

The City Council of the City of Charlotte, North Carolina convened for an Annual Strategy Session on Monday, January 30, 2023, at 9:56 a.m. with Mayor Vi Lyles presiding at the UNC Charlotte Marriott Conference Center and Hotel, Charlotte, North Carolina. Council Members present were Danté Anderson, Tariq Bokhari, Ed Driggs, Malcolm Graham, Renee Johnson, Lawana Mayfield, James Mitchell, Marjorie Molina, Victoria Watlington, and Braxton Winston II.

ABSENT UNTIL NOTED: Councilmember Dimple Ajmera

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ITEM NO. 1: WELCOME AND OVERVIEW

Mayor Lyles said and now your job is done, and today's intent is to have City Council take the time to talk about this among ourselves. I know that there are presentations. So, I'm going to ask our presenters to be very concise and not take a long time so that every Council member can have an opportunity to add. We're going to start with our agenda [inaudible] items so at the end of each day, we will have an open discussion time and we will figure out how long that needs to be based upon what we're talking about, for Council members to talk about things that they saw as takeaways, ideas, thoughts, interests, all of those things that are in our open discussion. I hope that we all can [inaudible] at least for me.

So, before we get started, I want us to think about something that [inaudible] explained about this. I was listening to some podcast in the car, and they were talking about Tik Tok and how they had taken a survey of what people talked about most. It was all the negative things, and it's great to have gotten the opportunity to celebrate those things that we were doing well.

So, one of the things that I think about often is when we look at all of the things that we have that we've accomplished, can we collectively think about those things and build upon them for the actions that we need to take for the future. I know that we've talked about mobility. We've talked about mobility in both the sense of transportation as well as in terms of economics and this agenda is rich for that. So, we know that we have to begin to adjust. I think the most urgent thing that I felt recently is that much of our history, we're trying to change. We've told people we're going to change it and their expectations is that we will change it now, today. Sometimes that's a little bit harder for us to do than what we believe is possible. I believe that we do have the opportunity to create a sense of urgency about every initiative that we undertake and if we do that collectively then we'll do well together.

So, with that, I want to say first that you can sit. We've got folks that have joined us, our Upward Mobility team and our affordable housing groups often join us. Thank you for being here. So, you can come in person out to this wonderful Marriott in the University Area, but you can also livestream this on YouTube or the government channel. With that, I am going to turn it over the manager to start out the day with some introductions and our next steps. Does everybody have the agenda? I wanted to mention Ms. Ajmera will be here before lunch.

Marcus Jones, City Manager said so, thank you Mayor and good morning members of Council and staff. It's great to have this opportunity to be with you today and before I turn it over to our facilitator, DeAlva Arnold, I'd like to just talk a little bit about how we got here today. One of the things that I asked Julia to do over the weekend is to pull together the last four years of retreat agendas. I think this time is so important to us because you have an opportunity to talk about some high-level policy areas. I'll always credit the Mayor Pro Tem for this, we said give us the game plan, give us a playbook and we'll run some plays. Sometimes I don't think the Council has an opportunity to reflect on a lot of the great work that you've done because as we compare ourselves to some cities around the country, the different plans that you took on during the pandemic and where you are right now, I think is incredible.

So, one of the things that I wanted to bring up with this particular strategy meeting is that I almost want to say it's part four of strategy meetings that we've been having over the course of the last year or so. So, if you'll recall you were sworn in September the 6th I believe and on the 13th, we had the police chief come in and talk about safety. So, if you start to think about the Corridors of Opportunity and SAFE Charlotte, we had a conversation there. We kind of bookended that with the chief coming back last week also to talk about safety. As we were talking about that, different issues such as the Corridors of Opportunity and even HIRE Charlotte came up.

As we got into the fall, one of the things that we wanted to do is to have this meeting much like we did in 2021, a fall strategy meeting, but a lot of things happened as you were continuing to do a lot of good work. So, we were able to do a few things in that period of time, like have a conversation about infrastructure. So, thank you Ms. Johnson. We also had an opportunity to have a conversation about jobs and housing. So, thank you Ms. Watlington. So, we were able to do a lot and today it's really reaffirming what these priorities have been over the course of the last four years as well as understanding what has worked and what hasn't worked in terms of the Council. Then there are a few big items that we haven't touched on recently, like mobility, that we wanted to talk about. Eventually there needs to be some level of a commitment in the future for our Arts and Culture Strategy, Priya I see you're back there, as well as a conversation around what's happening with tourism and entertainment in the city. Let's not forget that we also are talking today about the legislative agenda. So, there are a lot of things that all tie together with the work that you've been doing over the last four years. So, with that said, I'll turn it over to DeAlva and she will take over.

Councilmember Mitchell said do you want to entertain questions from the Council?

Mr. Jones said she's going to do that right now, yes.

Mr. Mitchell said okay.

DeAlva Arnold, Facilitator said thank you Marcus. Good morning, everyone. Thank you. We have a very exciting day planned. The agenda has been set forth and I sat back there and thought about what a cool job each of you has to be able to have these really high level visionary important and critical conversations to move our city forward. So, we're looking forward to a productive two days today and we are going to follow the agenda as it has been laid out.

They're a couple of things I want to make sure that I do now, which is ask for your forgiveness in advance. We're going to ask you to be succinct with your comments today. I know there's a lot of passion and energy, a lot of information, a lot of expertise and excellence in the room around specific topics, but because we have so much to cover, it is going to be important that we share the space today and give everyone an opportunity to participate while we still honor the time that the staff has laid out for us. So, I'm asking for forgiveness now if I have to interrupt you and ask you to be brief with your remarks.

Next on the agenda is a reflection on the past year and all the work that you've done as well as looking to the year ahead. We want to hear from each of you and ask that you would just share 60 to 90 seconds on your perspective on what went well last year. What are you particularly proud of last year? Then what are you excited about accomplishing this year, look forward to this year? I don't think I have to call names with this group. You guys can just jump in.

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ITEM NO. 2: REFLECTION AND LOOKING TO THE YEAR AHEAD

Councilmember Bokhari said so, what went well last year, 2022. last year was pretty rough. It was a pretty rough one. We started working in person again. So, I think we got back to pre-2020 level beginnings of relationship building and what happens before and after the meeting. So, I will say that went well and what I'm looking forward to this year is

working with all of my colleagues, in a very short period of time that we have, to lay the groundworks for some big things. Not some little stuff but some big things knowing we may not accomplish them all in that time, but that we may lay the groundwork where people see how it could be achieved.

Councilmember Molina said I guess I'd expand on that. Actually, I was elected in 2022. This is my first term. So, I would definitely say that for east Charlotte in particular, we had the Peppertree Project that my colleagues agreed was a great opportunity for east Charlotte for affordable housing and I thought that was an excellent opportunity. I think that as a Council like Councilmember Bokhari said, we can work in person now and I think in person is a better feel. We get a chance to really work together, trade energies, learn from one another, build on best practices and what I'm looking forward to is exactly that as we continue to work together.

Councilmember Mayfield said I would say a win for 2022 is the relationship building that is happening with Council for the new members for the current group that was working together and for the two of us that are returning. What I'm looking forward to personally is a clear commitment both from leadership and financial backing and support to truly grow Black businesses. We've been talking about it for years. There's some opportunities that are coming up that have been approached and have been discussed that can benefit not only our relationship with Johnson C. Smith University with how we do sports and economic development for conversations that have been happening for over a decade in our city. Opportunities with development of something new that this region will be the only region that could potentially have it.

I look to what the county has been doing and the county has been doing amazing work with investment and I think as we have an opportunity to go beyond just Black business owners being a sub to a prime. We have some real good opportunities coming before us looking at best practices in other communities where they make clear investments. I'm looking forward to the opportunities that we have around how we connect those who are going through training directly to employment and tracking that and having that actually be housed in a place where we can continuously see our investment is actually creating an output that's changing the trajectory for individuals to be able to afford a salary to live within our city.

Councilmember Mitchell said so, I think some of our success for 2022 was definitely how we addressed the affordable housing crisis that we had funding the 13 projects that were approved I think two years prior. The way we managed our ARPA (American Rescue Plan Act) funds was a tremendous success as well. Looking forward I think starts today at this annual strategy meeting. So, I think the first two or three agenda items we have are very appropriate, but I hope we will be very flexible after the break when we start saying, this current City Council, what are our priorities, what would we like to do? So, I'll be the first one to tell you, I don't think an hour is sufficient when we're talking about priority setting. So, I hope all the Council members are very open to say we need to have a part two of that discussion because I think this meeting is about how do we take our city, move forward with new initiative and maybe make some changes. So, I just hope this Council, we all put our hands on and say, "What's important to our constituents and how do we set those priorities today during a two-day session?"

Councilmember Anderson said I'm really excited about, in 2022, our ability to foster good working relationships within the Council. I think we've laid a good foundation and will continue to build on that. I'm also very excited about our emphasis on affordable housing in 2022. So, I think those were two things that we did accomplish in the back half of the year. Moving forward, I'd really like to double click on the whole conversation around workforce development and what that means to upskill, reskill Charlotte citizens to be ready to take opportunities for work very seriously, but also building a pipeline of talent and skills within the city in the region that will allow us to attract new corporate partners and business that will invest in the city and help us grow. Thank you.

Councilmember Watlington said good morning. I would echo what my colleagues have said. Number one, I think we've got a great group. We've got a lot of alignment here and

a lot of folks who are resolute in their desire to make transformative change even in the short time that we have. So, that is a highlight for me for 2022 and for this group and I am also looking forward to the priorities around the Corridors of Opportunity as well as workforce and business development. That falls under economic mobility to me, and I think that as we really look at how we change, not only make incremental changes, but be transformative in how we approach not just city contracts but the culture of business, particularly MWSBE (Minority, Women, Small Business Enterprise) business in our city. I think that will yield very high dividends.

Councilmember Winston said good morning.

Ms. Arnold said good morning.

Mr. Winston said so, I think 2022, there were a lot of huge wins. I think the City Council and staff and the Mayor completed a really heavy multi-year planning process, especially if you look at some of the folks that we took over this summer, adopting the Strategic Mobility Plan, adopting the UDO (Unified Development Ordinance), adopting the Policy Map. That was on the heels of in the past, the SEAP (Strategic Energy Action Plan) and other plans. Those were huge lifts and that was a real kind of marked transition. Of course, we started some planning processes as well, for instance, our arts and culture process which that planning process is starting, but the real major community wide plans of 2022, we adopted those. I don't think we have stepped back to look at the real gravity of that. I think 2023 really needs to be a page flip from being in the middle of planning processes to implementing those plans. I really think that this Council needs to set the tone for that for future Councils and the community to take over. Again, I think that's a paradigm shift that needs to happen. Of course, we're always planning, we always have to adjust, but I think this Council really needs to understand the difference between planning and implementing a plan. We have to really be focused on that in the remaining months that we're in this office.

Councilmember Driggs said I would echo some of what Mayor Pro Tem said. The waters were kind of choppy at times in 2022, but we can't lose sight of the bigger picture and the bigger picture is that we are in a process right now of major changes. In my time on Council, I haven't seen anything like this. So, we progressed in terms of our UDO, adopted the UDO, we're now working toward in the coming year the full implementation of it. Transportation is a big challenge. I think we need to continue to define exactly what our goals are and work towards being able to offer a referendum because at the moment, I don't think we're ready. I think we need to be able to state very clearly what the referendum would pay for, what the tax would pay for in the referendum, but so many other topics.

We're in a crossroads on housing because we discovered last year that our old model is really hard to fund at current prices and so what could we do? NOAHs (Naturally Occurring Affordable Housing), ownership, new models for housing, creative thinking. SEAP job creation has been a pet priority of mine. Ms. Dodson will confirm apprenticeships. Clean Streets, sports, arts, there's a lot to do, but I think we just need to kind of take some satisfaction in the fact that we have tackled some huge questions and we have done some big things. Even though we don't necessarily agree all the time, like most of the time we don't, the process of reconciling these different points of view is what leads to a good result. So, I'm looking forward to the coming year and to accomplishing a lot towards these goals we've established for ourselves. Thank you.

