the proposed budget on her sheet that say General Fund, and then the ones that don't, and then relooked at all those that were available for General Fund funding.

Ms. Watlington said okay, so then maybe there's an opportunity to educate the agencies then, if their money is already accounted for within the department budget, so that they shouldn't be applying to Financial Partners, because otherwise we've got extra dollars sitting around that are unprogrammed?

Ms. Mayfield said no.

Mr. Jones said so, I'll try not to make it more complicated. Marie knows that I struggle with this too, and maybe it's just the way we have to present this going forward. Two things happened in this budget. For instance, TreesCharlotte, which had been a financial partner, and I go back to what I think everybody's saying, Dr. Watlington, is that if there is a pot of money that can take care of these different organizations, stop considering them in the Financial Partners. So, Ms. Mayfield locked into that, and said, "So, why are we even talking about TreesCharlotte, because now it has a funding source, and we shouldn't have to talk about TreesCharlotte ever again." LISC (Local Initiatives Support Corporation), if I have this right, was funded out of Housing and Neighborhood Services this current year, and while they applied to be a financial partner, it made more sense to fund them, again, out of the Housing and Neighborhood Services. So, therefore, and I think those were \$450,000 combined, you take those out of Financial Partners and put them in this dedicated source, whether it's the department or the payment-in-lieu, and then start the process fresh.

Ms. Watlington said I think I understand that. What I'm saying is, the fact that there was capacity in the department budget to absorb it makes me question.

Mr. Jones said no. What happened is the department budget said, "Hey, we don't want to fund this anymore. We want to send it over to Financial Partners," and I said, "No, we're going to see if there's capacity within the budget." So, in other words, instead of freeing up \$200,000 for Housing and Neighborhood Services by pushing less out, I pushed them back in.

Ms. Watlington said I understand, and I'll just say it one more time. The fact that that exercise only happened because of this exercise, feels like a missed opportunity to optimize the Budget, but you've answered my questions, and I appreciate it.

Ms. Mayfield said thank you, Dr. Watlington.

**Councilmember Driggs** said so first of all, I really appreciate your effort to try and bring a little structure into this process. We were so far out of bounds, there needed to be a procedure, appreciate that. I'm curious to know what is the basis? It used to be we talked about like a certain period of time during which these grants were given, or if they were given in order to help organizations reach self-sufficiency. Do we still have any standard like that? Are there companies here that have been receiving the grants from Financial Partners for years and years?

Mr. Jones said sure, I'll take the first stab, Marie. So, great movement in the Committee that came up with the number of criteria. The committee didn't suggest that anybody would be out, but start a five-year clock with these. So, as far as staff's concerned, they followed the broad committee structure, because we have some of these partners who have been in it 30-plus years, but there was nothing that would indicate to kick them out because they were more than five, or anything like that.

Mr. Driggs said so, we're not considering that?

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Mr. Jones said not at this cycle.

Mr. Driggs said so, I raise that in part, because if we're contemplating using one-time ARPA money, then we need to think about whether that's really one-time, or are we sustaining grants that we've made in the past, and which we will be expected to make again in the future?

Mr. Jones said so, Councilmember Driggs, one suggestion, and I'm not saying that this is what I'm suggesting, but even if you wanted to say, if there were \$444,000 that you did in FY (Fiscal Year) 2026, and if you wanted to set aside \$444,000 in FY2027 to a different group of folks, or the same group, that's kind of what you have in front of you with the ARPA funds, how would like to structure them based on different concerns?

Mr. Driggs said but in our current balanced budget, we have \$800 and something thousand, is that right? So, any excess over \$800,000 requires an offset?

Mr. Jones said yes, either an offset on the revenue side that can go forward, or you could use a one-time from the ARPA pot.

Mr. Driggs said right, understood, but what I'm saying is, as it stands right now, the run rate Budget works this way, and we would have to get some help from a one-time fund in order to exceed the \$800,000, because otherwise the Budget doesn't work.

Mr. Jones said that's exactly right.

Mr. Driggs said and I agree, I wouldn't want to make multi-year commitments, or even imply multi-year commitments, from the ARPA funds. So, if we want to kind of buy ourselves another year of relationships with the grant recipients, it would have to be very clear that we have no commitment to do this again, or for that matter, to defend whatever the level is we arrive at this time, because our capacity for this, our run rate on continuing capacity for this, as the Budget is offered, is \$800,000 and something. So, just want to be clear among us, and with any grant recipient, that we are doing this in excess of our current capacity, only to meet the criteria that Ms. Mayfield has suggested. Otherwise, I'm fine with it. It's a question of messaging. Thank you.

Ms. Mayfield said and Mr. Driggs, I would like to add, I think there's also a different understanding for some of us, because I was under the impression that when we started this conversation last year, that we were going to be letting our partners know moving forward, here's that five-year window, but we get to the next budget cycle, and somewhere it seems that, well, Council never actually put our hands up to say that. I am hoping that we get to the place where we make that very clear, because I also agree there needs to be a window. I think years ago, when I first proposed it, I looked at Philadelphia, and Philadelphia had a seven-year window, because we know especially for small organizations, five to seven years is that buildup time for them to help get to self-sufficiency. So, I think Council actually has to say, here is the window, whether it's five years, seven years, whatever it is, so that we can be very clear when we go out to community to let them that this isn't a given. Because one of our biggest challenges, which a lot of us know, is there's an expectation of certain funding. Well, now, as we're trying to streamline the process, when we're looking at budget shortfalls, we're looking at not doing a tax increase, we're having other challenges. We need to make sure that this is very clear for our partners. They also need to know that there's an expectation, because unfortunately we've had a number of organizations within the last six months that have had to close their doors, because that additional funding didn't come in after our initial funding.

**Councilmember Molina arrived at 1:56 p.m.**

So, in a two-year window, organizations that may have been doing really great work are no longer around. So, I think it is a conversation where, unfortunately, we're going to actually need to raise our hand one way or another and clearly identify, what is this

window, so that we can make sure that our potential partners, current and future, understand.

Mayor Lyles said and I think this was in the Budget Committee Meeting to have this be an opportunity to do that.

Ms. Mayfield said it was. I thought we had recommended it out.

Mr. Jones said I do believe that you did say yes to the five-year window. However, you have an option to revisit it, as I think that's the way it came out of the Committee, yes.

Mayor Lyles said right.

Ms. Mayfield said we're either going to be consistent or we're not. Because every time we have the ability to arbitrarily say, yeah, that was a good idea, but let's do this. Only reason this recommendation that I'm presenting to all of you and asking for you to support, has this additional \$444,000 in there, is because we do have a little wiggle room in the \$5.3 million, and that gives us a little buffer, and it gives us an opportunity to support even more organizations, but the base criteria were those two main items, and from those two, can we streamline this, so that whatever Council is around here, we've given them a strong foundation.

**Councilmember Anderson arrived at 1:57 p.m.**

Mr. Driggs said and if I may, agree. All I'm saying is, let's think now about where we're going to be a year from now, and make sure that the ongoing commitments that are implied, or whatever, can be satisfied from sources other than going back to one-time money.

Mr. Mitchell said thank you staff. So, I guess if I keep this at a broad conversation, let me first start off by saying, City Manager, thank you for the Budget. So, to me, this is not a budget conversation whatsoever. This is about \$5.3 million we have available, and how do we still look at some of our organizations that really need our help. I will tell you, in our Committee meeting we had great conversation, but one thing we did not have at that particular time was, the federal impact on some of our nonprofits. So, now as we fast forward, here we are in May 2025, we have noticed some of the federal government has either restricted some of the fundings or actually deleted it from some of our nonprofits. So, that's why I would like to kind of revisit, some of our nonprofits. Some of them have done tremendous work for our community, and they rely solely on federal funding, as well as our local funding. So, Mayor, I don't know if a motion is in place, or you would like to hear other comments first, so which one is your pleasure? I think that we have some more hands in the hopper.

Mayor Lyles said I think that what we said is that every Council member would have the opportunity to present what they want to, and then we would go back around, and then take the votes, and then be able to do that, so that you've heard the adjustments for every one before that, but that's a great point that we have about the change in the federal. They're pretty much just pulling the money out, even if you had it, it's no longer there, so I understand. So, I think that's what your comment would be. Ms Mayfield has submitted her opportunities for Financial Partners as well.

**Councilmember Brown** said I know I came in late, pardon my tardy. I did let staff know in advance that I would be late. It's a very important meeting, so I'm glad that I was able to wrap up another meeting in Steele Creek and get here for this meeting. We're just pulled in so many different directions. So, I apologize for my tardy, so thank you. At this moment, I saw Councilmember Mayfield's email. I wouldn't be able to support it, because it doesn't support the organizations that I support through The People's Budget. So, with that being said, first, I started with For The Struggle, Inc., Save Our Children Movement, Inc. I see Roof Above, that's not being funded, and maybe some things were repeated before I came in, but I just needed to say my stance. I'm fully committed, 100 percent, to supporting The People's Budget. I understand that we have



been giving funding to organizations over and over and over and over again. For me and my commitment, and my stance has always been and will always be, with the people of the community. When I say that, I mean I meet people where they're at. I like to support different issues and concerns, and the scales are unbalanced right now, so I just have to go with my platform and what I support. If it's not coming through The People's Budget, I won't be supporting it. As I stated, as a District Rep with over 200,000 people in my District now. We're the fastest growing district. We're the busiest district in the City of Charlotte, North Carolina, District Three, I would have to lean on the experts of the people that rally together that come and support.

So, with that being said, I don't have time to go through everything. I'm not trying to be long-winded. My stance is with The People's Budget, but what they submitted, I see some organizations on here that I support, ATV (Alternatives to Violence), I was just told that they're going to be getting some additional funding. Roof Above, they do amazing work. For The Struggle, Inc., Save Our Children Movement, and any other organizations that's through The People's Budget that I haven't had the opportunity to look at, because we're so busy and we're stretched in so many different directions, is what I'm supporting. That's it and that's all. Don't ask me anything else. That's what I'm supporting, The People's Budget.

Mayor Lyles said thank you, Ms. Brown.