Councilmember Johnson said yes, I think we've accomplished some major things in 2022. I know there's been a lot of talk about relationships, but the work, we've accomplished some major work. We passed the Source of Income Discrimination Ordinance, the NDO (Non-discrimination Ordinance), redistricting. That was huge. We've got our first minority representative from District 1, the UDO, the Mobility Plan, the budget, over a \$2 billion budget, the ARPA funding. So, I'm a little protective about the narrative. I think that this Council accomplished some major things, and the previous council. So, I'm honored to serve, and I look forward to hopefully looking at development more strategically and really paying attention to the infrastructure. So, thank you.

Councilmember Graham said good morning, everybody.

Ms. Arnold said good morning.

Mr. Graham said for me, I just want to echo the comments of many of my colleagues this morning. I've always said that as a Council, as a community we're so hard on ourselves that we don't take the opportunity to look at all the good things that we do, and we've done a lot of good work. That's the key for me, it's all about the work and the investments that we make as a community, and one in particular was the investment in The Pearl an Atrium Health project that really is a game changer for our community and touches on all the key elements that we want to see in our community. Housing, workforce development, economic development, the utilization of small businesses, helping minority owned contractors through constructing a major building, one building every year for the next 10 years. So, there's going to be a lot of construction jobs and it helps us diversify the Charlotte economy by bringing healthcare into the forefront just like financial services and warehousing. So, I think that's a big deal.

I hope that as we move forward that we can collaborate as a high performing team. I think that will be really important for the community. I hope that we will have the vulnerability of trust among one another that we make data driven decisions when appropriate and not make decisions based on feelings and emotions. That we come together and try to win together as a team and even sometimes we lose together. That we kind of be in this thing for the community because we have big decisions around transportation this year, a number of economic development projects that we'll be encountering this year. I think over the weekend it demonstrates that we still have public safety issues throughout this county and Charlotte is not immune to that, that we have to address. At the same time keeping our community safe and clean. I'm with Bokhari though. I want to do big things. I don't want to do small stuff.

Ms. Arnold said awesome. Thank you all for sharing. It is great to see that you reflected on the amazing work that you've done. Just the 2040 Plan alone, the UDO and all the conversations around that and getting to a point of closure. The Pearl is so major and such a game changer for the city and to have a teaching university here just puts us at a whole different level as a city and you all did that. So, congratulations. I do appreciate the point about implementation and the fact that a plan is only a plan on paper unless you do something about it. So, the points that you've made about relationship building, trust and vulnerability, you've taken my words Councilman Graham around working together. All of those things are so critical in order for you to be effective in doing the work that you have to do for the city and also stay focused on the common goal which is improving the city that we have. So, thank you all for sharing.

As we move forward to the presentations and discussions, I want to establish a set of working agreements that we might agree to before moving forward just again to make sure that we're effective today and also for tomorrow. The first is to be succinct. I will probably have to say that a last time. Be succinct and respectful of time. I do want you to look for what connects rather than divide. Often when you're representing so many different people and so many different perspectives that you have passion about and expertise and excellence in, a lot of you know this work, it's often to miss the big point which is you're really on the same page. At the end of the day, you all want the same thing.

So, I'm going to challenge you today to look for those common threads as you discuss and as you listen intently look for those common threads and don't focus on the outcome so much. Focus on the process. Someone talked about the process, because often if you step back, you'll see ways in which you can align, but if you're focused on the end and you already have the answer, then you're going to miss the points about connecting, relationship building, aligning on ways that we can make things better for the city.

So, let's focus on connect points and common threads today. That leads also to common goals and shared values. Again, if we could slow down a little bit, you always find that you kind of want the same things. So, we're going to focus on common goals and shared

values today. That means listening to understand instead of being understood. We'll bring a little Stephen Covey in today. Seek first to understand then to be understood. It's always helpful in these types of discussions. Then accepting that two things can be true and coexist. So, we want you to practice both/and thinking today. It's not always either/or. We're going to practice both/and thinking because this conversation today is about strategy and building, coming together and aligning. So, we don't always have to leave with answers today. It is for listening, putting things on paper, agreeing on next steps. So, I'm going to share those. I have those written over here, but I do want to ask if there are other agreements that you'd like to add today. You all may have some that you think are specifically necessary based on the experiences that you've had in the past. So, be succinct and respectful of time, look at what connects resident divides, focus on common goals and shared values, listen, seek first to understand then be understood, listening intently. Practice both/and thinking. Two things can be true. Anything else to add here?

Mayor Lyles said I would add full participation because we are a collective of various interest areas, opportunities, various collective efforts because we have a diverse Council and that makes us stronger when everybody participates. So, I'd like to say be sure to express in a public way so that everybody can work towards one collective ending.

Ms. Watlington said I would say I know we're not only focusing on outcomes or focusing on process, but also understand that we're supposed to be taking insight and turning it into action. So, at the end of the day, we want to make sure that whatever we come out of here with is actionable.

Ms. Arnold said very good. Thank you. Anything else? Okay we can add to as we need to over the course of the day. With that in mind, we'll move to the discussion around priorities.

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ITEM NO. 3: BUDGET OUTLOOK

Mayor Lyles said so, we're going to start off with our budget outlook.

DeAlva Arnold, Facilitator said budget outlook, thank you.

Mayor Lyles said can't do anything without money and commitment on that. So, let's start with that.

Marcus Jones, City Manager said as Ryan makes his way up there, just a couple of things that are important. The Council will begin the budget workshops the first full week in February. You'll have another one in March and another one in April. So, we always do this. This is one of the staples of the annual strategy meeting. It's just to know how you ended the previous fiscal year, where we are in the current fiscal year and what's the outlook going forward. So, Ryan is going to set the tone as the Mayor as said earlier, to be succinct with our presentations, but it's very important for you to know where we are before you start with the budget workshops.

Ryan Bergman, Strategy & Budget Director said thank you Mr. Manager. Ryan Bergman, I'm the Budget Director. I always use the retreat every year to remind everyone that I'm still on the Mayor Lyles career path from Budget Director all the way to Mayor. Also, I want to say thank you to Julia. So, what I'm going to talk about today and to the manager's point, we will be very concise because we're going to spend a lot of time together the next three months starting next week in fact. I'm going to talk about a number of topics. I'm going to start and end with some very good things, some good news and in the middle, I'm going to talk about some of the national trends and issues that are causing stresses in Charlotte just like they're causing stresses elsewhere.

So, one of the good news stories is the results of fiscal year 2022. We officially closed the year a few months ago. So, this is the year that ended June of 2022. Happy to report that we have an overall surplus because we had a revenue surplus, and we had a slight

expenditure surplus. On the revenue side, the surplus is almost entirely due to sales tax performing better than expected. If you'll remember, back when we approved this budget, FY22, was May of 2021. We were coming off some of the worst winter of COVID and so happy to report that sales tax did perform better. Overall, what does this mean to us? It means that when all the accounting work is done, when the 16 percent reserve that we're required is taken care of, we do end up with about \$13 million that we're able to program in next year's budget.

So, key things on that. As you guys know, that's one time revenue. So, it needs to be used for one time uses. I can tell you that in the past few years, we've averaged about \$10 or \$11 million on the surplus. So, that's not terribly above normal but in the past, we've been able to do investments in facilities to keep things out of our debt program. We've been able to investments in technology, additional investments in housing, economic development, things of that nature. So, typically during these I would have all kinds of information I would report where I would look smart entirely because of my staff who is giving me all of the information. So, rather than me doing it, I'm going to let Dr. Ndem Tazifor take a couple of slides here to explain the economic picture.

Ndem Tazoh Tazifor, Chief Economist said thank you Ryan. So, I think last week Ryan said, "Can you send me some slides so I can present to Council?" I was like, "Oh sure." So, when he looked at it, he was like, "This is kind of bad news, so I'll have you do it." So, you saw him do the revenues. He was like, "Oh great. This is great news. We've got surpluses in revenues. I'll let you handle the bad news." I was like, "That's fine Ryan, I can do that."

So, just to put some things in perspective, over the past year, so I'm talking about '22, we saw inflation go to a historic high of about 9.1 percent. That's like a 40 year high, but as of December, that number has slowed down to 6.5 percent which is good news. Talking about a level market. So, even though we've seen this high inflation numbers when it comes to employment, we've added about 4.5 million jobs in 2022. That's an average of about 375,000 jobs monthly. The federal reserve has responded by raising interest rates. So, that's all-good news but what we're seeing is there were some warning signs seen in the economy which we thought it would be good for us to present to you. So, what I'm showing you is consumer spending going from January '20 to December of 2022.

So, you realize that as of January 2022, so that's month of a month growth in retail sales. So, if you look at that data you realize that comparing February over January, we've always seen increases in consumer spending, but that last two months, that's November and December we actually saw a decline which is very worrying. We know consumption makes up about 70 percent of the U.S. economy. So, once we start seeing decreases, it's very worrying.

So, again we've seen some warning signs. What I show here is the leading economic indicators. They're leading because they help to predict what's going to happen in the future in the economy. So, what you see is a leading economic index. This is produced by the conference board. It's a think tank made up of fine economists and you've probably heard of them. Every month you hear about consumer confidence has gone down or consumer confidence is up, there's a conference board that usually does the surveys of consumers.

So, what you're looking at is a six-month percent change in that index. So, in December that index actually fell by 4.2 percent which is very worrying. When it drops below -4 percent, again, today it's like -4.2 percent. It says if you see the red dotted lines, once it drops below that point, it means a recession is coming. There's a high likelihood of a recession coming. So, if you see as it dropped to -4.2 percent in December of 2022, usually based on the index, the way the index is constructed we usually see a recession in the coming seven months on average.

So, just following up on that. So, the Wells Fargo Economist Group does a very fine job with predicting recessions. So, what you see is the probability model of a recession coming and as of December, they had that probability of a recession happening in the

next year. So, basically, they're saying between January and December of this year, the probabilities of a recession happening is about 50 percent. So, again that's a very worrying sign and it's one for us to consider.

So, what you're looking at here is a Municipal Cost Index. This is constructed by the American City and County. So, the Municipal Cost Index basically is just a measure of the cost of municipal services. So, if you look at the index, the green line is the Municipal Cost Index, the blue line is a CPI (Consumer Price Index) which is basically measures the change in the cost of the price of goods and services consumers pay overtime. So, the Municipal Cost Index brings three different indexes together. So, the CPI, which you see over there. There's a cost of construction index which measures the cost of materials and goods used in construction and then it also includes the Producer Price Index which is a wholesale price. Wholesale that's paid for industrial commodities.

So, based on all of those three indexes, you realize that sometime around last year, it reached a high of above 12 percent. Again, CPI got to about 9.1 percent. Those have all been decreasing but I just thought I'd put this cost to you, so you understand how expensive the cost of doing business for the city is.

Mr. Bergman said thank you Ndem. So, as you look at this slide, think of the last four or five years as you see the Municipal Cost Index in the 2, to 0 to 4 percent range, kind of that normalcy and then think of our city operations that we're trying to run police and fire and solid waste. We were able to do things through there because of sales tax being better than expected and some other things. We're starting to get into some challenges as you have the 10 to 12 percent on top of each other. You will see at the very end there as it starts to come down, we're optimistic that means it's going to start to return to normalcy, but unless it goes negative, this is the new baseline that we'll be dealing with.

So, rather than talk about our general fund outlook on a bunch of different pages this is everything summarized into one. You'll see on the revenue side that about \$10.5 million of property tax is very normal for us, the way our system works which I'll talk about, allows for some consistency there. Sales tax, this is probably important. Ndem is talking about preparing for a possible recession but by no means do we have an outlook for any kind of a severe recession. That's something that we would adjust to as it happens. We still have sales tax growth that we're anticipating, it's just at a much more modest level than it would've been in the past.

On the expenditure side, you can really see some of the inflationary national trends start to hit us in areas. Retirement system costs will be going up as pension systems under perform over the last year to two years. Healthcare cost increases. I don't think I have to spend any more time on that. Then you see at the top the inflationary contractual increases. Everything that we do which is external, whether it's supplies or contracts, just like everything else that is going up as well. What you're left with is an outlook right now where 3.3 percent revenue growth can really only pay for the expenditure growth before we start talking about salary increases for employees. Before we talk about any operating increases on the general fund side.

So, one more piece of good news although it's a little bit early. I mentioned the salary increases in the last slide, some of the salary actions that Council was able to do in FY23, the current budget that we're in to stabilize our operations, are starting to help in some of those areas. I won't read the left there, but as you'll remember we focused quite a bit on our hourly employees, our operations employees trying to make sure that we have enough employees to run operations. It's kind of hard to see but the silver line which is the hourly employees and the green line, which is the salary general employees, you'll see have started to trend downwards after peaking last year.

So, we look at that as a good sign that our trajectory is good. On the police side, related to the presentation that Chief Jennings made last week, we're still dealing with a lot of the same issues with resignations being slightly up, but more importantly retirements as we're going through kind of a bubble that we hope will stabilize in FY24 and beyond.

So, I know the question we typically get asked is, "There's so much development in Charlotte, why would we have any issues whatsoever on the property tax side?" So, the way that our system works in North Carolina, this isn't a Charlotte thing, is once your home value is assessed, unless we change the tax rate, you will literally pay the same amount each year for things that are based on your assessed value. So, that doesn't include the solid waste fee which is a set fee or the county recycling fee, but you'll see there's not inflation built into property taxes. So, we're trying to take the same amount and do more each year. You can see that 96 percent of residential homeowners are actually paying the same bill this year as they did in FY20.

Over on the right there, I'll just touch on revaluation. We're going to talk about this at depth at our April budget workshop when we have the most value. From a budget outlook side of things on the expenditure side that we're dealing with, revaluation does not have an impact on us. City Council doesn't control the revaluation process. If it goes to a revenue neutral rate, it essentially means that you're just carrying on the same thing from FY20. It's essentially saying that the slice of the pie is drastically different, but the total pie is the same size, is the best way to describe it. So, a lot of individual impacts not and overall impact.

One other thing that I'll mention is we do get property tax revenue growth. I think you saw \$10.5 million on the other slide. What that is, is almost entirely new buildings, new construction, houses, businesses, and that actually does lead to some stresses. I'm using fire as an example. It's the easiest example to understand the impact of growth on what we need to budget for. So, Chief Johnson will be coming in February. This was planned to be after, but he'll be talking about some of the same things. As we get growth in areas, we have to put some of our new property tax dollars to support handling that growth, running operations, building new fire stations, ladder companies in some of these areas to make sure that we meet our coverage.

Councilmember Watlington said I know you used fire as an example, but is there somewhere that we can see specifically for new revenue versus new expenditure? You were talking about the cost of growth. Is there a number or somewhere we can refer to not just for the fire example but if we looked at fire, if we looked at water, if we looked at sewer, all those things that we can see for every dollar increase from new construction, this is the cost?

Mr. Bergman said so, on the general fund side, we might be able to produce something like that, but the new revenue that we get is just wrapped into our general fund budget each year. So, any growth in the expenditure side is eating up any of the new revenue that we get. So, sometimes its salary increases, sometimes it's new positions. On the enterprise funds side, it can get a little bit more complicated, but we do have water coming for one of our budget workshops and that's something we can prepare them to talk about if you'd like.

So, moving on to our CIP (Capital Investment Plan). There's some construction-esque names but what this really means is the orange there is materials cost for construction and blue is the bid price for construction. So, this is national nonresidential construction. So, this is kind of an important point as you think about our CIP. You'll see that historically you will have just like everything else, more normal bid prices, 0 to 5 percent increases per year, but what we've seen over the last couple of years as the cost of materials has gone up, the cost of bid prices on construction has increased fairly dramatically. Not a surprise to you guys. I know we've talked about this for housing and everything else, but the distinction I'm trying to make as we talk about our capital program, when you look on the right there, the way we try to do this, which we do think is the right way to do this, is we have a project that goes from feasibility, get it to 30 percent design, then we fund it. That's when we have a pretty good idea of what the project is, but after that point, you still have getting to 100 percent design, you still have all of the real process which can take a fairly significant amount of time.

So, we may not go to bid on a project for a few years after we fund it. So, why is that important right now? If we would've funded something in FY20, 21, 19, there is no way

that we could've anticipated the huge spike in bid prices. So, when we talk next week around our CIP, we are going to have a number of projects for this very reason that are higher than we initially budgeted. So, we'll have some work to do on the CIP side.

Councilmember Bokhari said does that mean that we are entering an area where shovel ready projects where the bid price doesn't react so positively to the downturn as it does the upturn. Should we expect those bid prices, this to be a friendly environment for shovel ready projects in the next couple of years?

Mr. Bergman said so, I guess what I would describe is good eye on the materials going down. There's a leg on the bid prices but we would expect to see the bid price start to come down. The key distinction is unless it goes below zero, it's not going to go down, it's going to be only a slight increase from where it is now. So, we don't know how far it's going to go down, but we certainly think that the growth seems to have peaked which is a victory in itself.

So, just getting us ready for next week. Our CIP, this is not a bond year coming up in the budget. So, we'll talk a little bit about long term bonds, but our facilities program is really where the capital dollars would go. We did not fully program our facilities what we call COPS, our Certificates of Participation debt anticipating that we likely would need to use some of the capacity on some issues on existing projects. The for capacity that we are able to have, public safety facilities like fire that I mentioned, we have some operation equity issues that we need to work on are some of the examples of the things that we'll likely talk about at that budget workshop next week.

There is a lot on this slide, I recognize. What this is, is '24 through '28, the next three bonds as they're currently programmed. Again, none of these get approved next fiscal year, so we're actually two years from the next bond, but we had a \$226 million steady state capacity and we only programmed \$188 million or so forth moving because there was so much uncertainty last year. Teresa Smith, our CFO (Chief Financial Officer) will talk at the budget workshop next week that the capacity is no longer \$226 million, the cost of borrowing is more expensive. As the material costs are up, our spend rate actually increases in our financial model. The good news is you'll still see that we are above what is already programmed, however we will have to talk about some of that unprogrammed capacity being used for existing projects, which is what we'll do at the workshop next week.

So, ending on some at least what I consider to be good news. Annually, we do try to compare ourselves in North Carolina to other local governments to make sure that we're providing reasonable service. You can see that our current city tax rate and there's 13 cities here. All the cities in North Carolina bigger than 75,000, we're actually the second lowest. You will not get me to say the ones at the top, but the one below us is actually Cary, North Carolina which is a totally different type of city. When you look at the right there, one other thing that we're proud of and this Council should be proud of for being financially prepared with what you've done, is we have not raised property taxes in four years.

As you can see that with this system in North Carolina where you're not getting inflation on your biggest revenue base, you'll see that's actually fairly unusual for the cities that are over 250,000. The one city that hasn't raised taxes is actually Fayetteville. One thing we're proud of, but I can always hear Mr. Driggs in my ear that this does not tell a complete story, this is just property tax. So, we did try to take it one step further and some of this stuff City Council does not control. This is city tax rate, county tax rate, impact of local sales tax, solid waste fees, the average water and stormwater bill, trying to really collect the cost of local government in the area at our median assessed value and at our median household value.

What you'll see here is that we actually provide service at a very reasonable cost especially when compared to our bigger cities, bigger urban areas in the state. The two cities that are below us are actually Asheville and Wilmington and we're actually lower on

what the city can control in those cases. This is something we constantly track to make sure that we're in line with our competitors.

So, key things from the presentation. We had some positive results from FY22. The way that our budget system works does help us prepare for some of the shocks and stressors that we deal with. Then you did just see some of the comparative issues that I think we do fairly strongly at, but in the middle there's a lot here that is really around national story lines. I used the word national multiple times because the cost of our construction, the cost of inflation, the staffing issues we're dealing with are really national stories that we're trying to work through.

Then maybe the most important because I know that maybe I took up more time than I should, we're going to talk a lot. We have three more budget workshops. The next one is CIP, the one after is around operations and some more about staffing and economics and the final one will be about revaluation and some of the staying in place programs and things of that nature. So, with that, I will open it up for questions.

Councilmember Mitchell said Ryan, can you go back to slide 14 please? So, just want to raise a question. I think our last affordable housing conversation, we see that our funding model would not sustain us and so you' show in 2024, 2026 and 2028 \$50 million for affordable housing bar. Can you show a scenario that if we increase that amount what will be the impact on our budget? I think that'll be helpful for us if we try to get more creative. How are we going to solve our affordable housing financing?

Mr. Bergman said yes, absolutely. This scenario is simply the plan that was in the FY23 budget. No adjustments yet. Nothing changes until the year that Council actually approves it. So, FY25 would be the 2024 bond. We can certainly show you those scenarios. I can tell you that the way it's structured now, other than maybe a few million of new capacity we'll end up with once we go through the workshop, anything added to housing is essentially coming from one of those other areas.

Mr. Mitchell said okay. So, then it's a challenge of the Council when you say other areas, you're talking about bikes, sidewalks, and Vision Zero. Okay. Thank you.

Mr. Jones said I guess the way I would approach this one Mayor and Council, is that while you started off with a steady state at the top line, it turned to \$26 million and because of all the things Ryan said, that steady state has come down. Because you had unprogrammed capacity, you didn't spend every dime that you had. That's enough to absorb some of these additional constraints, but you still had some funds that are unprogrammed. So, as we start to think about that capacity, that is the beginning of a discussion of how you would go about potentially changing what's planned over the next three bond cycles.

Councilmember Driggs said for one, if we're talking about increasing our trust fund or our housing investment, we need to understand that \$50 million is \$25 million a year and it's \$60,000 a door. That's about 400 units. So, I think we have a critical housing situation, but we don't have the capacity based on our existing model to just keep putting money into this and expect to make a big difference. The value of real estate in Charlotte is \$140 billion and we're spending \$25 million. So, I would expect that if we do want to increase our housing investment, we do so in the context of new thinking about how we put that money to work. First point.

Second thing is everything you said here seems to be a justification for a tax increase. We need to think in the context of the revaluation, about how a revaluation works, which is basically we get a new number as to what the property is worth in Charlotte and then we do a calculation required by the state where we demonstrate what the tax rate would be that would cause proceeds from property tax to be the same as they were before. The revenue neutral rate.

So, I think the conversation is going to be around whether or not we actually reset to the revenue neutral rate or whether we reset to a higher rate, which would still be much lower

than the rate before and would still have the effect of redistributing the burden of property taxes according to an updated valuation of the property. Nonetheless, it represents an increase. I think there is a case for an increase based on the factors you talked about, but I'm wondering there is already any thinking about how much it will take in order to offset the effective inflation and to respond to a couple of the issues that you've mentioned here?

Mr. Bergman said so, I wouldn't want to get ahead of Council on these workshops. We worked on the workshop topics with the committee and we're going to talk about a lot of these issues in a more detailed way to try to get feedback from City Council before we go too much further on what it might, what we want to do. I think it's going to really depend on where Council would like to go.

To your first point, the revenue neutral rate, we expect to be around 27 or 28 cents. Is that right? The way that things are now, not finalized yet. We're going to be working with the county on projected appeals, but the way you described is correct in that, that is the rate that we are receiving no extra revenue other than what would come from new buildings essentially in a typical year.

Mr. Driggs said so, that's about a 25 percent reduction in the nominal property tax rate from where we are now, corresponding to the increase in the value of the real estate right? That gets us to 27 cents with no change in revenue from property tax compared to what it would've been without the revaluation. Then the question from there is, do we know roughly what the new valuation is?

Mr. Bergman said yes. It's 1 cent and the new valuation is close to \$20 million.

Mr. Driggs said right, so basically the new valuation of the property is \$200 billion. Right? Then each penny gets on the property tax starting from a 27-cent base or so, gets us another \$20 million in general fund proceeds.

Mr. Bergman said correct.

Mr. Driggs said thank you.