Mr. Jones said so, Mayor. I think what's happening is everybody's answering questions related to Councilmember Mayfield, then we'll start.

Ms. Mayfield so, Mayor. I believe that the only questions came from Dr. Watlington and Councilmember Driggs [inaudible] Councilmember Graham. So, for my part, as far as outlining the average score and the two criteria, then unless there's any questions, then I'm turning over [inaudible].

**Councilmember Graham** said so, this is specifically to Councilmember Mayfield or in general?

Mayor Lyles said yes, that's what we were doing, specific to the proposal by Ms. Mayfield.

Ms. Brown said okay, so you said specific. You didn't tell me what the question was, but to your point, again, I'm not supporting it, because it doesn't align with what I support, for my platform, for my foundation when I first started. I haven't wavered from that. So, I cannot support it. Even though they went over 30 percent, we're going to just say they're not going to be funded or we're not going to allocate funds to them, because they didn't follow process. Let's not do that. Let's not set that example, if that's what I heard. If that's what I heard, because they went over the 30 percent, because they didn't follow the processes in the application, I'm not willing to support that, Mayor, and I see everybody's face getting disgruntled or whatever. It is what it is. At the end of the day, I'm going to stand up for the people. If not me, then who? They've got to have somebody. They've got to have a voice. I'm that voice. I don't want to be the voice of everybody else. I want to be the voice of reason, I do, but I also want to be the voice that stands out to support the people that need me the most, and that's those folks sitting over there in front of me. I'm not swaying from that. If we can't come to some common ground, then I'll just have to stick out like a sore thumb.

Mayor Lyles said absolutely, understand.

Mr. Graham said I really don't have any unreadiness yet; however, there are a couple of organizations that I would like to add to the list for consideration. Whether the Council considers it as a whole or as a part of some type of committee discussion, I'm not sure if it's too late for that, but the organizations in question would be For The Struggle, Just Do It Movement, Block Love Charlotte, in addition to the organizations that Councilmember Mayfield has outlined for additional consideration. So, I'm also willing, Councilmember Brown, if there are others that you think we need to include that's a part

of The People's Budget, I just pulled it up, so I'm looking at it yet again, that we need to include, knowing that we've got a limited number of dollars. I think Councilmember Driggs is correct that we can't continue to borrow against the ARPA dollars, because it is one-time funding. I'm just going to defer to the Council Chairman, I think that's Councilmember Ajmera, and Mitchell, to kind of lead me to the promise land with this one. Thank you.

**Councilmember Anderson** said I do also agree with the notion that we can't continue to borrow against the ARPA dollars. The ARPA dollars was effectively a one-time opportunity that we can't establish a budget around. So, I am in agreement that we don't want to establish a behavior of continued support, or even dip into the ARPA dollars for continued support, for either external agencies that do a fantastic job for the City, or even internal departments within the City. So, I think we need to be good stewards of those dollars. I also believe that this might be an opportunity to not spend all those ARPA dollars. We were in a position where, because we spent those dollars at a discretionary clip, we were able to garner additional interest funds that allowed us to invest and support other things. I think we need to be prudent with the ARPA dollars on a go-forward basis, so I certainly don't believe we need to go all the way down to zero for the ARPA dollars. Having said that, there are a few organizations that I'd like to shout out that at this point don't have proposed funding. Roof Above, of course, is one of them, and they do phenomenal work for us and they undergird that effort that we have for our unhoused residents, and their operations reside in District One, although their tentacles are wide throughout the Queen City.

The Hearts For The Invisible is an organization that is really and truly doing the yeoman's work, as it relates to street outreach and all of the efforts that we're trying to do and that the County is trying to do. Jessica does a phenomenal job. I can just speak firsthand from all the efforts in District One, whenever I call her or reach out to her for meetings she's right there. She is trying to bring the services. She's trying to bridge the gap, and she has a very small staff, and that is one area that I think we could, with not a whole lot of money, with some investment, can help her out significantly on the efforts for the unhoused within Charlotte-Mecklenburg. So, I just want to lift up whatever we can do for Hearts For The Invisible.

For the Charlotte Museum of History, as well, they've been in front of us time and time and time again. Of any museum entity within the City of Charlotte, we have some wonderful ones, but this one alone does so much outreach to the African American, Latino, Asian, multi-cultural community, and supports their efforts in terms of events, and things that they want to do to bring the community together, a really important gatherer for the City of Charlotte, and specifically for the East Side of Charlotte, they do a tremendous amount of work.

I also really appreciate the work that The Carolinas Metro Reds does from a youth engagement perspective. We don't need less of youth engagement. We need more of it, and the work that they do is critically important. I would say, thank you for the support for TreesCharlotte as we continue to talk about development and investment. Even in looking at our Corridors of Opportunity, we hear from the Corridors that they are heat islands, that they need support, not only from an A/C perspective, but from cover from the heat that's only continuing. Every summer is continuing to get hotter and hotter and hotter. So, I underscore the support for TreesCharlotte.

I was able to attend the Crown's Award, and Prospera is on here as a small business that we are supporting, and they do wonderful work. They won an award, and so I'm happy to see that we're supporting them. Of course, there's aspects of The People's Budget that I agree, to a certain extent with what Ms. Brown said. There's aspects of The People's Budget that we could probably find ways throughout this over \$3 billion Budget to support. I think we need to be creative around how we do that, but in a sustainable manner, because again, from an ARPA perspective, I would hate to make promises on ARPA dollars this year, with a go-forward understanding that those ARPA dollars are no more. So, I think we need to just uncover some rocks here and figure out

where we can find some funding and support for those entities. Thank you, Madam Mayor.

**Councilmember Ajmera** said some of the requests that I see here I do support. I do support Councilmember Brown's request for additional funding for The People's Budget. I know there has been an ask for air conditioning, especially we have learned through SEAP (Strategic Energy Action Plan) how we have 300 percent increase in urban heat islands. I know that's certainly something that's in our Housing and Safety Committee that's been looked at, so I think we need to look at that and really adopt a policy that would apply Citywide. So, I look forward to continuing to work on that with Chairwoman Watlington and Vice Chair Mayfield. I agree with some of the organizations that Councilmember Anderson brought up, especially Carolinas Metro Reds and Roof Above. Roof Above is our boots on the ground, providing critical services for our unhoused community.

Well, I do have additional requests. Number one, I heard from some of our City employees that our paid parental leave does not include coverage for miscarriages and stillbirth. I would like to add that. Hopefully, we never have to use that, but unfortunately that's not the reality. So, it'll be rare. I do not have the number.

Mayor Lyles said Ms. Ajmera, we're going to try to stick to the Financial Partners, and then we'll come back around for the comments that you're making.

Ms. Ajmera said because I was going to go over all of it all at once. Okay, well, I'll come back to that.

Mayor Lyles said if you want resolve one thing.

Ms. Ajmera said okay, well, I'll stick to Financial Partners. If I can add Roof Above. Well, when it comes to Carolinas Metro Reds, there is already an organization that was recommended as part of our Manager's Budget, that was actually Knothole Foundation.

Ms. Harris said Knothole was, but what are saying, I'm sorry?

Ms. Ajmera said so, we were told it's the same organization. So, if you can clarify, is the Metro Red and Knothole Foundation, is that the same organization?

**Cherie Smith, Budget and Strategy** said within their application they were not the same organization. They were the collaboration of Carolinas Metro Reds and another organization together.

Ms. Ajmera said okay, two different organizations. Okay, take out, because I thought they were the same organization. Second, I guess I need to learn what the difference is between the two organizations. We can save that for later. Let me come back to Financial Partners. I'll come back.

Mr. Mitchell said yes, I'm sorry, Mayor. On the Financial Partners, I'm going to follow some of my colleagues, and please support the Carolinas Metro Reds. They are two different organizations in District Three. I'm going to join my colleague in District Two, I think, For The Struggle has done tremendous work in the corridor, and The Males Place in District Five, Reggie, need to continue to support Mr. Singleton. So, those would be my three, Mayor.

**Councilmember Molina** said so first off, I think it goes without saying that this is some tough work. I mean, you almost wish we had the funds to fund all of these amazing organizations throughout our community that are doing great work. We have some organizations mentioned already that are doing some great work, and so not to add or subtract to anything that's there. I think we've all seen a lot of the emails that've come in, and I know that there's been some particular asks that are already on the board that I could not agree with more, especially in East Charlotte. I have to lift up the fact that those 28 precincts that I represent have been underserved, many of them for a very,

very long time. So, what I'll, I guess, concur with my colleague is, The Males Place, they do great work in District Five, and without that particular organization, a lot of our community members wouldn't get served.

Also, I have to mention Carolina Youth Coalition, because last year was the first year that we partnered with that organization, and that is something that is absolutely amazing for our youth. I can't speak to enough about the need for resources for our teens and tweens. As we see an uptick in crime across our City, every resource that we can deploy for our young people that can get them interested in college and goals and opportunities, is something that I know that we need to look at. So, I absolutely ask that my colleagues join me in providing assistance to Carolina Youth Coalition for another year, because last year was the first year that we partnered with them.

I think honorable mention is also Charlotte Museum of History. That's a substantial ask, and I know that that's a big one, but finding a way to bring them on as a partner. I know last year we were able to provide some assistance, and I got a call from Ms. White about a partnership for an exhibit, and etc. So, I'd like to continue ongoing partnership, and look for avenues to see how we can keep that East Charlotte staple intact.

Honorable mention, I've got to say I'm glad that we are partnering with Safe Alliance with what we have coming to the Albemarle Road Corridor. I think that particular partnership is of particular mention to lift up and emphasize. Also, again, DreamKey Partners, they do outstanding work throughout our community, partnering with us to provide housing resources and other opportunities for our community. Crisis Assistance Ministry, I think that touches many humans in need across our community no matter where they live. Just so many that we've been able to help, and like I said, I wish that there was sufficient funding to lift up every last one of these, but those are the ones that I'll add for now. Thank you, Madam Mayor.

**Councilmember Johnson** said I just have a couple of questions. Councilmember Mitchell asked if we could send this back to the Committee to revisit, is that right? Is that what we're going to be doing, as long as we approve that?