Mayor Lyles said Ryan, I'd like to actually think about this in the way that as we talk about what's new and what's different, we've got goals for a lot of things. So, when you put all of those things together as we talk through today what we're trying to accomplish, [inaudible], 43 percent of small businesses are raising average selling price [inaudible] inflation remains [inaudible]. So, what does that mean for our businesses? What does it mean for the actual programs that we have to support businesses? One of the things that I think we need to have on our capital side as well as perhaps some of our operational, if we take the other funding, it's not significant enough. So, what is the federal funding for capital projects? What are those outlooks when you look at this? Is there going to be an opportunity from the Inflation Reduction Act to impact any one of these categories that would make a difference for us and what would we have to do to get there?

So, I do think this discussion around priorities and what we want to see is really important in the context of the framework that you've given us today and I thought the Economic Indicator Analysis was really well done. So, thank you.

Mr. Bergman said thank you.

Councilmember Winston said thank you. Building off of what the Mayor mentioned and what Mr. Driggs was talking about, a lot of these plans that we have to implement will be over the long term and in order to do that, to implement these plans, we have to generate the revenue to pay for it. In the short term, one of the things that I saw throughout many different slides as you were talking, you mentioned the limited ability for the City of Charlotte to grow revenue, particularly with our steady state model with the way we collect property taxes. Mr. Driggs said it seemed like it was setting up for a tax increase. I think one of the criticisms of just simply raising taxes to generate new revenue is that it's

unsustainable. It's an unsustainable model. You can't every time you need new revenue raise the taxes because that makes eventually your city or your place wherever you're taxing unlivable to certain people, and it changes the environment.

A couple of months ago Mayor Lyles shared some studies that were done with the Republican National Convention Commission that relied on insights from a spread of folks that basically said our current tax structure is insufficient for the long-term kind of growth that we as a state are dealing with. From a local perspective, it really limits the ability for municipalities to generate the types of revenue to deal with that growth. So, as we're thinking about from a perspective of these long-term plans and not just fiscal year to fiscal year, how is the budget department thinking about what tools we need? What tools we need to be advocating for and be part of these budget discussions to really deal with this growth? Mr. Jones, if you need to jump in here, please do.

I know the hot potato is a sales tax for mobility, but over the long term we know that might not be, by itself, sufficient to pay for a need. So, how we're thinking about this and how we're going to be talking about this from a Council position as we try to do the work to implement these long-term plans.

Mr. Jones said so, thank you Mayor Pro Tem. I think there's a couple of things that are going on and I hope these are the takeaways. One, is that you've been great stewards of the resources that this community provides, and you've been able to do some wonderful things. Because we have the plans and what I've been hearing today and over the years is don't have plans, just leave them on the shelf. Is now the time to think about how do you afford those plans? One of the things I will say is that as we go through the other presentations today, some of the other revenue sources will also be mentioned. So, I would ask that if we could tie them together a bit because that will help with some of your decision making because there are different ways to provide relief to the CIP that isn't necessarily property tax. So, I think you're thinking about it the right way. I'm not trying to give you a no answer, but things will become clearer as we start to talk about mobility too.

Mr. Winston said one last question. In this inflationary period and this kind of new period, a return to a time long ago, even though we're not in a bond cycle right now, what does our Triple A status buy us in terms of being able to navigate this kind of economic climate we're going in to?

Mr. Jones said well I think that first of all I should've said this. Thank you, Ryan and your team. Teresa, thank you and your team for putting us in the position that we can have a conversation about having a Triple A bond rating and going into some uncharted territory. It's wonderful to be in a great financial position and that speaks volumes to not just the bond market but other businesses that like to be here. So, I would say that it bodes well for you as decisions need to be made that we're in a strong position and now what do we do next?

Mr. Bokhari said just again, I don't know where everyone stands on this. So, just the way this was kind of forecasted to us and I know we've been telegraphing for a while in different conversations the need for more revenue. One, when the county met the other day, it was stated that at a revenue neutral rate on its own, 85 percent of homeowners are going to see an increase. On its own, right now. That's substantially higher than numbers we've ever seen before. In addition to that, those with the lowest costing homes are the ones who are going to get hit the most.

So, this is as close to the regressive nature of a sales tax that we've ever seen in a property tax right now. That's putting aside the fact that we're heading into what many believe is a rough recession. So, I just have to really emphasize on those merits alone, this is not the time for us to be looking at our good positioning as a property tax level amongst others and saying, "Look we can charge a little more." This is the time to say that's prepared our residents for the rough road ahead particularly also with this revaluation and what's going to happen.

In addition to that, I will just say strategically speaking, another really important reason for us to tighten our belts right now, I've been spending a lot of time lately with the General Assembly leadership and other folks. Folks like Speaker Moore and others, they have touted beyond anything else their statewide accomplishments in reducing taxes. That points also to what we do in the municipalities. We have a lot of items that we are preparing to bring forth in partnership with them this year and if I had a nickel for every time, I've heard them really talk about how important that is to them, we wouldn't need to do it at all.

So, I just want to really emphasize with the market that's coming up, we need to figure out how to tighten our belts, how to think about our taxpayers and what they're going to be going through, but then also prioritize and look at things like that little sliver right there that says congestion mitigation, resurfacing, compared to some of the larger dollar amounts. We have to start asking ourselves again, one are we going to do something big? Two, when we measure that big it has to be measured in the outcome of the lives that we change every single day. We are limited in what's going to happen in our impact on housing just because the problem is so huge and throwing money at it is not the right thing. What we can do around congestion mitigation with technology, resurfacing, expansion of our roads, things like that, that's real stuff. So, I hope we don't lose context of that in these conversations.

Mr. Mitchell said hey Ryan, 2026 they need a transportation project. That's \$66.7 million. Does that factor in the CIC (Charlotte International Cabinet) or the Gateway Village Projects?

Mr. Bergman said no, that's the two road and intersection projects that we have. So, Bryant Farms Road Phase 2 and Robinson Church Roads are the big thing that start there.

Mr. Mitchell said okay, thank you.

Ms. Arnold said thank you. I think that was worthy of applause certainly. Okay, so now we move to our priority discussion. What we'd like to do during this part is to actually lay the foundation and the framework for where your thoughts and priorities are and perspectives are as it relates to priorities for the city going forward. So, we'd like to ask each of you to share your set of priorities. We will record those. We'll continue with the other presentations and then we'll come back to those at that end of the day.

Mayor Lyles said do we want to do a quick break first before you go to this?

Ms. Arnold said I think if we could do five minutes.

Mr. Jones said before we go to break, we have the chancellor. Can she just [inaudible]?

Mayor Lyles said Chancellor Gaber. Come on up. Chancellor, please come up. So good to see you and welcome. This is our city, you're part of the town. So, I'm going to turn it over to you.

Ms. Arnold said thank you for being here.

Chancellor Sharon Gaber said thank you. Well good morning and thank you for being here. We are excited to have you Mayor, Council members, thank you very much for being here. Welcome to UNC Charlotte, your public research university. We're excited to have you on campus and certainly to have you in this wonderful conference center in this wonderful hotel on campus.

You probably know, as you're here and hopefully you've had the chance to look around, 30,000 students on campus just under 30,000 students and I do want to point out, just under 5,000 African American students, just under 3,500 Latinx students. We are proud of the wonderful diversity that we do have on campus. You all know that we graduate about 9,000 students a year helping to fuel our region's economy. About 75 percent of

those students stay in North Carolina. Just under that stay in Charlotte, and they're excited to be here. Quite honestly, we get students from across the state, 89 percent of our students are North Carolinians. They come to Charlotte because they want the opportunities that they have here. We're thrilled that obviously we have the connection with the light rail that brings them to Uptown. Our students come and want to do an internship and want to be in Uptown.

So, I share all of that. The other thing that I'll point out is we're a major research driver for this region. Our research has grown by 72 percent in the last 10 years, and we have put in our strategic plan that we want to move to being a top tier research university. That helps economic development throughout this area. So, we will continue to do that. We are one of the only top 20 students among many peers and competitors without a top tier research university. We are close and we are pushing, and I've said this before. I think I've even said it to the Mayor. The closest top tier research university to Charlotte is the University of South Carolina. That shouldn't be the case. We are that institution, and it is in our 10 year strategic plan to continue to push in that direction.

So, again I'm going to circle back to this conference center. Your unanimous vote for the resources and the investment in this conference center has delivered on its promise bringing academic conferences and research symposiums to this area that were not coming previously. In 2022 we had 8 major academic conferences; we have 7 more contracted thus far for this calendar year. We included prestigious national conferences and topics like cybersecurity, AI (Artificial Intelligence) Engineering, and we have brought researches from across the country including from the National Security Agency, National Science Foundation and we've co-sponsored conferences with universities like Georgia Tech.

So, I want to thank you for the investment, and we're thrilled that you're here. One other quick mention is, and I did see it in the Charlotte Business Journal where they were talking about the tech hub in the area of the Dubois Center in Uptown, we're excited about working with Center City Partners to try to flesh out what that might be, what that could look like, but certainly we want to help continue to drive economic development opportunities for this city. So, thank you again for being here. We appreciate all that you do.

Ms. Arnold said thank you Chancellor.

Mayor Lyles said thank you very much.

Ms. Arnold said okay, we'll take a 10-minute break, and we'll meet back at 11:25.

The meeting was recessed at 11:15 a.m. and reconvened at 11:45 a.m.

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ITEM NO. 4: COUNCIL PRIORITY SETTING

DeAlva Arnold, Facilitator said thank you and welcome back. We will move into priorities discussion now. What we'd like to do is have each Council member individually state their priorities for the coming year. I'm going to ask you to do that succinctly and offer up the three-sentence rule for framework for sharing which is one, state what your priority is. Simply state your priority, give another statement that provides a level of context and then a third one that says why it matters, why it's important to the City of Charlotte. That's the framework. One, just simply state the priority. "My priority is mobility." Second is, provide some context, whatever the context is that you have for that being your priority. So, this is each person speaking for him or herself and the third is why it matters. Why it's important to the City of Charlotte from your perspective. Make sense? Got it? Okay.

Unknown said is it only one priority?

Ms. Arnold said no, state your priorities, your slated priorities. To start the conversation, we'll list on the screen the current priorities for the city. They are broad and expansive and some of them are in process, some of them are supported, some of them are not. That's the lay of the land, human nature. So, this is an opportunity for you to share. This is a strategy meeting. This is about strategy going forward. So, this is an opportunity for you to share. Individually, I just ask you to focus on your own matter. Speak for yourself as you share. We will share individually and listen intently please. We'll have an opportunity for clarifying questions after everyone has shared and also obviously open the floor up for discussion, healthy debate. We may or may not have enough information in the room for some of you, if you have questions the staff, I didn't want to put the staff on the spot if there's anyone who's able to answer questions in the room, that's fine. If you cannot, it's fine to say that as well.

At the end of this discussion, we'll have a simple exercise just to see where the alignment is on the priorities. It's not realistic that we all think alike, and we all care about the same things. We have common values that we share, but we don't want to go down the path as a whole city on the data point of one or the perspective of one. Does that make sense? So, we'll see where there's energy in the room, where there's passion, where there's commitment, where there's alignment and those are the things that we'll move forward with further information investigation. Okay? Thank you.

Here are our current priorities as a city and we'd like to ask Councilmember Anderson to begin.

Councilmember Anderson said okay, thank you. I'm going to stand up because I want to see everyone. First and foremost, I want to say I largely agree with these priorities, with affordable housing being number one and arts and culture being a clear third, but there's a pack in the middle that I think we need a different level of clarity of how important is it really and truly to the city and what type of work are we doing. Personally, my two priorities that I'd like to add to this list or figure out how it's there, is workforce development and the digital divide.

The workforce development for two pieces as I mentioned earlier. Connecting people to opportunities now today, but then building that pipeline for opportunities for the city that's in the future. I hope some of you have heard of the Wayne Gretsky Rule. When they asked Wayne Gretsky how did he become such an awesome hockey player, he said, "It's simple. I don't go to where the puck is, I skate to where the puck is going." Where the puck is going as it relates to jobs are more automated jobs that rely heavily on technology, and we need to build that pipeline so that we can attract those companies who have chosen to go to other parts of the state and other states because we're not skating to where the puck is going. So, that's why workforce development in a two-prong fashion is my priority that I'd like to add to this in addition to addressing a digital divide.