Mayor Lyles said I think it's already in Committee, if my understanding is correct. Isn't that correct, Ms. Ajmera?

Ms. Ajmera said so, the policy's in the Committee, but what Mr. Mitchell requested was that the organization, some of these requests, could come back to the Committee, so that we can make recommendations.

Ms. Johnson said okay. So, then this is just kind of precursory as discussing if it's going to be [inaudible].

Mayor Lyles said I think it's trying to make sure that Ms. Mayfield has presented a position for this, and I think we're trying to figure out, is that what the Council would choose to do, but then we're also picking up, as we're going through, that these are the financial partners that each Council member wants to support.

Ms. Johnson said okay. So, I agree with Councilmember Mitchell that the Committee could take a look if there's a way that we could support more of these organizations. I don't recall, I was trying to get the 2025 Budget approvals printed, but it seems like there are a lot of organizations that just aren't getting funded this year, and I don't know what happened or what's different, but there just seems to be a deficit. I would ask if we could take a look at page 246 and 247 in the Budget. So, I'm going to be consistent, and ask about the Hospitality Funds, 246 and 247. So, I wanted to ask about the Hospitality and Tourism dollars, and ask if we could go over the balances, Mr. Manager. I want to make sure I understand them correctly. So, the Convention Center Tax Fund, is the balance \$93,521,600?

Mr. Jones said so, Councilmember Johnson, could I have the CFO address your questions?

pti:pk

Ms. Johnson said yes.

Mr. Jones said okay, great.

**Teresa Smith, CFO** said so, yes, \$93,521,600 is the total revenue, and then you'll see that balance with total expenditures of \$93,521,600.

Ms. Johnson said so, all of the funds are allotted in this coming years?

Ms. Teresa Smith said yes. There is a portion there at the bottom, you see reserved for future years. This will go into fund balance to help with future projects, future debt service, future commitments that you've made.

Ms. Johnson said so, \$27,039,985 is reserved for future years, right?

Ms. Teresa Smith said correct.

Ms. Johnson said okay, and that's the Convention Center Fund. So, the Convention Center Debt Service Fund, what's the balance there?

Ms. Teresa Smith said so, for Convention Center Debt Service, you have \$15,510,425 as revenues, and then you have the same amount for expenditures, and that is specifically for debt service interest and related bank charges.

Ms. Johnson said okay, and then the Tourism Fund?

Ms. Teresa Smith said alright, the Tourism Fund is \$57,748,000 for both revenues and expenditures.

Ms. Johnson said and reserved for future years is \$2,779,215, right?

Ms. Teresa Smith said correct.

Ms. Johnson said so, my concern is consistent with what it's been for, I guess, the last five years. We have a pot of money that we have the opportunity to use, and there was one expense in the budget that wasn't funded, and I think it was for Charlotte BOOM, the BOOM Organization, is \$90,000. I think we could attribute that directly with Hospitality and Tourism. So, those are the kinds of consequences that we have when we have a fund that's excluded from our operating dollars. So, I just want to bring that to your attention, there's \$90,000. Charlotte BOOM was a great organization in District Four and throughout the City. That's an opportunity for us to improve and for us to be more inclusive and equitable in our funding.

I will say that I support The People's Budget, which includes organizations like Roof Above, For The Struggle, Heal Charlotte, Freedom Fighting Missionaries. I hope I didn't get it wrong Kenny, I'm sorry, but as a second chance city, we definitely should be funding the reentry organizations.

I also want to lift up Crisis Ministries. I saw that they received significant funding. I think that that's significant and we should definitely support that. They're on the front line, they're doing great work. DreamKey, I also have a question about. So, DreamKey, how much were they awarded from the City?

Ms. Harris said so, in the proposed Budget, it's on page 17, I believe. So, it'll be \$1.3 million, but there is a note that these services, now that there's several organizations that do this type of work, the plan for 2027 would be to put this out for RFP (Request For Proposal), but they're in a current proposed to get \$1.3 million.

Ms. Johnson said so, isn't all of that from a federal grant, the \$1.3 million?

Ms. Harris said yes.

pti:pk

Ms. Johnson said so, from the City, they requested \$390,000, and how much of that were they awarded from us, from Financial Partners?

Ms. Harris said none for 2026 for Financial Partners.

Ms. Johnson said okay. So, I think that we should know that as a Council, that's all federal funding. They weren't awarded as one of our financial partners. We know the status of the federal government, how volatile that is and vulnerable that is, and I think we just need to keep that in mind. So, that's the concern for me, Mr. Manager, and I know we want accountability and outcomes, but an organization that our community depends on, such as DreamKey, wasn't awarded Financial Partners. So, I hope that we can send this back to the Budget Committee and take a look at that. I also support Carolina Reds, as a baseball mom and grandmother. So, Carolina Reds as well, and I just look forward to going back to the Committee and us taking a look at it. Thank you.

Ms. Ajmera said so Marie, if you can go back to the line item for me, where you had Roof Above. So, I also agree with Councilmember Mitchell about The Males Place, they do great work especially with our youth. DreamKey Partners, I agree with Councilmember Johnson. Also, I'd like to add Carolinas Asian American. They are filling in the gap in terms of workforce development for immigrant and refugee community. They have a special program that supports vulnerable community, which is Montagnard community, that program has led to very successful pairing with the employment after the workforce development program has been completed. I know we have that in our application package, so I'd like to add them. Also, the Save Our Children Movement. I know Rodney and his team do great work with engaging our youth, and summertime is coming, we need that funding more than ever. So, that's all I have. Thank you.

Mr. Jones said just for a little bit of clarification. If the Council members want us to list all the different organizations in The People's Budget, we can do that, if that's what you also would us to do. The other thing, and I'll just pitch in for Shawn right now. A little bit about DreamKey, everybody's correct.

Ms. Brown said Mr. Manager, would you clarify what you just said about The People's Budget, please, sir?

Mr. Jones said sure. We could actually list, if you want us to, Sol Nation, Heal Charlotte, Crisis Assistance Ministries, if we want to just do the list of all of the, what we call, financial partners in The People's Budget, or we can leave it just as supporting The People's Budget.

Ms. Brown said yes, supporting The People's Budget is fine for me. I mean, we have that.

Mr. Jones said okay, got it, awesome, okay. Then, with DreamKey, just a little bit about the philosophy. So, if you go to page 17 in the budget book, even with the federal grants last year, there were a number of CDBG (Community Development Block Grant) Funds that we thought it would be better to put it through a competitive process, an RFP. So, instead of doing DreamKey that way this year, we wanted to do a one-year lead, mainly to get this conversation with the Council, if this is something that should be a more competitive process with an RFP, or just goes directly to them. That's why we didn't pull all the money, it was to test the temperature amongst of the Council.

Ms. Johnson said I'm sorry, I have a question.

Mayor Lyles said I'm sorry, Ms. Johnson. What we talked about, before you had a chance to get into the space, that we are going to go around twice, so that everybody has the opportunity, and so we'll start with you and go around the dais.

Ms. Johnson said can you scroll down to see what was captured for me? Okay, yeah, I couldn't see that third line. Okay, Freedom Fighting Missionaries, Roof Above, and some of those organizations are in The People's Budget, DreamKey Partners, Carolina

Reds, Power Up Charlotte, The Males Place, and Save Our Children Movement. Okay, thank you.

Ms. Molina said actually, it's funny. I don't have any history with Save Our Children Movement, but I want to say and want to highlight again, as we think through our Budget and opportunities to be great partners across our community, every opportunity where we can provide resources for our young people is something that would benefit us from a safety perspective, from a working parent perspective, overall. It's one of the reasons why I lifted up some of the ones that I did. So, I just want to put that out there, and the Save Our Children Movement, Inc., I would like to know is that an existing partner? Is that something that we've done over time? Can somebody answer that?

Mayor Lyles said Ms. Mayfield is going to be able to give everybody on the Council some idea of what's available under the plan that she worked on with Marie.

Ms. Molina said is that what this is?

Mayor Lyles said yes. So, she'll cap this off, and then we'll know a little bit more about it.

Ms. Molina said okay.

Mr. Mitchell said the only two I'd like to add is Save Our Children Movement and Carolina Youth Coalition. In this day and time, we've got to make sure we can provide opportunities for our youth, so I'd like to add those two.

Ms. Ajmera said so, we already added the financial partners. So, only one that I agree, Councilmember Molina talked about, Youth Coalition, that's actually on the East Side, does great work. So, I would also like to add that. Okay, that's all I have. Thank you.

Ms. Anderson said I would also like to lift up the Save Our Children Movement, and I also want to underscore the work that the Carolina Asian American Chamber of Commerce does in the community. I think it's really good work. The other comment that I would make about the Charlotte Museum of History, and I've already supported that earlier, I just want to make sure that I say, we can support these institutions without giving them their exact ask. Their ask is their ask; however, we can garner some support. So, I do agree that the ask for the Charlotte Museum of History is a bit large relative to some of the other asks; however, if we're able to support them in some manner I think that would be helpful. Thank you, Madam Mayor.

Mr. Graham said I think all of the organizations I'm most interested in seeing funded have already been listed. I just point out the obvious, is that there are a lot of great requests and limited funds, and that's going to be the devil's in the detail, and so I'm not sure who's going to scrub this, and kind of make it realistic, but right now, I think we're way out of guidelines, or we'd have to raise taxes. We can do it one of two ways.

Mr. Driggs said he said taxes.

Mr. Graham said there's no money.

Mr. Driggs said correct, there isn't. I don't have any nominations here. I think we're already kind of straying back to what Ms. Mayfield led us away from. The problem is, when you have a large multiple of applications, we're going to get into this hopeless process of trying to trade off, how important is this deserving organization versus that one. So, I hope we can still look upon Ms. Mayfield's framework as a starting point, bringing some objectivity into it. This is not a judgment about your organization. We're making tough decisions, because our resources are limited. So, I would just observe that.

The other thing I would like to see is, in the handouts we got we don't have the historical amounts, and I'd like to know what the past history was of grants to these organizations. In particular, I want to see which organizations had a history of receiving grants that are

now being cut off, because that's a different situation from new applicants, and could be very harmful to them. So, I think we can put an overlay of individual pluses and minuses on the starting point that Ms. Mayfield has established, but please, let's not go back to looking at all \$6 million. Thank you.

Mayor Lyles said alright. Ms. Mayfield, I think several of us were probably not engaged in what you had suggested, but before you go into it in a deeper way, I was going to ask Ms. Brown for her final comments.

Ms. Brown said I wasn't here when she engaged, but I read her email, as I said before, Mayor, and I need to support what I support. So, I'll look at it again. I'm a fair person. I think everybody can say that. I'm a fair person on this Council, and I like to see teamwork and move together, but I also stand for what I stand for, and that's for The People's Budget. With that being said, a lot of these organizations that we're supporting, and we're talking about, they're taking hits because of DEI (Diversity, Equity, and Inclusion). No one will say it, but I'll say it, they're already falling short. So, now is the time for us as a Council to step up and support the people that we can support in our community, the people that show up for us every day. It's an election year. When we go to the poles, I'm sure many of us want to be reelected, and they're going to be the ones that's going to rally around having us reelected.

As this point, I'm reasonable. Councilmember Mayfield has more knowledge. She's a senior tenure rep. She's been on the Council longer than me. That doesn't change my fight. That doesn't change my desire to fight for the people who I'm fighting for, the people that I care for. So, whether you've been here 10 years or you've been here 10 minutes, you fight for what you fight for, and that's who I am. When I'm talking about going down the budget, I know we don't have the money. It'd be nice if we had \$100 million to give everybody exactly what they ask for, but for me and my position with The People's Budget and the people that we're fighting for, I love Freedom Fighting Missionaries. Mr. Kenny Robinson does amazing work. He's proved who he is in the community. He didn't sign up for a financial partner. He's trying to come in through Budget and through another way. When we get to that topic, I'll be more than happy to speak on that.

Greg Jackson with Heal Charlotte, he didn't sign up to be a financial partner. I think there's something going on right there. So, while I love and support Mr. Jackson and his work, he's not on the table right now, because he's not qualified for the funding right now. Doesn't disqualify his level of work or what he's doing, but I'm not going even entertain that, because he's not a subject of matter at this moment, and God knows I love Greg, and fight for him to the end. We're fighting for organizations that are in existence, that are standing, that come to these meetings, that show up, some of which we funded last year.

So, while I said I don't support what Councilmember Mayfield said, I can also go back and retract that if we come to a reasonable common ground on supporting those that went outside the 30 percent, because in your mind, if you're filling out an application and you want to be funded, and there's a desire to elevate your work and help the youth in the community, and Save Our Children Movement, I support Councilmember Molina when she said in District Five how she supports her children's organization, I support her in that as well, but Save Our Children Movement is in the heart of West Boulevard and Remount Road. If I don't fight for them, I'm going to fight like I've never fought before, because it's where I come from, it's my foundation. They are doing great work that's not even recognized. The cameras don't go out there for the work that they're doing. The media doesn't go out there for that work, but if somebody gets shot, if there's gunshots and there's a lot of gang violence, and children are lying out in the street, they'll go out there for that, but they don't show up for the afterschool care programs. They don't show up for Save Our Children Movement made transportation needs, and went from West Boulevard to Sugar Creek every afternoon, partnering with Heal Charlotte over at the hotel before Heal Charlotte program terminated over there. So, these organizations are doing great work. So, Save Our Children Movement, I just want to speak up for that organization, because they've been around for a very, very long



time, because mainstream media, they might not be popular to them, they definitely should be popular to us.

Ms. Mayfield said so for all my colleagues, if you look at the second sheet, where this started, of which some of the organizations that you mentioned are on the second sheet. So, this sheet is from Marie and I sitting together for 2½ hours last week. If you look at the second sheet, you see that there is a column that says, proposed based on criteria. We had two basic criteria. We first had to come up with the scoring. Now, the initial scoring next to the proposed funding by staff, that was a scoring of over 60 percent, they identified 50. We went back in, me and Marie, and broke down each category, in Great Neighborhoods. How many applications we received. Added up each one of their scores. Divided it by the total number. That is how we got the basic average. So, if you look to the far right, the average score, just for Great Neighborhoods, was 47.77. Everything that is in red that is highlighted was either, they were out of the scoring, or they were over 30 percent of the budget. Some of the items, again that are mentioned, are already in here. BOOM Charlotte initially did not make it. Once we rescored, they scored high and their budget was under 30 percent, because we as a Council, said to our partners that your budget should not be over 30 percent.

Some of the items that are mentioned, I love The Males Place. I am the one who initially put the initial one-time funding in place for The Males Place. The challenge is, your scoring was low, even when we went in and reran the numbers. So, also, some of the organizations we identified an additional partners funding source, whether that funding source was through the budget of Housing and Neighborhood Services, through the budget of Workforce.

So, just looking at the two basic criteria, the recommendation that is in front of you all that I presented, reallocated, it also changed the total number. We also funded a lot more organizations than what was in the initial proposal from staff, by changing the scoring, by looking at who is approved, based on being under 30 percent, as well scoring well. Now, if we want to say as a Council, and we want to vote on the fact that we are not going to score applications, because it is no fair to have an organization that submitted all of their paperwork, that reached out to get direction to help with their application, and score a 47 or higher, or score a 58, and then you have an organization that scored a 34 or scored a 40, but we're saying, because we like the organization, we should put you back into the Budget, that's a challenge. So, if we're going to say as a Council, that we're going to just remove scoring altogether and come up with some other criteria, then that's a very different conversation.

For this conversation, we said we received 51 applications. So, the initial agreement, we didn't vote on it, to say six-plus, a number of Council members agreed that one, we're only going to look at the applications we received, and we weren't going to add new ones in, get you ready so you can apply in November 2025, but if you didn't apply, that was the first piece. The second piece, how do we come up with a scoring, because we had over \$8 million, almost \$9 million in requests, and we didn't have \$9 million to allocate. Scoring and then the over 30 percent. Again, some that are put up on this board are actually in the proposed budget that I have in front of you, just strictly based on the criteria, taking out personal preference, taking out any other information except what you presented on your application, to hopefully get to the place that we're not at right now, which is we're just adding in organizations without there being criteria, or overlooking the criteria. Some of the recommendations from The People's Budget are in here. Some of them actually applied. For the ones who didn't apply, yes, the Manager identified \$5.3 million. The goal was not to spend the \$5.3 million, I would hope, by just adding additional partners in.

My biggest challenge that I am hearing around the table is that, although we had a scoring system, we are saying, whether it was staff scoring initially at 50 percent, or even rerunning the numbers, where we actually brought the scores down, some of these organizations did not score well. So, we are going to say, even though you did not score well, we want to fund you, and what is the message that that is sending to all of the partners that did apply, and were able to prove, not only the work that they're doing,

but the impact. We know the federal government has had an impact on all of these organizations, but we also know that we are talking about not doing a tax increase, even though the County is. We also don't look at our budget to say, how much is the County funding some of these partners? Because a lot of these partners really fall under County services, but the City has stepped in for many years to help offset and to assist. So, if we're not going to have a real conversation around a budget increase, and if we're saying collectively that we don't want to utilize scoring, so we're going to have to come up with some other way to identify your application and the work that you're doing, because it's not about, as my colleague just said, trying to find winners and losers. We had a basic criterion, and from that basic criteria this was the bare minimum that we needed for us to at least try to have a real conversation, knowing that the asks are this amount and we have this amount to work with.

So, I want us to keep that in mind, and I also would like for staff, as you've added additional items, pull out the items that are already identified in here, because, my colleague, Carolina Youth Coalition is in here in my proposal. Unfortunately, it was not in the other. Now, BOOM Charlotte is in here in my proposal, because not only did they score well, they were under the 30 percent threshold, and they did what they were supposed to do based on the criteria we had for this budget cycle. Now, moving forward, we have the whole Arts and Science, and we have a whole committee and a board, and we created that, but that's not what this was when they applied. So, not only did they score well, they also met both of the criteria. At the end of the day, it's six-plus votes, but I cannot support the addition of anything outside of the 50, 51 initial applications, and anyone that did not score well between the two basic criteria, because we've got to have consistency. Now, here's the great thing. It takes six votes. So, if you all decide as a collective, I'm just asking that we've got to have an immediate conversation of how we move forward, because to create a scoring and then say, well, we're going to set that scoring aside, because this is what we're going to do, creates a challenge moving forward. So, we've got to have a foundation of how we move forward in this process. Thank you, Madam Mayor.

Mayor Lyles said thank you. So, I would like to ask the staff if they could compare the City and the County decisions on the financial partners. I think that might be another value add to the conversation before we make a final decision.

Ms. Brown said so I just want to say this. I respect what my colleague just said. I disagree with it respectfully. No disrespect intended. I didn't vote for that criteria policy. I want that on the record. For the record, I was one of the ones that did not vote for the criteria, because I thought it was unfair and it was biased. So, I want, for the record again, I didn't vote on the criteria. It won because we need six votes. Just remember that one of those six votes was not mine.

Mayor Lyles said okay, thank you so much. So, Mr. Jones, where do we wrap this one up?

Mr. Jones said well, Mayor I think we've gone through Financial Partners a couple times, and I think you would go back to the beginning if there was anything in the budget that the Council members would like to add to the straw vote process.

Mayor Lyles said okay. Can I say, in your notebooks or the materials that you have, each Council member should have a way to document as we going around through this to develop the remaining changes that the Council person would like to see happen.

Ms. Anderson said I just had a question for Councilmember Mayfield, and thank you for your words, appreciate it. When you said, and I totally agree with the scoring criteria, I know the Committee did a great job of trying to vet through that process, but when you said that there were entities that didn't score well, was there a threshold of if you are above or below this number? If you're below this number that's not well. If it's above this number that constitutes okay or scoring well.