Councilmember Mitchell said thank you. So, my top priority was affordable housing, Corridors of Opportunity and I'd like to add two more, what I call small business. I think the City of Charlotte really needs to be very intentional about funding startup small business. The county has an outstanding program, but I think for a long period of time, we used to be the player in that space. So, very intentional about a small business startup up access to capital program. I agree with the UDO and Charlotte 2040 and then I really think we need to be intentional about a new workforce development department. We need staff who focus on workforce development 24/7. It is a big heavy lift for us, but we all talk about workforce development, and I want to remind everyone when the Chetty report was revealed from Harvard. We finished 50 out of 50 for upward mobility and I don't think as a city we have made tremendous strides on that. So, I think one of the solutions is having a dedicated workforce development program. Last but not least is mobility. Thank you.

Councilmember Winston said the number one priority I have is implementation of the continued implementation of the Comprehensive 2040 Plan. I believe the 10 goals that are centered through using that equitable development framework really encapsulates all the other priorities that we have. We're really talking about reimagining neighborhoods, turning a conglomerate of suburban settings into different types of urban settings centered

around a very dense urban center city. That marries into the really priority 1A, is advancing our mobility needs through lobbying and generating the funding necessary for implementing those mobility plans.

How people and goods move within neighborhoods, to neighborhoods and through neighborhoods are really at the center of changing Charlotte and really the way the American City looks. If we focus on that, we really look at the Robert Mossification of what urban centers look like, what equitable cites and regions look like. That should really be our priority. Thank you.

Councilmember Watlington said so, when I think about my priorities, it's really all under economic mobility. Workforce development several of my colleagues have already said. Absolutely it's incredibly important because if people cannot live here and work here, then who are we working for? We've seen with our growth and our development that we're seeing a shift in who can afford to stay in this community and who is pushed out and we've got to figure out how to address that so that Charlotte is a place that people of all walks of life can live and remain. Of course, in terms of workforce development, we're building jobs for people to work in, but also jobs in the terms of business. So, business development falls under that economic mobility piece and then when we talk about Corridors of Opportunity, for me, that encompasses economic mobility, and it encompasses housing.

As we think about how we grow and how we manage development in this city, we've got to think about what does that mean for people who live here today. So, I would add the smart development component.

Councilmember Driggs said as Chair of the Transportation Planning Committee, my priorities are pretty strongly suggested, but I think transportation mobility is key. I'm not sure I even agree with the suggestion that it's secondary in any category because of the way mobility pervades everything. Jobs, housing, even safety. So, I believe we really have to make progress on mobility. We need to deal with the buses, we need to move the plan forward for our other modes of transit. So, that would probably be my top. UDO implementation is also critical. We need to get it right. So, we have an idea for the UDO for what we want to accomplish. We run the risk that it goes off in a couple of directions we didn't intend.

For example, overloading our infrastructure and invading some of the more affordable neighborhoods instead of creating more of them. So, I see that we have work to do there that's critical and then I would also say jobs. I've been pushing very hard for an apprenticeship type of program. We need to promote the understanding that even though a high school diploma and then a college degree was this sort of aspiration for a lot of people because their parents didn't have those, it's not necessarily the best thing. If we can teach people trades and give occupations, they can make very good money, have a lot of satisfaction and not go to a college and then come out not having any marketable skills. So, my three would be transportation, the UDO and HIRE Charlotte.

Councilmember Johnson said in 2019 I ran with three priorities, and they weren't just campaign speaking points, it's who I am. That's equitable housing, strategic development and public accountability. What equitable housing means for me, yes there's a focus on affordable housing, but that's a matter of where is that affordable housing? So, location in my opinion still matters. So, there was an example where opposed affordable housing that was implanted in a single-family neighborhood. So, there's responsibility in housing development. So, for me, the priority is equitable housing. Yes, that's affordable housing. When we look at affordable housing, we have individuals who are disability income who are seniors who only earn less than \$800 or \$900 a month. So, we really need to take a look at the affordability of housing but also in an equitable manner.

Strategic development for me means smart development. Taking a look at the big picture and the cumulative impact on the neighborhoods and I was just talking to Councilmember Graham and asked Tracy can we pull vacancy reports for all of these apartments that we're building, because if we're entering a recession, we really need to take a look at this

and not just forget our priorities on zoning Mondays. So, strategic development is very important. Taking a look at the sidewalks and the infrastructure, and public accountability. We're stewards of public dollars as Councilmember Mitchell always like to say, "Public dollars are for public good," and I just believe in that and transparency and effective and transparent governance. So, those are my continued priorities. Thank you.

Councilmember Graham said my priorities are pretty much aligned to what's showing on this screen and I'll emphasize a couple. One in particular is the Corridors of Opportunity. I think we made great strides the last year. I think there's a lot of work to be done certainly along Freedom and Wilkerson, West Boulevard, Sugar Creek and North Tryone Street and others. So, when I talk about it being a priority for me, it's a citywide priority. I think all these corridors are certainly important and they all touch on things that we work on every day off sub levels. For an example, business development, ATV, Alternatives to Violence in terms of a focus on public safety. Focus on workforce development and our HIRE Charlotte program. I focus on minority business development, etc. So, the Corridors of Opportunity not only revitalize corridors, but it also revitalizes the neighborhoods around it which focus on our housing.

So, by just tackling that one initiative, it really touches a lot of touch points throughout the city, things that we work on each and every day from code enforcement issues to clean city issues, those types of things. So, it really encompasses so much of what we do and so much of the emails we receive on a daily basis in terms of how do we create a community that's better tomorrow than it is today, one that's livable. I think the Corridors of Opportunity and the public investment, and the private investment goes a long way for that. Certainly, I think transportation and mobility is going to be a priority for me this year as well. The manager has a big hire to make relatively soon in terms of transportation director, CATS (Charlotte Area Transit System) director. That's his decision, not ours, but certainly I'm watching it.

It's important to me that position gets filled sooner than later. The bus system for sure. We received a comprehensive report back in August or September of last year from the consultants that we really didn't spend a whole lot of time talking about. I think we need to in reference to our bus system and how we can make it better with a new director? Then certainly how do we connect within the region from a public transportation perspective and a mobility tax and the tax that we're all talking about. So, certainly how we view transportation and the lens it has to the committee that I chair, Economic Development, is really critical and certainly that would be my last bullet point as a priority. Again, those issues that we deal with from an economic development perspective continue to focus on corporate relocations and working with others who are willing to make an investment in Charlotte and making sure there are win-win solutions for each and every one of us.

Lastly but certainly not least. It goes back again to, I should've mentioned it a lot stronger during the corridors piece that I mentioned earlier, was just the whole workforce speech. That's really a part of what we're doing in the corridors but throughout the City of Charlotte in terms of trying to identify key job opportunities for those who want it and need it. So, I think the priorities that we have on the screen aligns to where I'm at and those two or three that I highlight are certainly important as well. Thank you.

Councilmember Mayfield said I agree with some of the highlights that my colleague mentioned. So, I'm going to share for me, when we look at where my priority lies in our opportunity with HIRE Charlotte, and we look at workforce development, identifying a designated organization business that can actually track not only the money we are putting into training, but also job placement. We have those out there with a grow Charlotte priority. We don't always have to go outside to bring someone in to lead a program in our city when we look at mobility and specifically economic mobility under our transformational mobility network, what does that transformation look like? I agree with my colleague. I'm not a fan of the language of affordable housing. Diverse price point housing is too long for some people. At the end of the day, what does it cost to live in the city because if our workers cannot afford to live, cannot afford transportation to get to work, we're going to have a challenge.

So, how do we tie in housing affordability into that conversation. It is done through our workforce development as well as our infrastructure development. So, those top priorities for me fall into when we look at that infrastructure and workplace, going back to my colleague, what does that apprenticeship look like having a designated business to oversee. HIRE Charlotte would help tie and connect those in when we're looking at strategic development, that encompasses all six. All six can fall under strategic development. It's a matter of us coming together and agreeing with two or three paths that align to get there, keeping the focus on community and not just those for relocation and new people coming to our city. How are we protecting our current residents who have been taxpayers and who are feeling the biggest crunch and what that impact of economic mobility will look like. So, we have HIRE Charlotte, we have housing affordability, workforce development, strategic development/economic development. Thank you.

Councilmember Molina said so, if you'll allow me, I would like to frame my thought process for just a second. I won't take too long. The only reason why I'm going to say what I'm going to say is just to preface my statement with I would like to lean on what you said initially about a both/and opportunity, and I think the most important thing to understand. So, recently on the east side, we had an Intergovernmental Summit. So, myself Councilmember Anderson and County Commissioner Jerrell and school Board Member Stephanie Sneed, we asked the east side communities specifically what they would like to see as far as priorities were concerned for east side residents. They ranked those priorities based on what they found was important to them.

So, the needs based on what you see if you're living everyday in east Charlotte is what they ranked it and those top three from the east side were affordable housing, transportation and safe communities. That's why I prefaced the statement because instructed by the diagram that you're giving me, again, this is about taking information, synthesizing it and figuring out where I can get the greatest return. I am a conduit, right? So, the only thing that I see across the board where I can get all of those things in one, is Corridors of Opportunity.

So, because they have a primary function that's actually connected to each of the areas of concern that were mentioned and it wouldn't be I assume just for east Charlotteans, but the greater Charlotte community, right? So, instructed by how we operate as a city and our functions, the greatest return would be based on the Corridors of Opportunity as a primary function. Secondary to that, to achieve what I need in order to be the best servant to my community members obviously would be a toss up between mobility and the Charlotte 2040 Plan because they both have primary and secondary functions that are going to get me exactly what I need in order to provide service to the residents. Now, again I'm adding the Both/And statement because I also feel like some of the items that we need to achieve are inextricable from one and the other. So, kind of like what Councilmember Mayfield was saying, HIRE Charlotte and even small business development are very important. How do you find out how much you can afford if you don't know what you make for a living?

So, I feel like housing and work are kind of inextricable because the people who need help, it's not that they're not going to work, it's that they're not able to make a living wage living in our city. So, I feel like Both/And is kind of where I sit and I've been sitting here trying to figure out how I achieve that. So, based on your diagram I would give you an answer and based on my personal preference, I would give you another. So, if you could, for me and my personal preference, I would actually like to put HIRE Charlotte and affordable housing side by side because again I feel like those two deliverables are inextricable. As we continue to have the affordability conversation, we have to have concurrently the conversation about wages in our city and what that means. Whether that's from a workforce perspective or whether that's from a small business perspective and we have on the east side, entrepreneurs.

So, the second thing I would add is Corridors of Opportunity because that's what we need and third of course the living document, the Charlotte 2040 and the UDO. We have to inevitably make changes and progress on that document as it continues to unfold, and

this year is going to be a major year and living through what it looks like to have the implementation of the 2040 Plan in the UDO.

Councilmember Bokhari said I want to draw something to our attention before I say what my top three are, which is two things. One, if you notice this list, aside from it being at a super high level and it is the what we're going to theoretically do, not how we're going to tactically go do something. Which is dangerous in itself. I would just note that while I'm not opposed to the Corridors of Opportunity, you will notice one thing looks different than the others on that list. Everything else on that list is what we're going to do except for Corridors of Opportunity which is where we're going to do it. I think that's dangerous because we should be a policy organization that figures out complex policies that any of those topics or whatever is necessary is done and you have to thread the needle so that if the Corridors of Opportunity and what we care about, it can't just be us in a silo. That's a deal making transactional small thinking city. A big thinking city solves any one of those topics holistically at a policy level and it impacts the Corridors of Opportunity in whatever way we need it to by the way we design it.