Ms. Mayfield said so if we go back when staff presented the initial budget to us, I had asked, "hey staff, what are you going to look at to help us narrow this down, and have a conversation around 51, at that time I thought it was 51 applications, 51 applications and over \$8 million? Are you going to bring a recommendation back to us? The conversation went back to Budget Committee. Unfortunately, I was out sick, couldn't get online, so I missed that conversation. So, then I followed up with Marie to ask, what is the criteria we're looking at? Staff advised that what was identified was a 50 percent threshold. So, to help narrow it down, if what you were able to receive was up to 65 in the scoring, staff identified 50. I then sat with Marie and said, how about we look at this. Let's look at each category, total up the number of applications, those scores, divide it by the total number of applications, let's get the average. So, if you notice in the application score, just looking at Alliance Center for Education, they scored a 55.20 on their application. By just adding up the few applications we had in that category, that gave us an average of 47.77. We had applications, their score was 46.5. The only reason Just Do It Movement, even though they scored well, did not move forward is because also their financial request was over the 30 percent. So, those were the only two criteria. We changed the scoring, and because we changed the scoring, in the second column, which is the recommendation I have, we actually had more partners that qualified, but we had quite a few partners where their application was in the 30s, in the 20s, they were below even the 50 percent, and we reduced the 50 percent, 47, 47, 42, 45. So, we reduced the scoring to try to be more accessible just doing the average. So, once we did that average, it brought it down, but unfortunately you also had over 30 percent of your budget that you were requesting, and because we had so many requests, we had to figure out a way, and again, this is just my proposal. We all have the ability to have met with Budget staff. This was just the recommendation that I submitted for consideration for Council just saying, how do we create a process based off of what we said last year, so that we don't keep every year changing the rules? We said last year we were going to do it a little differently. This was one of the recommendations that came out of it, the scoring, as well as we let everyone know, no more than 30.

Ms. Anderson said I'm with you, and I completely understand your approach. So, if I could read it back to you, really what you're saying is, for each category, and you use Great Neighborhoods as one example, when you take that average score, you're basically setting the middle of a Gaussian curve of right dead in the middle of performance. So, then if we were to do that, I understand that, that makes sense, and then by default, any entity that would score above the middle of that Gaussian curve, they're already performing well. The question is, though, especially for these larger categories, like Workforce and Business Development and Safe Communities, there are quite a few entries in there, as opposed to like Well-Managed Government. For these Safe Communities and Workforce Development, what we'd have to then see for Workforce Development, is the average is 45.51. What we have to understand is, what is the standard deviation below that that is sort of statistically significant? So, if the average is 45.51, is 43.16 statistically significant?

Ms. Mayfield said no, because the way we did it, is we did each category individually in order for there to be parity in it, because some categories we received a lot more applications than the others. keep in mind, some categories you have fewer applications, because we identified additional better funding source for them. So, that's why those applications were removed from Financial Partners, because they actually landed in one of our departments.

Ms. Anderson said I get you. What I'm trying to say is, it might be hard for someone who's sort of removed from that process to say, hey, this is a basis point or a couple basis points difference, how is that relevant or significant? So, I think we've got to draw the line in the sand somehow. Love your approach, I think that's a good approach, but just further explaining where that line in the sand is, in particular, below the average, because if you're above the average, then you're performing or overperforming, relative to our criteria. So, I just think we probably need some more language around that but thank you for that approach.

Ms. Mayfield said, and I appreciate that. At the end of the day, that's what this process is, with add and deletes. I was hoping that we wouldn't do what we've done today, which we have done every year for a decade, that we would actually, one, again, not add someone who didn't even apply and, two, have that base criteria, because again, if Council decides we don't want to have a scoring mechanism, that's a very different conversation that we must vote on, because some of them did not score well. If we're still going to say, well, we still want to fund you, because we see or we think you do good work, unfortunately, we also have some organizations out there that are not. We're not going to go into that deep conversation right now, but we have some partner organizations, where our other partners in the community cannot get them to answer the phone when people are calling. These are major organizations that are reaching out. I have one particular organization where the executive director has sent a notification to all of their staff that you are not to send any of our people over to this particular facility. So, there's a combination of conversations happening on the ground, but for what we were charged to do, this was just my recommendation and my suggestion on a way to move forward. At the end of the day, wherever we get six, that's how we move. I'm just saying, I cannot, because I had already stated that I would not previously. I cannot support adding anyone new that did not apply, and if you did not meet the base criteria, I cannot in good conscious support it. I'm going to need us to do whatever we need to do to help you or to support you for November 2025, for you to write a stronger application, but if you didn't meet those two bare minimum requirements, I cannot support it.

Ms. Watlington said I've just got two quick things. I thought that Mayor Pro Tem was going a little bit of a different place, and it may be because the question was already asked, but as we are looking at these, I just want to make sure that I'm clear. As I understand it, each organization self-selected which category they connected to, and so you end up with a lot more applicants in one category versus the other. In some cases, you may see that the score was higher for an organization, but because they were in a different category, they fell below whatever that average is. Did we have a mechanism to ensure that we confirmed whatever category?

Ms. Harris said if I may, no, ma'am. We didn't confirm any necessarily, beyond if they had a current nonprofit or were working toward their nonprofit certification. The other, we took at face value.

Ms. Watlington said okay. The reason I bring that up is just because, as we think about this process going forward, if there is a set amount of funds or slots by category, then maybe people will think twice about which category they end up in. Because, if I'm looking at this and I scored higher than somebody else in another category, but I just happen to be in the wrong slot, I might feel a way about that. I definitely think that there's some work to be done on the process, but I think that the work that you all have already done has been an improvement to it, so thank you for that. Then, my second question is a process check. Given where we are, is the idea that we're voting today on these particular items?

Mayor Lyles said no, that was not the plan for today. We have to have votes to move forward, but we were really trying to just get, what do you want to see as being different in the Manager's recommended budget? That's pretty much what this meeting was about, and that's the next stage of what we'd like to do.

Ms. Brown said in closing, and very quick and I'm done, I won't say anything else. I think the people watching know my stance on what I want to do and how I support. There's no gray area for me, but I would like to say that processes, which I didn't support, and scoring systems, they're biased, and they can be subjective, it just depends on where they're coming from. We don't want to get into putting all those emphasis on and saying strong words like basic qualifications to qualify for this, because it depends on who you're asking if it's basic or not, and that's a fair statement that I just made. I want to also say that, if we go into a scoring system, and we talk about schools and children, the kids that score low, we would not give them an opportunity just because they scored low. We've got to be careful about what we say

when we talk about scoring low. Again, it could be bias and looked at as being subjective, so I don't want to be a part of that conversation either. Thank you, Madam Mayor.

Ms. Johnson said I just want to clarify, Charlotte BOOM for me, I wasn't necessarily advocating that they be included in the budget. What I was saying is, I think there's more appropriate funding for them. They asked for \$90,000. I think they should be funded, but I think that should come from the Arts and Tourism Fund, and then that will free up \$90,000 for one of the other organizations that applied. So, we would kind of get two for one. Also, if we're going by a scoring sheet, I wanted to know if the rubric was public? Is that published anywhere?

Ms. Harris said yes, ma'am. It's in the financial partner's packets, it's published online, and we can send a link out.

Ms. Johnson said okay, yeah, I will want the public to be able to see how that was scored, so organizations that didn't score would know where they were able to improve.

Ms. Harris said thank you.

Ms. Johnson said thank you.

Ms. Anderson said okay. Any other additional comments? I'm going to let the City Manager make a comment.

Mr. Jones said so, Mayor Pro Tem, this is straw votes, so while there won't be final votes today, five votes move any of these items forward to the next time that there's a conversation.

Ms. Ajmera said this is adjustments.

Mr. Jones said adjustments, I'm sorry, yes, to move forward, yes.

Ms. Anderson said so, City Manager, just a question for you, point of clarification. I think there's more there at the top there, yes. So, for my row here, I lifted up Charlotte Museum of History, and I think that entire ask of \$400,000 was placed in there. Should I, City Manager, make some modification of that ask, or should we just go all or none? What's the approach here?

Mr. Jones said sure. So, let me do two things. One, what I think I heard you say earlier, there are actually two requests from the Charlotte Museum of History, one came through Financial Partners, there's another one that's an exhibit that is a big time exhibit that's coming. So, I think that should be a part of it, but Marie helps me out, I think what happens is, in this process if you move something forward, it just means there's more analysis that's done to it, that comes back to you, so that you can make a decision.

Ms. Anderson said I just wanted to make sure we're clear on that. So, if somehow that moves forward for additional analysis, it doesn't mean that necessarily the entire amount will be approved.

Ms. Harris said thank you for that, and what we did for the existing partners in the proposed budget was proposing a flat amount moving forward, and if you're a new partner, you could get up to 100.

Ms. Anderson said thank you for that clarification.

Ms. Molina said really quickly, just to add to the Mayor Pro Tem, and to make sure that we're clear, there are two particular asks from Charlotte Museum of History, and one is here, but there's one kind of outside. We can talk offline, but there is an exhibit.

Ms. Harris said so, this would be the time to bring anything up.

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Ms. Molina said yes. So, they're actually bringing an exhibit from the Smithsonian, and from what I understand, based on Ms. White's explanation, is that they've already partnered with the County for a portion of it, and there is federal funding as well. So, I think there's two different lanes for asks, and I think one is more of a funding structure application, I guess, for operational budget funding, and I'd like to isolate, because again, I don't know if that's what's reflected in the \$400,000 ask? Are both reflected in the \$400,000 ask or not?

Ms. Harris said no, ma'am. So, that would be a separate one that y'all could vote on.

Ms. Molina said okay. I recall the other ask being somewhere in the ballpark of about \$300K.

Ms. Harris said I believe \$350,000.

Ms. Molina said \$350,000, okay, yeah, I remember that. So, that would actually total \$750K for the total ask, so, of course, that wouldn't be something that we could do, but those are two different lanes, and I did advise the person that I spoke to that there are two separates asks. Again, I agree with the Mayor Pro Tem, I think maybe it's not all, we could talk about what that means. I would like to see the Charlotte Museum and that East Side Staple move forward as a partner. I guess the question is how and if they move forward as a partner with us. That's all I have. Thank you, Madam Mayor.