So, I think my first point is it's going to be just as important to decide what we're not going to do than what we are going to do if we're going to have any chances at success. Then secondly, how we're going to do that to get in the weeds. Like letting staff walk away with, "Your priority was affordable housing," does nobody any good. We've been saying the same things there. We need to tell them how. Like what is the measurable outcome? So, my three items, there's a lot of things that I care about as a person, but I only care as we're talking about thinking big in what this Council can do about three things in this order. It's actionable measurable achievements in one, the future of work and preparing for it. Two, the future of moving people and three, the future of neighborhoods. Again, to get to the measurable piece, the future of work that programs the digital divide stuff that Renee's working on, HIRE that Tracy has, connection to the CELC (Charlotte Executive Leadership Council). It's the training programs, it's the companies we recruit, it's the jobs that are committed and it's building that ecosystem around it, and I would like the measurable outcome to be we take Charlotte measurably looking at the Chetty Study from 50 to 1 in upward mobility. That should be a goal, a rally cry. We already have all the pieces. Your team's been working on it for a while, let's not put it into action and connect the dots.

Two, the future of moving people and I really believe that there's a lot of ways we can go about and it and there's a lot of challenges and history but at the end of the day, the measurable achievement for me is unlocking a transformational transportation investment in this community. What is not a transformational investment is \$300 million or \$400 million that keeps us doing the same things that we've been doing all this time. I think anything over \$4 billion that is again achievable and then aligned towards moving people is something that we would have achieved our outcome if we set that up.

Then three, the future of neighborhoods. It goes back to our infrastructure investment discussions that we've been having. All the pain points that we hear about on zoning nights from neighbors for why they don't want more density. We have to have more density. We have to, but we have to do our other part other than drop rocket fuel on growth with the UDO which is invest in the infrastructure to make it livable around there. So, I think the measurable outcome around that is something like by 2030 we have created a measurement and then a level of acceptability in all of our neighborhoods where the investments that we care about from stormwater to sewer to water to sidewalks, to tree canopy to you name it is achieved. I put that third. It probably should be first to be honest, but it's taken us five years to even start talking about that. So, I'll be realistic.

Councilmember Ajmera arrived at 12:14 p.m.

Mayor Lyles said thank you. I think that Mr. Bokhari reminded a couple of weeks ago. I was in a room with Eric Adams from New York City and he's pretty much like Tariq. So, basically, he said we're going to have a moonshot and we're going to build 500,000 units of housing in New York City because they're in crisis just like we are. So, later on you get to mingle with people and I ran into his housing director. I said, "This moonshot, how are

you doing it because we want a moonshot like that?" He said, "Yes, I'm going to start working on that tomorrow." So, I'm very much grounded in the idea of moonshot. I understand, but I really believe that people elect us every two years so we have to have the foundation for what we do as well as the vision for what can happen as we do this work.

So, I believe that the number one priority for me is actually mobility because it equates to the idea that we can share our housing opportunities beyond our borders. That we can actually save households money, disposable income from a car if we provide mass transit opportunities for them and that I believe that I've not seen a really great city survive without an adequate mobility system. Whether it be trains, buses. It's certainly not going to be cars if we're going to follow the existing plans that we have for clean air. So, my number one is the mobility funding and the collaboration required to get it accomplished.

Then the second thing is the jobs issue is absolutely essential. The reason that The Pearl, we're right now a fintech town. I expect that medicine and healthcare will take over the largest population but if we don't know what the jobs are, my actionable study would be over the next two years that we actually have a job study that connects and works with the employers in the city to calculate what the training opportunities are. Again, another collaboration, but absolutely essential to be done.

Then I think the final thing that I would address with this is that when we're talking about housing, that if we can combine what the federal government is going to offer as opportunities for supporting affordable housing and mass transit together, those two initiatives together will make a real dent in what we can do with affordable housing. That if we can buy the right of way for a train, then we can also have development right next to that station. \$3,000 to \$5,000 to own a car in this city. Building that train will allow for density and help with our implementation of our UDO. So, mobility, actionable items on the jobs, agreements, and opportunity and then the idea of affordable housing incorporated in our mobility funding to achieve the goal of having people live and work.

Councilmember Ajmera said well when it comes to priority, I think we've got to make sure that people have a roof over their head, they have a quality job that pays them a livable wage, people can get from point A to point B in a reliable fashion that is also efficient.

We've got to make sure that we provide a clean environment that includes quality of life, especially clean road, infrastructure and quality of life where people continue to see Charlotte as a magnet where it continues to attract good paying jobs and for residents that can live a quality life and raise a family here.

Ms. Arnold said very good. Thank you. I'll ask now if there are any clarifying questions.

Ms. Watlington said I just wanted to follow up. As we listen around the room, and I think Bokhari hit on it. I don't think there's a lot of dissonance if you will or disagreement in the what high level. I think what we're really hearing is a desire to go deeper into the how and be more specific about that. I like what the Mayor said. She laid it out very clearly what she wants to invest in and that I think gives folks an idea of, "Alright, do we want to invest in that?" That's going to cost money. Do we want to sign up for that? I think that level of execution is the piece that really is the value add for this group. So, I'd love to hear a little bit more about that from folks because I think that's really where the rubber meets the road in terms of where our dollars are going to go.

Ms. Arnold said we'll get to that point in terms of the how. Right now, I think it's really important to ground everyone on the higher level what, because we did have some new things surface here. So, we want to make sure that there's passion around that and where the alignment is around those things. You're exactly right in terms of [inaudible].

Mr. Bokhari said I would just add on because I think you're spot on. That's fine and you have a process here, but I would just say if we never come back to that and we're sitting in Council a month from now and we're presented, "Here were the results of what you

wanted,” and it was as you can see there were 85 percent of what the Mayor just said I totally agreed with. Maybe 90 percent, but there were some things I heard that I did not agree with and we’re not going to hash that out maybe like this, but we can’t skip that step.

Ms. Arnold said absolutely.

Mr. Bokhari said it’s a very important step.

Ms. Arnold said absolutely. Very much agree with that.

Mayor Lyles said just an idea that I think that if you looked at all of this and you said, “What is the how, and when does this how need to start and fund and come about as a reality?” We have what we want to do, and we can put that down, but then we have to go back and try to figure out how to set all of it together in a plan that we’ve already talked about for our budget efforts for all of the things that we’ve got. Sometimes we have to remember the commitments that we’ve already made. There are a number of organizations that rely on us and work with us regularly and that flexibility of change. So, there’s discussion I think around the how, but it actually helps me more if it’s a win because the win often drives the how in our organization.

So, is it going to be in this upcoming budget? Is it going to be a plan or when does it actually take place because the how will depend on when we start some of this. Sometimes we’ll start and if we do the how and not the when, we’re too late.

Ms. Arnold said I think this is where some of the disconnect is as well in terms of, okay, there is surely one here that we all agree on. Affordable housing, but the disconnect obviously is going to be in the programmatic impact to that. How does that live within the City of Charlotte over the next 20 or 30 years? So, that has to be a Phase 2 in order to make sure everybody is on the same page, but in this moment, we just need to get to this list so that people will have jobs to do, people will know what to do next year.

Mayor Lyles said so, I know Lauren was writing everything up there, but as I look at the list, I have to turn back a couple of pages, but I wonder if there is a way to kind of look at the numbers and see where we are.

Ms. Arnold said we’re going to get there. Yes.

Mayor Lyles said okay, alright.

Mr. Winston said I think one of the working agreements about finding the both/and is so important. I just think that’s what leadership really is. It’s not that we compromise on any of our individual values, but how do we put something on the table where we can work on it and push forward? Because nobody is going to give up what they personally believe. That’s kind of why we were all hired to do our jobs.

So, the idea of jobs and livability seem like such a key to what we do. I guess I’ll go my personal route a little bit. I get a little frustrated when we start talking about such a focus on the jobs of the future. That’s kind of like, “No duh.” That’s again why Charlotte exists. Charlotte became a banking town because business innovated so much. We literally had people with barnyards full of money and that money had to go somewhere so they created banks here and that’s why we’ve continued to grow. We also know that while we do workforce development, those jobs of the future are really based in the educational system. While we certainly should be working, I don’t know if that focus on the future is necessarily where we need to focus on because when we talk about affordable housing, those jobs aren’t the ones that are going to make housing more affordable on scale. It’s the jobs of today and the jobs of yesterday that we don’t have. That’s where the intersection is. How do you create jobs for instance that lead to housing being more affordable? Something that Mr. Driggs talks about all the time. We don’t have enough carpenters, enough plumbers, enough steel workers. When we talk about mobility and how do we make best use of the revenue that we’re going to need, it relates to those jobs

that we don't have. When you hire crews from Kentucky and Ohio and you have to pay for their meals and pay for their hotels on top of the wages, that's what makes building a sidewalk so much more expensive. So, why should we not be focusing strictly on those places where our individual priorities as we say interconnect because it's so clear that we have the interconnection?

Ms. Arnold said that's a prime example of what this Phase 2 discussion needs to be. So, everyone agrees. I think everybody said workforce development. Your perspective is apprenticeships and really hiring people, they're lots of kids coming out of school.

Unknown said trades.

Ms. Arnold said trades. Trades are very important. There's another perspective around future. That's the Phase 2 conversation. So, what we have to do in this moment is agree on what are the priorities and where do we go to Phase 2? What's worthy of a Phase 2 conversation versus where is there only one person in the room has a strong enough passion about that. We won't advance that at this time. I'll ask again if there are any other clarifying questions or comments as we need about a five-minute break.

Mr. Bokhari said how many of these things are going to advance?

Ms. Arnold said none, that's where we're going to go now. So, let me just state again. What we're doing is taking everyone's perspective and we're going to have an exercise in just a minute to visually see where some of the passion is and where the alignment is and start the conversation around alignment. So, we'll go into the next phase of the conversation. We just need about a five-minute break if that's okay.

Mayor Lyles said is it lunch time?

Unknown said yes.

Mayor Lyles said well, working lunch is always good. So, do you mind doing that?

Ms. Arnold said thank you. No, please. I never know what time it is. So, someone has to stop me. I'll just keep going. So, thank you.

Mayor Lyles said it's 12:30. Let's take a working lunch and be prepared to hear how we're going to sort this out afterwards.

Ms. Arnold said that's perfect. Thank you.

The meeting was recessed at 12:27 p.m. and reconvened at 1:28 p.m.

Ms. Arnold said I hope everybody enjoyed their lunch. Thank you all for working during your lunch. Great discussions and you actually voted. So, the next step in the process is to take a look at the priorities which are here along with the initiatives. So, all of these here were represented on the posters along with some that were new that were added in the room. You each had the opportunity to vote on them. So, thank you Council members. They've already voted. So, we can actually see visually where there's more energy and passion around some of the initiatives. We had a few no's too that we should address since each of these are on the current slate of priorities and that will be a drastic change for some of them. So, we want to first just address those that have the most passion.

So, affordable housing, Corridors of Opportunity, HIRE Charlotte are the top three votes from the Council. So, affordable housing. So, if you literally just look at the number of stickies. Mayor did you have a comment?

Mayor Lyles said I do want to say that I think that the idea of Corridors of Opportunity that Mr. Bokhari addressed is a good one except I think that we have to be very firm in our commitment of location of where we are trying to correct some of our history. So, I just wanted you to know I don't disagree that if we got everything right, but we've got to repair.

It's not a virgin kind of place. So, that's why I really believe that if we can do this successfully, we might've leveled the playing field a little bit more.

Mr. Bokhari said just to follow up on that, Victoria came over here and we had a chat afterwards and I think it was a really good one because it further refined the point I was trying to make. It's not that I was saying it's not important or it's not something we prioritize, it just feels out of place next to a bunch of what's that there's a where. My concern is when there's a where next to a bunch of what's, it becomes a focal area of staff and a subset of staff and now we've got two groups of people. One potentially working on the same thing but one's working at a micro chasm in these areas and another's working at a policy level.

So, Victoria actually had an idea that I thought made a lot of sense. I fought against the equity framework because I didn't believe it was an actual framework. Perhaps instead of it being an element here of the roads, the Corridor really becomes the first practical piece of the equity framework. So, then you're using a lens on any of the topics we're doing to make sure in this case the Corridors are included and are a part of it, but we're only having one view, one vision across the city for each of the major topics. We're just making sure we're applying them in those Corridors with the right emphasis.