Mayor Lyles said thank you. Thank you very much. I want to commend Ms. Mayfield for all your work and the challenge that you put forth to determine how we can do things very well, but also do them in a way that we can allow this to be supported within the budget that we have. So, what I want to do is just recap again, that if there are five or more votes for any proposed change, that that change will move forward for the staff to do more analysis of the cost, the considerations, and consequences of the proposed change, and the item will be included for consideration in the straw votes that will take place on June 2, 2025.

So, what I'd like to do now is that, since you've had an opportunity to look what's in the budget, and I hope had an opportunity to do this, so now we want to have your feedback. Are there any changes that you would like to see happen in this budget that we have not spoken about outside of Financial Partners? We're going to move Financial Partners, we're finished with that discussion, but anything in the budget that you would like to see. I think there's a grid. I don't know if everyone else has this grid. The grid allows each person to be able to vote.

Ms. Mayfield said what page, Mayor?

Mayor Lyles said this is just the grid, it's on the first part of the run of show for me, on two. So, after we get the list, then we'll come back and be able to look and see how the votes go. Alright, is everybody prepared for this?

Ms. Brown said Ms. Brown's not ready, but I do want some changes. I'm sorry, I'm emailing, multi-tasking, doing a million things over here, so I'll come back, please. I need to answer this email.

Mayor Lyles said alright. Ms. Watlington, no changes to the Manager's recommendation, other than the financial partners that we've just done?

Ms. Mayfield said so the Manager is, I believe, working to get some information back from HR. One, I wanted to get some information for full Council on the grading of our staff. So, when we look at, specifically, our staff liaisons and what their grading and/or pay, as part of the recommendation from The People's Budget, was up to 26, I believe the Manager had identified that we're not necessarily financially in a position to do 26 now, but we are currently at 23, 24. So, the proposal is to get to 24, so we're trying to move. That's one piece. The second piece was, I was checking with the Manager. If, however this moves forward, if there's anything out of the \$5.3 million left, I was asking,

what would it look like if we were to allocate \$1.5 million over a three-year period, to further the conversation that's happening in Human Resources, since we just learned last Monday that we have City of Charlotte staff that have had to utilize the resources for various needs, and to look at those departments, since we do have that information, to see what those pay were. Because I was under the impression that when we were getting to 23 minimum, that was the base for all employees, but evidently, that might not be the case. So, it will be helpful to know those departments, where we are under minimum 23, if we're trying to get to 24.

Then, additionally, we all received communication from Mike Feneis, with the fire department, questions regarding our proposed insurance and the out-of-pocket costs. There was also a question that I asked the Manager, I was looking at the \$5.3 million completely different than trying to spend it outside of the \$444,000 that I identified. I was trying to see if there was a way that we could potentially have a grant to offset those out-of-pocket costs, because some of our first responders, whether they're police or fire, if they have children and/or for their own health needs, those out-of-pocket costs can exceed over \$4,000. So, we know we make a choice. We either try to get a low monthly payment with a higher deductible or vice versa. Well, I'm hoping to get information back in collaboration with HR, to find out is there a way that we can have a grant that can help offset? We'll have criteria around it, but to offset those out-of-pocket costs, because that is causing a financial burden. So, those were in the primary budget, the main items, where I would like additional information, the paygrade, because grades make a difference for our staff to make sure that our employees are comparable for us being now the 14<sup>th</sup>, no longer the 15<sup>th</sup>, the 14<sup>th</sup> largest city, the 5<sup>th</sup> fastest growing. We want our people to be able to afford to live in our City. So, those are the main ones that I would like for us to get information back on.

Mayor Lyles said so, thank you, Ms. Mayfield. That's exactly what we were trying to get at, and that was really done well, so thank you.

Mr. Driggs said so no tax increase, yes, vote me in, we're done, but still there are a couple of things to think about here, a big picture, and I've mentioned a couple of times I do have a concern. This budget is very lean, and that's a good thing, but if you look at things like FTEs (Full-Time Equivalent) and so on, we're stretching. We're stretching it, and that's what we're having to do in order to avoid a tax increase. So, I just have a concern about the future. I think we issued \$400 million of bond debt, which was \$180 million more than we had previously established as our capacity. So, we're running up the balance on our credit card, and all of that has to come back from somewhere. Tomorrow will come and, therefore, I appreciate this budget, because it is balanced. It keeps the City running, and I'm confident in the integrity of the budget process. I just have kind of a future structural concern about what we may have to do in the future in order to sustain everything we're doing. I wanted to mention, in particular what caught my eye, was on page 14, the Municipal Debt Service Fund is down by \$27,830,000. Is that related to our debt issuance or why is that number down that much? Page 14.

Mayor Lyles said alright. Teresa will get it.

Ms. Teresa Smith said so, let's see. You're looking at the change for Fiscal Year 2024?

Mr. Driggs said yes, the change in Fiscal Year 2024 was -\$27 million. I'm just wondering what the status is of our Municipal Service Fund?

Ms. Teresa Smith said I mean, it is balanced for the model that we have been providing to you. There have been some upfront cash things, like the purchase of the Red Line, which we knew we were doing with cash, and then we were going to be funding that back into fund balance, but it is structurally balanced.

Mr. Driggs said so, we have in effect the receivable against the commitment to repay the Red Line money, then part of which would go back to this?

Ms. Smith yes, and that has actually happened during Fiscal Year 2025. So, you'll see that impacted in the Fiscal Year 2025.

Mr. Driggs said alright. Again, I'm just concerned about our debt capacity. I wanted to clarify too, Ms. Johnson you talked about an Arts and Tourism Fund. We have an Arts and Culture line item in our budget, and we have a Hospitality and Tourism, and she's not here, okay. So, I just want to clarify, in the budget we've got \$11 million for Arts and Culture, which is a General Fund item, and then we have the Hospitality and Tourism accounts, and those should be looked upon as almost like an Enterprise Fund in themselves, because the money that goes into those comes from specifically authorized sources from the General Assembly, taxes that are levied, and the burden of those taxes falls on the people in the Hospitality and Tourism industry. So, although we oversee that particular entity, or that particular process, and although it isn't an Enterprise Fund, we should look upon it kind of like the airport or something, where it's an internal economy there are stakeholders, and certainly we should not discuss any change in how that works without a prior conversation with the stakeholders. I think since they may be watching, I just wanted to be sure, and Mr. Graham, you may want to amplify on that.

So, basically, I don't have changes, as such, proposed to the Budget. I appreciate the construction. I will also note that if you go into the Enterprise Fund budgets, which we really don't have to study, because they kind of pay for themselves, but there's a lot of good stuff in there. The Capital Planning and Water, obviously aviation is a huge deal for us, and it's a good opportunity to express our appreciation to American Airlines for our partnership with them in how the airport is managed, and that extends to negotiations with them on the lease, and many aspects of the operation of the airport are actually a partnership with American, so worth pointing that out. We have great debt ratings, and I think one of our challenges will be to make sure that we continue to, but I regard that as a reflection on the budget process as a whole and the integrity of our management. So, pleased about that, don't want to recommend any particular changes, and hope we can get this done.

Mr. Graham said I have no changes to the Budget at all, other than to compliment the Manager and his staff for really putting together what I think is a really, really good operating budget. Obviously, the values of community can be found in this budget, and certainly the conversation we had earlier in reference to our financial partners demonstrates that we value the nonprofit grassroots organizations that we do business with, but more importantly, we also value the funding for aviation. I think Ed just talked about that and the Charlotte-Douglas International Airport, the Enterprise Fund, what we're doing with public safety, CATS (Charlotte Area Transit System), the Corridors of Opportunity, housing, a wide variety of things. The establishment of the Office of Youth Opportunities, I think, is a great opportunity to really engage our youth. The fact that we're paying folks that kind of work for the City \$24 an hour, which is about \$50,000 a year, I think, is a really good point to take. I know we talked about the Arts Fund again. I just hope that, as a Council, we practice financial discipline, as we go through the next couple of years. It's really going to make sure that we really are laser focused, narrowly tailored, and disciplined, regarding how we utilize our funds. Thank you.

Ms. Anderson said I really don't have any substantive suggestions for the change of the Budget. I'd like to thank the City Manager for presenting a balanced budget. It's an integral part of our position as a well-managed government, and I greatly appreciate that. These conversations, like we had today, are meaningful and they're hard, but that's the benefit of sitting in the seats that we're in to have these conversations around tradeoffs. I will say that my conversations with CMPD (Charlotte-Mecklenburg Police Department) and Charlotte Fire have been very insightful, and if there are ways in which we can support Charlotte Fire, who's always number one whenever there is a 911 call. They are first on the scene, 24/7, 365, within a four-minute response time. They are having challenges, as Ms. Mayfield mentioned, with their healthcare. They're having challenges with the pay grades. I went out to visit the academy and spoke to them, and if there's a way in which we can support them, as it relates to those immediate challenges in this budget, or in other ways in this budget, but then addressing it in turn



as we move forward in the next budget, I think that would come with great appreciation from Charlotte Fire, as well as CMPD, who do tremendous work in our City.

The other piece I just want to mention is, we have this benefit, and I had a meeting with some of our intergovernmental colleagues, and we were talking about the challenges at a federal level, and the trickle-down effect of those dollars and pass-through dollars, and I mentioned that we're fortunate enough for the City that we don't largely depend on those trickle-down dollars from a federal level. Of course, in certain areas, they help with matching funds and with some other initiatives, but the fact that we have a balanced budget and a well-managed government, that is not necessarily dependent on one particular source, but through well-managed Enterprise Funds, as well as our Municipal Funds. So, I just want to lift that up, because that's wonderful management. So, thank you, Madam Mayor, for the time.

Ms. Ajmera said Mr. Manager, great job on the budget. Year after year you continue to surpass expectations. No property tax increase, but also recognizing the hard work of our employees, goes a long way, and I think you have done that budget after budget. Obviously, I would be remiss if I did not recognize the Budget staff, Marie and your entire team, great job. I know you had some very difficult decisions to make, because every department comes to you and asks you for additional resources, and you make those tough decisions. I just want to thank you, because I understand those are conversations that can be difficult to have, while we want to make sure that we do not pass additional tax burden to our residents. Thank you, Marie, for great work.

I think Councilmember Mayfield raised some very good points on the financial partner's process. As the Chair of the Committee, let me tell you we haven't perfected this policy, but I promise you we'll continue to work on it, and hopefully we'll get the majority behind the policy, because I can tell you, at least from the comments I've heard today in the room, not very many agree with the scoring system. So, we will work on that, that's still on our Committee.

I do have a couple of requests. I see Sheila here in the room as well as Christina. They do amazing job with all the benefits questions, thank you. Number one item I have, that I did talk about, the paid parental leave. We want to make sure it covers miscarriages and stillbirth. I heard from various employees where they experienced a stillbirth, and they were not able to use the paid parental leave. So, I do not know what the number would be, but hopefully it's rare.

Second item I would like us to include is, I do not have numbers, so I would like us to understand how much would it cost if we were to increase the minimum wage to \$25 per hour? I do agree with the request made by Councilwoman Mayfield about healthcare benefit costs. We did hear from a couple of public speakers, especially firefighters. So, if we can review that benefit and see how we can optimize it.

So, as you all know, trees are near and dear to my heart, and so are the people. We have Level II Arboretum designation, and I think that's something we should be very proud of, because not a lot of other cities have that. We have over 100 species of trees in the City of Charlotte. There is an additional request for \$37,500 that would provide us the necessary resources to continue this Level II designation, and that was a number that I had requested that I received, and that's all I have. Thank you, Madam Mayor.

Mr. Mitchell said City Manager, all the accolades have been said. So, I'm going to be very brief, and say, job well done. It's always a challenge for us public servants when there's no property tax increase, but there's still a lot of needs. So, I do think you were right to present a no tax budget, because now we're hearing our County is presenting a tax budget, and I think we're always sensitive to not have our citizens taxed twice. So, nothing on the budget, great job.

I do have two things, though, I would like, maybe some more work to be brought back to us. So, first, Council, we approved back here \$650 million for a renovation to our Bank of America Stadium. Nobody will ever sit in our seats again and approve such a high

giving to a very important entity in our community. We still have a commitment to our small business, and we agreed part of our \$650 million, that we would adhere to 26 percent aspiration goal. City Manager, I would like for you if you can bring back some type of RFP that we need to put on the street and hire a firm to make sure this City Council, over a five-year period of time, can hit that 26 percent. We all know about the narratives going on nationally and statewide, but it's up to us who sit in these seats to set a strong message to our small businesses, we're going to do our best to take care of you in Charlotte. So, it's a five-year commitment, so we've got to understand that we're going to need an entity to help us through outreach and compliance, make sure we can get those companies throughout the state to participate, and compliance, make sure they can get paid while they're on the project. So, sir, I have a ballpark figure of what RFP goes nowadays, but I would like to have you and Monica to engage and bring us something back or have an RFP out for the City of Charlotte, 26 percent participation on the Bank of America Stadium.

The second one, Councilmember Mayfield and Mayor Pro Tem and I attended a ribbon cutting for The Institute, who have moved their headquarters here to Charlotte. The Institute is talking about providing capital startup businesses, as well as provide space for some of our Corridors of Opportunity. Sir, if we can find a way to support the initiative, I think it would be good, once again, to our small business community. Councilmember Mayfield and Mayor Pro Tem were there as well, so if you all want to add anything. When you go into the lobby, they're already paying respect to some of the pioneers, Carol Lilly, Ray Kennedy, Ron Leeper, and so they are doing it right, and I think we need to kind of embrace them somehow, someway, to support them.

Ms. Molina said as always, Mr. Manager and your team, thank you all for what you do. This is a unique challenge, because again, I know we got the presentation, you presented it to us balanced, and then we're offering these adjustments and saying, go figure out if you can do it or not. Not to belittle any of the submissions that we've offered, but Councilwoman Mayfield has a good point about the process that we agreed as well. So, I think we do have to have some kind of powwow to say what we see as far as adherence is concerned. I mean, it's just a lot to balance.

I would like to bring up one particular thing. There was one email that we all received anonymously, and I'd like to gain a little bit more understanding on our salaried employees as opposed to our hourly employees, and the deviance in what they're actually receiving as a raise as opposed to our hourly employees. The one thing that I enjoy, aside from the service portion of this role, is the partnership with the team Charlotte members that are really close to us, and a lot of those members, they're salaried. Regardless of what their salary is, we have inflation. They have families. They make plans in particular just like anyone else. I think if we talk about fairness, especially what the one email that we received addressed, as far as there not being a particular raise for those members of our organization in the same percentages as we do for some of our hourly employees, I'd like to take a particular look at that and make sure we're being fair. I think it's important to keep great talent. I know that even in my own life, I definitely have a line in the sand where I live. Me and you have had this conversation. I maintain my life such that I can walk away from anything that doesn't serve me, and if you want to keep good talent, you have to make sure that that talent feels as though they're appreciated, as though they're being paid fairly, as though they're being treated fairly. We've done a great job in many respects. We lead by example with our SEAP goals. We lead by example with our pay for our hourly employees. I'm proud to say that our organization pays a minimum decent wage of \$24. It can be better, it can always be better, but \$24 is a great start for our hourly employees, but to make sure that we extend that across the board is something that I'd like to raise up, and that's all I have. Thank you, Madam Mayor.

Ms. Johnson said great job, Mr. Jones. I just have a couple more questions for Teresa and Marie, if that's possible. We talked about the Hospitality and Tourism Funds. I wanted to clarify, if you could look at page 251. So, I got the numbers for the Convention Center Tax Fund, and also the Tourism Operating Fund, and 251 is the Hall of Fame Tax Fund. Is that also included as one of the Tourism Funds?

Ms. Teresa Smith said it is. So, there are the three, Convention Center, Tourism, and the Hall of Fame.

Ms. Johnson said okay. So, for the Hall of Fame, the total is \$24,608,700, right?

Ms. Teresa Smith said correct.

Ms. Johnson said so, the amount for future years is what?

Ms. Teresa Smith said \$11,725,717.

Ms. Johnson said okay. So, if I added up those three future year totals, it's about \$40 million or \$41 million? Does that sound about right?

Ms. Teresa Smith said that sounds about right.

Ms. Johnson said okay. So, I would just add, it's great that there's not a tax increase, but rather than saying there could be a tax increase, I think we should take a look at all of our funding before we burden the residents of Charlotte with anymore taxes. There's \$41 million that's allotted for future dollars, the totals you all have heard. In my opinion, there should be no fund that is excluded from the general operations. I know it's not something we've done before, but we are in a crisis. We're in a crisis with housing. We know the volatile federal situation. So, I just keep putting that before us, that we should be able to consider at least a percentage, one percent, 0.5 percent, to go towards operations. So, I would just say that again.

I also will lift up Charlotte Fire. We have heard from Charlotte Fire about their healthcare. We've heard from Charlotte Fire for the last few years, and also CMPD. I don't know what that would require, that there's no wait when citizens call 911. We really have to do something about that, that's still a problem. We've talked about it, I think, my first year, Mr. Jones. So, we have to do something differently when it comes to 911, and that's all I have. Thank you.

Mayor Lyles said Teresa wanted to address your issues.

Ms. Teresa Smith said yes. So, just a clarification about the item that says reserved for future years. So, as a reminder, again, each of these funds that we said they were the three Hospitality Funds, they are very specific revenue sources, guided by the statute that says how we can spend those. For each of these three, we maintain separate models, and those models include things like debt that you've already issued. So, in one particular year, we may see that we're putting some money into fund balance. So, for the Convention Center, that's the \$27 million number that is going into fund balance, but that fund balance is what's helping to support existing debt service, future debt service, and all of that ties back to your Hospitality Revenue Capital Policy that you have, which says that you will maintain 100 percent of the next year's debt service along with some additional reserves. So, things like something called a recession mitigation reserve, and things like that. So, even though this does show as money that is not committed in this particular year, it is committed through the modeling that we have for each of these three funds.

Ms. Johnson said and that modeling is required by the state or that's our policy?

Ms. Smith said that is best practice to maintain those models.

Ms. Johnson said right, so it's best practice. However, when you're in a crisis, I just believe all hands on deck, and to have a fund that's exclusive to Tourism, to \$650 million to the Panthers Stadium, to those kinds of expenses, when we have so many unhoused. We have individuals who can't afford to live in the City. So, I just think we need to really take a look at our spending model. Thank you.

Mayor Lyles said alright. I think that that concludes any of the changes.

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Ms. Brown said I wanted to say to Mr. Jones, thank you for your hard work and your staff. You guys are amazing. I can't even imagine what it takes to put a \$4.5 billion budget together, and have it balance. I also want to address, I know Mr. Kenny Robinson of Freedom Fighting Missionaries did not apply for a financial partner, but he was asking for funding. He understood that the process that he went through the first time, he complied, and did everything he was supposed to do. Did his organization reach out to you separate and ask you for an additional \$1 million for housing? Did you hear that or is this the first time me bringing it up?

Mr. Jones said I know that Mr. Robinson and I have a meeting scheduled. I'm not sure if anything made its way to Shawn.

Ms. Brown said okay. Well, it's made its way to me, and so I just want to bring it up. He's doing a proposal, and so I would like to support it. It's for a support housing program for the McKinney-Vento students that are homeless and don't have anywhere to live, and CMS. So, it's an offset of having housing for children that are unsheltered and don't have anywhere to stay, so that's coming through, and that's the only thing I have, besides what I stated earlier today. Thank you for all your hard work and the things that you do.

I do echo Councilmember Molina's point when she said, "For the staff that is on salary." They work hard as well, and I would love to see them get an increase, but my first preference would be for the City employees to be increased to \$25 per hour or \$26 per hour that they're asking for through The People's Budget, and I don't have anything else, Mr. Manager.

Mayor Lyles said thank you so very much, Ms. Brown.

\* \* \* \* \*

### **ITEM NO. 3: CONSIDERATION OF ANY PROPOSED ADJUSTMENTS**

**Mayor Lyles** said so I think everybody has had a chance to offer any suggested changes or wanted to have anything researched. I think I'd really like to have a better understanding of our conclusion of the work that Ms. Mayfield has done. Is that something that we will move forward on and continue to look at, or is that something that the Council would see differently? That would be helpful, I think.