Mayor Lyles said okay, that makes a lot of sense. I think that sometimes we communicate and engage people in something and just have to keep the people aware, but I think what we do internally is our choice. How do we get invested [inaudible]. So, I know that we have a cross-sectional team that works on these right now. I'd be worried [inaudible] set the right model for what we're doing and how [inaudible] sometimes our metrics. We need to start establishing some [inaudible]. So, I just wanted to make sure [inaudible].

Mr. Graham said that did make the top priority list, didn't it? The top threes?

Ms. Arnold said affordable housing, Corridors, and HIRE Charlotte, workforce development.

Mr. Graham said okay.

Ms. Arnold said those are the top three. I'll ask now are there any other questions, comments or clarifying points around the top three.

Ms. Anderson said I'd like for us to have a clarification conversation around HIRE Charlotte equaling workforce development because at least when I think of workforce development and the conversations that we've had, it's more exhaustive than what I believe exists in HIRE Charlotte. So, I'm wondering if anyone else is struggling with that equation there and how we can be more pronounced about what our priorities as it relates to workforce development really and truly should be.

Ms. Arnold said okay.

Mr. Bokhari said so, I'll chime in just from my perspective on that. I think there are two things we need to be real clear on as a group with this. One is HIRE Charlotte is the overall umbrella that goes into and connects all of anyone who has anything to do with workforce training providers and connects everyone in the private sector and the nonprofit sector and has all these capabilities here. Then they go partner with all of the job providers, and they have business plans and things. They say, "What do you need?" To what the Mayor said earlier, there's an analysis of the jobs that are necessary and they connect the dots there. So, to me that's all encompassing. Now if there's a second bucket where people are saying the City of Charlotte should also get into being a workforce provider, I think that's a bad idea and if you're saying it's more encompassing to go do those things, I've always been of the mindset that going and doing those things isn't necessary. There's tons of people that do them, it's about facilitating them, structuring around them and most importantly getting the job commitments.

So, that's how I best describe it and I think that if we are not going to get in the business of being a workforce provider ourselves, HIRE covers everything. If we want to get in the workforce providing industry, I think we have to have a deep discussion on why we would do that.

Ms. Anderson said I've not made any assumptions. What I'm trying to do is get a level of understanding around really what's in HIRE because quite often I hear us say HIRE as everything and effectively that doesn't really amount to much because we're throwing so much under the guise of HIRE like it's this huge umbrella that's going to cover everything. Is it an ecosystem, are there connectors? It's not clear to me and I might be the only one that it's not clear to, but it's not clear to me how that is a direct driver of workforce development. So, I would just like us to have a conversation about that without assumptions.

Ms. Arnold said thank you for clarifying your point.

Mr. Winston said I have a similar question as Ms. Anderson. I know HIRE Charlotte has been kind of an iterative process. There's a lot of people involved and engaged, and I know it's supposed to be a north star in all of this, but I don't really know how to explain. What do you tell the person on the street who needs to find a job? How are you going to explain to them what that means? Really when I think of workforce development, I think there are maybe a couple of different directions. How do you get people connected to jobs right now, or if people aren't able to be placed with jobs, how do you get them into the position to be in a workforce. I don't know if what we're doing with HIRE Charlotte really translates to that person on the street. It might translate kind of theoretically and philosophically to the people involved in it that are putting it together, but I don't know how it works for the person on the street.

Ms. Arnold said so, is it safe to say that if I were to rephrase a little bit, it sounds like there's not a question about whether or not workforce development should be in HIRE Charlotte, it's more about advancing and prioritizing workforce development as a part of HIRE Charlotte? So, there's not an issue with it being under the umbrella.

Mr. Bokhari said sounds like there's a basic level of ramping up that some folks may need to do around what it is before we can have a conversation.

Mr. Driggs said we talked in committee a number of times about the fact that the work that has been done, which is basically research, data gathering, identifying where the needs are in the market, where the availability is, recognizing that they don't align very well. Then we have created a portal that people can access, but I think what we talked about in committee was we need to try to get closer to where people area and engage with them and not expect that if we put a website up that they're going to go there and avail themselves of all of the opportunities. So, having been on the board a good will for nine years and having talked to Charlotte Works, I can see existing models for working with people, a wrap of services, training, job placement and a program where people can work and learn and get paid and then have a job when they're done.

I think we need to expand that process and the outcome is you have a person who can support themselves and their quality of life is better than just from receiving a subsidy of some kind. So, when I've advocated for more investment in HIRE Charlotte, I think the thought I have is that we have employment opportunity centers or we have ways in which the city can actually talk to somebody who isn't qualified to work, doesn't know why, doesn't know what to do and say, "Okay, let's take a little inventory of your assets, think about what you need to work on." We've heard that soft skills for example are often a big problem. So, how do we get people from a place where they can't get the job they want, to being qualified for that job?

Ms. Arnold said very good. Ms. Dodson, may I ask you just to give up a high level summary of HIRE Charlotte just to baseline everyone?

Tracy Dodson, Assistant City Manager said so, if everybody will go back to what we talked about two weeks ago in the housing and job summit, there were five things that came out of HIRE Charlotte. The first one was, as Councilmember Driggs said the one stop portal for lack of a better way of putting it, we heard you when we brought that about meet people where they are. So, now a lot of the work that we are doing is how do we integrate meeting people specifically in corridors that are job seekers similar to how the digital platform that we would have with the portal that we've talked about. So, that was one.

The second one was targeted and industry specific hard skill training. That's where the apprenticeships come in to. The third one was soft skill training as Councilmember Driggs just alluded to. The other one that we had in there was the target industry business plan if you will. So, in the housing and job summit, we use the example of The Pearl and that's a new industry sector where we're working with our partners to be very strategic about the businesses that we're recruiting and making sure that we have a pipeline of local talent to start to fill those jobs as we're recruiting them and how those two things can work together, not just on the life sciences side. We need to do the same thing on financial services, tech and so on and some of our other target industries.

So, actually what we have planned is that next week in the ED (Economic Development) Committee, we were going to come forward with all of our requests for the ARPA funding for the second tranche. What hits on all of those things that I just mentioned, in total, there's some for small business and there's some for corridors, but in total that's \$16 million that was to implement those goals that came out of HIRE.

Ms. Johnson said I just want some clarification on the HIRE Charlotte priorities. I know when I was on the ED Committee, I really advocated for justice involved individuals and we had made some progress on that, then during the Housing and Job Summit, I feel like they were specifically not listed in the plan. So, if you could give me an update on if we are capturing information about justice involved individuals and if there are any programs that we are developing to target them since they are some of our hardest to serve as far as employment.

Ms. Dodson said so, as we work with partners to build out some of these training and development programs, we would have a focus of how do we bring them in. We're not necessarily talking about building a specific program for them. Part of why we did HIRE was because we got a lot of requests about create a program for this or create a program for that and we tried to step back with the ecosystem and say, "What is it that this community needs? What types of trainings?" Really get united behind that strategy. So, as I've always said Councilmember Johnson, it's a piece of it, but you're not going to see it pulled out as its own set aside initiative necessarily. We have that lens when we think about the targeted industries. When we think about the soft skills, how do we serve that subset within that?

Ms. Johnson said thank you. That is a piece that we really need to look at through an equitable lens. I know that we hope to capture them as we're developing programs, but they are intentionally excluded from so many opportunities, that we need to be intentional about developing resources for them. Thank you.

Ms. Mayfield said so, mine was a question that seems like it's starting to happen. For HIRE Charlotte, I was just wondering if we were going to have a space to have more conversation, but it seems like the questions and conversation is starting. If you go to the website, we don't even have updated information. It's a committee. One of the reasons I'm in support of it is for us to have a set aside space to have real conversation of outside of a steering committee and a project team, we have an opportunity to have this program actually managed where we're tracking the training we're already doing.

To my knowledge, and staff can tell me later if this is inaccurate, we're not necessarily tracking what we're putting in investment. So, if I receive training through Goodwill, through Urban League, through whichever partner, you're not tracking how much that total investment is going into me if I'm placed with a job. Let's just say it's \$82,000 that

has been paid out in my training. The job I'm connected to is paying me \$47,000 to \$52,000 versus having continuous conversations of these are the new jobs, what are the jobs we currently have on the ground. There are some jobs that right now need filling that are a 6, 12, 15-week program that very well could put you in a completely different tax bracket where you could come out of that training, get connected and be making \$60,000, \$70,000, \$80,000. That's in my mind what I think of when we talk about HIRE Charlotte and creating the opportunity for a company that's actually doing that placement and that can run the algorithm to track your training to your employment, to your growth in that employment.

Mr. Graham said I purposely sat quiet and listened to the discussion because certainly the HIRE jobs initiative and how we seek to employ and connect individuals in our community, individuals who are looking for a job and employers who are seeking employees is part of the major fabric of what we're trying to do under HIRE Charlotte. I think the discussion at the Housing Summit kind of clearly outlined the direction that we're headed to. I know there were a number of Council presentations thus far and as the director of ED has indicated, on our agenda moving forward, are a number of the same items for funding that I'm hearing being discussed today.

So, I think we're implementing or beginning to fund some of those very same initiatives where there is specifically targeting of hard skills training development, the apprenticeship program, soft skills, modeling curriculum, etc. So, I think we're walking down that path. Certainly again, there is not microwave solution in government. So, we're not going to push a button and we're going to be done with this tomorrow. It will take some time. We are tracking. The city should be tracking in terms of what we're investing in and the return of those investments with other community partners. There's a wide variety of nonprofit organizations that are operating in this space that's committed to work with us to strengthen, to enhance and to help make stronger within the HIRE Charlotte program where it needs to be.

So, there's a lot of community support and we have a great case study out there with The Pearl that takes into consideration a lot of what we're saying in terms of certification programs, how do we identify major corporations who will be coming into The Pearl looking for unskilled workers. Many of which don't even need a college degree, but some type of certification program. How do they connect so that all these companies who will be a part of this innovation district know how to plug in to identify employees and employees can identify the new employers who are moving into our community.

So, I hope that we would just have the patience of a marathon runner in reference to what we're trying to do around jobs versus the outcome of a sprinter. It's going to take some time. I think no one is suggesting that it is done. I think we're all open to make it better. So, I hope the discussion is how do we make it better. How do we make sure that the \$16 million hopefully that you guys will support is geared in the right direction and that they're outcome focused. That we're targeting and tracking what we're doing. I think based on where I sit and where I see it, I think we're all talking the same thing, different love languages maybe, but I think the same direction is where we want to go.

So, I hope that we're not having a nuanced conversation based on terminology and words. I think the strategic direction is where everyone wants to go. We want to help people get jobs whether they need a certificate program, a GED (General Education Diploma), those who were formerly incarcerated. Where do they go? Also, we made an intentional point about ensuring that everyone doesn't have to go to a portal to submit an application, that we're working on these corridors to ensure that they can go on West Boulevard or somewhere on Beatties Ford Road to a community based organization where they can formally apply for a job, like I did back in the 70s. When you actually walked in somebody's office, you gave them your resume, you looked them in the eye and said, "Hey, I'm here because I need a job."

So, we're trying to do it both ways in terms of a very sophisticated matter where you just go to the portal, put your resume in and also working with those on the ground, those in our corridors to ensure that people who need a little bit of help, a little push, a little bit of

furniture polish to get them ready for the job, get what they need in our communities on our corridors. So, I think we're heading in the right direction. I hope that the Council members will have a little bit of patience.

Ms. Watlington said as I listen to the conversation, two things come to mind, and I think you hit on it a little bit when you talked about patience Councilmember Graham. I think about what the Mayor said earlier in regards to when. That key question, I think there's the long-term strategy that is kind of building from the ground up and what I'm hearing with The Pearl. I'm hearing the urgency of now for the people who are in our corridors and across our city that are in need of a way or a means to counteract some of the things that we see in our city.