**Councilmember Mayfield** said so, normally, when we get to this point, we go through each item, mine is up there, to see whether or not we can get five. If we don't get five, then it gets removed, we keep it moving. So, are you recommending that we do that now, or once we get the responses back?

Mayor Lyles said I think that it would be helpful to have the responses back, but I wanted to make sure that we weren't leaving what you had done to a separate place on the books, I guess.

Ms. Mayfield said and Manager Jones, you can help me clarify. I feel like it goes in this category of add and delete, since I did add items, and in my particular proposal it did add an additional \$444,430, even though it was split up between multiple, but I would take whatever directions you all recommend. I am fine with us doing our standard process of going through each line. Do we have five? If we don't have five, then that gets removed, and we keep it moving, but I will take whatever recommendation you all put forth.

**Councilmember Driggs** said I just want to be clear what the vote is, because we had this large number. Ms. Mayfield has proposed, I believe constructively, a different framework and that's where the \$444,000 comes from. So, are we accepting a reduction down to \$1.2 million, when we vote on \$444,000, or what exactly are we doing?

Mayor Lyles said I wanted to make sure that we had what Ms. Mayfield and the Council had. The statement is up there for funding the financial partners based upon the proposed criteria.

Mr. Jones said can I borrow your mic, please?

Mayor Lyles said yes.

Mr. Driggs said but it says additional funding, additional to what? To \$1.2 million, which is a number that's in her proposal, that's not a number that exists anywhere else.

Mayor Lyles said I understand that, but we still have to go through this, so.

Ms. Mayfield said may I clarify, Mayor? There will be a question for the Manager, Ed, but the way I'm looking at it, if we just look at this as add and deletes time, then even though my proposal has multiple organizations, the proposal is an additional \$444,000 from the staff's proposal of \$812,000, which gets us to a new total amount. So, I think that's what needs to be put in there, is that the new budget amount that I'm proposing is \$1,256,468, but it encompasses multiple groups. I think it's also kind of a separate conversation of, do we have five to support this proposal? If we don't, then we remove mine, and just go each line item like we've previously done.

Mayor Lyles said you've done a great job of explaining. That's what I was thinking. Is this one time to make this additional funding? Is the work that was discussed, would that be appropriate to make it one check for five votes. Does everybody understand?

**Marcus Jones, City Manager** said so, thank you, Mayor and members of Council. Because many of these items are very similar, I don't think it's any additional work on the staff if you sent all of these to the next step, and it could help, but if there's something that's so egregious that you don't want to have examined. I'm just trying to be helpful.

Mayor Lyles said okay. So, I think that what Mr. Jones has said, is there anything on this that you would like to have a conversation or a vote on today? Other than that, he would just have the staff do all of this.

Mr. Jones said I think five people would have to move all of these forward.

Ms. Mayfield said so, Mayor, may I ask another clarifying question? So, the Manager is saying that we need five of us to say whether or not we want all of this to go forward. The question I have for our Budget team is, I mentioned earlier if you were going to remove some of the items from the add and deletes, if they were already captured in the proposed, based on criteria, because I think it was only like two, maybe three, that was in there twice, so that we can get a total. Because that's the other thing that we need to know is, what is this total ask, because it feels like that \$5.3 million that we think we have is already gone.

Mayor Lyles said and it's a lot duplication.

Ms. Mayfield said right, and so I was trying to clear the duplication, if multiple people supporting just put all their names together, so that we can get a better number. If I'm hearing you correctly, Manager and Mayor, what we would be voting on right now is, once staff clears this up, so that's there's not duplication, we just put all the people's names that support whatever that is, that what we will be supporting, five or more of us, is to move everything that's up on the screen right now forward, and get response back.

Mayor Lyles said right, okay.

**Councilmember Molina** said yes, just one other addition. So, I think this would be a great opportunity, because we endeavor to have a process to make sure we get that word out now. So, to say plainly, that if this is something that we're going to maintain

going forward for future Councils, because we're in an election year. We don't know what the future Council will be or what they would decide, but right now at this moment, there is a process by which we make this decision through an application and meeting that criteria. Based on what the Mayor Pro Tem said, who obviously has some mathematical advanced understanding when she's talking standard deviation and things of that nature, but there really is a deviance in the percentages and who actually qualified based on the criterion. So, getting really clear about that, making sure that we have that information kind of standardized, so that all of our community members who endeavor to partner with us, have a clear understanding of what the expectations are, because I think we lost some people too in the process. They didn't realize we had the application process, and we could assume a whole lot of different things, but just to make sure that we kind of are saying, that's something that we want to do and when that deadline is, so that people know that there will be an opportunity to apply for, let's say, the next budget in November 2025. I mean, right?

Mayor Lyles said I think that what we've been trying to do is get that kind of, I guess what you would call, policy in place, that would go to the Committee to do that, because we're working right now with what is our budget, and if we can do all of these things, then how do we codify that into the Committee? Okay, would that work?

Ms. Molina said yes.

Mayor Lyles said you're preparing for the next time.

Ms. Molina said right, that's what I'm saying basically, is to say, now that we're here, we see that there are some community members and organizations that have been left out of the process for various different reasons.

Mayor Lyles said and ways to do it differently and to be consistent. I think that's it.

Motion was made by Councilmember Mitchell, and seconded by Councilmember Ajmera, to refer the Financial Partners to Committee for further discussion.

**Councilmember Johnson** said so, I just want to go back to Councilmember Mitchell's recommendation. Weren't you asking to send it back to the Committee?

**Councilmember Mitchell** said yes.

Mayor Lyles said the Financial Partners, only those. Did I misunderstand?

**Councilmember Ajmera** said no, I think you're right. It's just the financial partners, not the other line items [inaudible] financial partners.

Mayor Lyles said not all of the line items, right.

Mr. Jones said the financial partners will not be voted on in this budget?

Ms. Ajmera said so, I thought it was referred to the Committee.

Mr. Jones said so, the financial partners discussion will occur after June 9, 2025?

Mayor Lyles said no, no. The changes to codify what we were doing. We talked about where we would have applications and all of that, and Ms. Molina was saying that. So, that's what would go into Committee for discussion, but that would be after this has taken place. Is that correct?

Mr. Mitchell said if I may. June 2, 2025, is the next BGIR (Budget Governance and Intergovernmental Relations) Committee, and so my motion was to have this at the

BGIR Committee at our 1:30 p.m. meeting, and then at the 6:00 p.m. meeting with our Council, then it's a recommendation for the Financial Partners only.

Mayor Lyles said I thought that was Ms. Molina was saying is that there's some things up here that we've talked about that we want to make sure that that's in the process, and I thought that's what the Committee would do, but the Council would vote on these things that are on the screen.

Mr. Mitchell said, and I agree, Mayor. I think the only challenge, the original schedule we would vote on May 29, 2025, and I know there's three to four Council members that would be absent. So, I was saying let's vote then on June 2, 2025, at 6:00 p.m. when we should have the full Council in place.

Mayor Lyles said but I'm asking the question. So, for example, up here, we have review paid parental leave to coverage. Then, would that come through the Budget Committee?

Ms. Ajmera said no, just the Financial Partners, not the other line items, because we are only working on the Financial Partners Policy, not the other line items.

**Marie Harris, Strategy and Budget** said sorry, I believe this is consistent with what y'all did last year, and it's just a recommendation. So, maybe staff, what we would typically get the full Council to consider that night, we would preview with the BGIR.

Mayor Lyles said okay, so we have a practice, and so we'll go ahead with that. Does everybody understand, this is going to go into the Budget Committee, just the Financial Partners? We still need a vote to say that this is what you want the staff to review and bring back information in doing it. So, we have a motion and a second to do that.

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

**Anthony Fox, Interim City Attorney** said Councilmember Mayfield, that motion was to refer it to the committee per Councilmember Mitchell's recommendation, a motion and second. Now, if that has passed, then I think we can take action on the remainder of the budget.

Ms. Ajmera said that's right.

Mayor Lyles said right.

Ms. Mayfield said what date are we supposed to have?

Ms. Ajmera said June 2, 2025.

Mr. Mitchell said June 2, 2025.

Ms. Mayfield said so, are we going to talk about this again on June 2, 2025.

Ms. Ajmera said well, that's what we did last time.

Ms. Mayfield said for it to come back to full Council?

Ms. Ajmera said on the evening of June 2, 2025.

Ms. Mayfield said so, in Committee we're going to talk about all of this, just for it to come back to full Council, and have this whole conversation again?

Ms. Ajmera said yes, ma'am. We are going to make a recommendation to expedite things like we did last time during the last budget cycle.

Ms. Mayfield said okay.

pti:pk

Mayor Lyles said they're going to work with the staff, and then the staff will have an opportunity to present, and then that would hopefully help us make this process a little bit smoother. Now, we're at the place, the other items that are there that have been requested by Council members. Is there anyone that would like to make a motion for a review of all of those or anyone [inaudible]?

Motion was made by Councilmember Ajmera, seconded by Councilmember Molina and carried unanimously to approve items that receive five or more votes will be considered at the June 2, 2025, City Council Burdge Straw Botes Meeting.

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#### ITEM NO. 4: REVIEW OF NEXT STEPS

**Mayor Lyles** said so now, Mr. Fox, let's see, what's our next item up today?

**Anthony Fox, Interim City Attorney** said Madam Mayor and members of Council, this was the Budget Meeting. It was a specially noticed meeting. You can adjourn this meeting. You're then going into a specially noticed Zoning Meeting that's going to be in the Council Chambers starting at 4:00 p.m., and then you'll open that and then proceed with the action. That is an item to be addressed at the 4:00 p.m. meeting.

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#### ADJOURNMENT

Motion was made by Councilmember Johnson, seconded by Councilmember Molina, and carried unanimously to adjourn the meeting.

The meeting was adjourned at 4:02 p.m. to move to the Meeting Chamber for the Zoning Meeting.



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Ariel Smith, Lead Clerk

Length of Meeting: 2 Hours, 39 Minutes  
Minutes completed: June 10, 2025