So, to the extent that we'll have an additional conversation today or tomorrow about this or if it's in the ED Committee, arm us with what we need to understand so that as we're having conversations with our residents that we know what looks different because HIRE Charlotte is happening. There's the component of, "Alright, this is what's coming," but if those people are pushed out of the city before that shows up, they don't care. So, it's a both/and for sure.

Mr. Mitchell said Ms. Watlington stole some of my thunder. Ms. Arnold, I'm going to go back to your flip chart though. You said we need to think of a way of and. So, when I brought up workforce development, I'm thinking about that tailored focused on the Chetty Report that we were 50 out of 50. We need to have a laser focus for Charlotte to move out of the bottom and towards maybe the top 10. I do think Councilmember Anderson said it well too. We need to meet our residents where they are and really prepare them for the jobs of today as well as Mayor Pro Tem said in the future.

So, my workforce development vision is different from HIRE Charlotte. I think they can coexist, but we need laser focus on how do we address those that want to live in our city and they need job skills, preparation and those people skills that sometime holds them back.

Mr. Winston said to improve our position on that Chetty List as Mr. Mitchell refers to, I agree with that. That's an outcome that we can get staff to work towards, which is why I think we have to define more of those specific outcomes rather than just say workforce development. Honestly that's what Ms. Johnson was talking about, right? Working with certain populations for instance, we can tell staff to work on that and they can work towards these goals. We can say we want to be in the top ten city for people being reintroduced into society of getting a job within three years or on a career path within three years or we want to be the center of in America for Black entrepreneurship or we want to be fintech place, right? I think our role in HIRE Charlotte or whatever it is around workforce development has to be defined. Sometimes I think we're just talking way too broadly.

When I first got elected on Council, what was it Project Peace? We were looking to do some of those trades. We started with HVAC (Heating, Ventilation and Air Conditioning) but somehow, we never kept going on that. I think all we really have is the HVAC program. That's all we have.

Ms. Ajmera said we have the Renew Program, fiber optics, construction [inaudible].

Mayor Lyles said [inaudible].

Mr. Winston said what has been the outcome of it? I think that's what we really should be focusing on. Those outcomes.

Mayor Lyles said [inaudible]. I remember when the city at one time had a jobs program. It was called Manpower and it was funded by the federal government. Several of those agencies that were funded then still exist today. The issue is you have models for this. The ED Committee is looking at a model for it that is a collaborative model taking people that currently provide this service and trying to push that back out where people are and

getting this access. Access is absolutely important, but I wonder how we are going to draw out a map of this and say what we've got and what we need and I think that at the Job Summit, I can recall we had people talk about what their current roles were, but I don't know that we've had the conversation about what model works best for our city and whether or not this model that we currently have, which is a reliance upon agencies that are providing this training. I worry about the idea of creating another city department that would actually do this kind of training. It's really something that needs some analytics, data that we need to have to figure out what works best for the population that we're in.

So, I like the urgency issue because these things don't take place. We started a conversation with Atrium and Central Piedmont on LPNs (Licensed Practical Nurse) two years ago and nothing happened except we talked about how to collaborate. So, something's got to push this a little bit harder. Somebody's got to feel like there's a sense of urgency about it. I think I heard Councilmember Graham feel that way. I've heard it in other voices, but at some point, the Council has to approve the model that works best for the city. We've all got individual experiences, but what's going to work best collectively particularly in our corridors, particularly for the job and analytics that we need to do? I wonder who feels the ownership for that? We all have work that we need to do, I think that's not right now in the Economic Development Committee to take these voices about meeting people where they are, having the target, what's the best way to organize because this isn't something that we do. This is being done by our private sector, our nonprofit sector. So, how do we build those relationships and what model do we have for it?

Mr. Winston said to that point, isn't that part of what neighborhood building is, what part of the goals of the 2040 Plan that calls for this? Go back to Mr. Roger's Neighborhood. Who are the people in your neighborhood? You go and learn about all the jobs that make up a neighborhood and then you figure out how to get them there.

Mayor Lyles said I agree with you, except what are the 5,000? How many radiologists are in that? How many LPNs are in it? How many RNs (Registered Nurse) are in it? I grew up on a street with a barber shop, the restaurant guy, the post office guy, but that's not the world we live in today. With analytics, we have the ability to do analytics [inaudible].

Mr. Winston said that's the problem. Those jobs aren't there.

Mayor Lyles said 2,500 of the jobs for The Pearl only require an associate degree. Those jobs are there, but if we don't have Central Piedmont teaching the skills. I'm going to go to your point on contracting jobs. If the Electrical Association decides to do the training, we have to have an agreement with them to collaborate to do that. We have to figure out a way to get people in those jobs. So, I think those jobs are out there, the question is how do we get people in them and we're struggling with that right now.

Ms. Watlington said one of those things I will say, just in having met with some of the folks over at Goodwill and Rock and some of our larger commercial contractors is the curriculum. They are training them. God bless them. They can go work for residential HVAC companies, but if you're trying to hire people to work on a contract at the airport or at CPCC (Central Piedmont Community College), the skillset that is required for those contractors is a different skillset than the residential piece. So, I do think there's some work to be done in terms of the curriculum and actually matching that up to what employers are in need of.

Mayor Lyles said I agree with you. I think Central Piedmont and our trades industry are key to doing both of those things, but you have to have an agreement with them.

Mr. Winston said trade unions.

Mayor Lyles said you have to a lot more than what we're talking about right now. I guess what I'm saying, is economic development going to own this and push it out with a sense of urgency?

Mr. Graham said I think there's a committee meeting next week where we're going to be discussing these exact items with an appropriation to go along with it to kind of pay for it and setting a strategic direction based on a lot of the conversation that I've been hearing this morning. So, I think we're moving in that direction with urgency as early as next week and what we're voting on is not different from what we're hearing or talking today.

Ms. Arnold said that's great confirmation. Thank you.

Mr. Bokhari said I think where the problem is. We've had the range of interest in this has varied where we've had a lot of topics. Some people have been in the weeds of it, some people are hearing about some of it for the first or second time. So, I think first step is if we're coming out of here with this is a top priority, let's all get up to speed of where we are and what's happening.

Now, with that though what hit me is I completely agree with what Malcolm has said, but also with what Smudgy has said over here. I think there's a lot of little things and work behind the scenes, but we haven't all come out and grasped and got our minds around what's the big vision. The big needle moving thing we're going to do. I really believe that again, goes back to a measurement of upward mobility. So, you go back to the Chetty Study, and I'll make sure Councilmember Mitchell hears this because this is coming from exactly what you said. What I've been working on, on the side, and then just keeping my fingers on the tabs of what Tracy's team, what Renee's team is doing, the digital divide, we have a chance to take Charlotte from 50 to 1 in upward mobility inside the next 5 to 6 years through these programs. I truly believe that, and it starts with digging into the Chetty Study and measuring where it is.

So, we know that it's the percentage chance a child goes from the bottom quintile to the top and right now Charlotte 50 out of 50, not now, but at the same time as when it was started 4.38 percent. That's the odds that our bottom quintile 18-year-old in this community makes it to the top quintile. 10.83 percent is the number city. That's Salt Lake City, Utah. So, they're not great but they're better than us by a stretch, but nobody's great at this. I think that's an important part. If we then break it down and say \$24,000 a year is the average household income of that bottom quintile, and then we say there are 12,000 at any given point right now, 18 year olds in Charlotte, we need to start thinking about each year as a cohort of the kids that are coming out in the bottom quintile holistically and then we say of those 12,000 18 year olds, 2,400 are roughly in the bottom quintile.

So, our universal focus is 2,400 and then that means that we're ultimately going to try to surpass that 10.8 percent as our goal which is we need to beat 260 of them every single year that we track, every year. Whether they're going into tech training, whether they're going into HVAC training or whatever it is, the point is we're going to create all the programs that at least 260 every year that we're going to track are on a path to go from what their household income was of \$24k up to the top quintile, 1 of \$110k. If we do that, that 260 is a very achievable number over five years every year. If we do that over five years every year, we will have reversed engineered the Chetty Study and we will be number one.

So, the point is let's get behind something we can measure and then fill in the blanks with all the great work everyone's doing and continue to measure the outcome so that the world takes notice that, "Oh my gosh, what have they done in Charlotte? They just changed the whole model." That I really firmly believe. Trust me, I sit in this space every single day. I understand this space far better than most. This is not that far beyond what we could achieve.

Ms. Arnold said thank you. In summary around this particular priority, it sounds like there are many common threads there. One is obviously HIRE Charlotte is an umbrella. It covers a lot of the important points that have been discussed today. There is a need for a sense of urgency, there is a need to clarify and refine some of the major points, initiatives and programs. There's a meeting next week to address the set of recommendations that are coming forward out of ED and then in addition to that, we heard

that there needs to be a lighthouse, a goal. What are the overarching goals? Certainly, none of us felt good about being 50 out of 50. So, hopefully your numbers are good.

Unknown said [inaudible] always good.

Ms. Arnold said there you go. It would be great to be number one. So, there's a lot of great energy around it. They're a lot of common threads that we heard today really from each of you in different ways around a sense of urgency around these goals analytics and really having some KPIs (Key Performance Indicators) success metrics to say, "How are these initiatives making a difference and how are we measuring them and what does success look like?"

One last comment and then we'll move on.

Ms. Watlington said thank you Ms. Arnold. Not for nothing. The Chetty Study was not just about jobs, right?

Ms. Arnold said that's right.

Ms. Watlington said when you look at intergenerational mobility and you look at what did my parents make at age 30 in 1996 versus what I'm making at age 30 in 2012, a lot of what we saw in the Chetty Study was due to the structure of the household. We know that African American female, single head of household is disproportionately larger than any other race and any other demographic group. That as a component. So, as we talk about how do we invest in our neighborhoods, how do we partner with the county on some of those services, that has to be a part of it because a lot of when we see a wage gap, it's because there are two people in this household that are earning dollars versus one person in this household earning dollars.

So, if we're going to talk about the Chetty Study and the numbers and how they really were put together, we've got to dig deeper because there are some other societal things that are impacted.

Ms. Arnold said absolutely. There are a lot of people in this room smarter about it than me, but I do remember that zip codes matter as well. So, as you think about affordable housing and some of the conversations around that, I think that's really important in terms of changing the environment of the households.

Mr. Bokhari said just to reiterate. I totally agree. My point wasn't to say here's the answer, it was to say here's an example of how we measure it and then it's going to take all of those things, but once we do it, then we all get lock step to say, row in the same direction. That's where the vision meets the tactics that are underneath the hood of Charlotte HIRE, of digital divide, of all the different efforts that are going on.

Ms. Watlington said I'm totally on board. I was adding to, not negating what you were saying. The other thing I'll add too about the zip codes. Only 5 percent of neighborhoods where Black boys live have both good schools and a high quality or a high number of male mentors. So, that's another piece that may not sit within us. My point is that we've got to look intergovernmentally.

Ms. Anderson said absolutely. Very good. Great point.

Marcus Jones, City Manager said so, these are the Council's priorities and maybe this is for later today or maybe tomorrow. From a staff perspective, I'm not sure what those four notepads mean, in terms of did something get added, did something get dropped off? I know the budget office is going to ask me that tomorrow. We don't need to do it now, but I'm not sure if arts and culture was three stickies, if that means something.

Ms. Arnold said we're going to go there in just a second. Thank you.

Mr. Jones said okay, alright.

Ms. Arnold said I do want to just confirm, before we move off, I do want to confirm that there's agreement with affordable housing, Corridors of Opportunity and HIRE Charlotte which were the top three. So, we don't have to question those or talk about those, or are there clarifying questions about either or those?

Mr. Bokhari said it's clear that the will of the Council states that. I would just say it's one thing to throw sticky notes up, it's another thing to prioritize when budget season comes up of what we can versus can't do.

Ms. Arnold said of course. You would have feasibility studies and anything else that needs to happen as it relates. Well not studies, but obviously the team needs to tell you what's feasible and what needs to happen to carry this. This is simply to get the Council on the same page as it relates to next steps.

Mr. Bokhari said I hear you. I'm just saying it's a very slippery slope when we say that and then we get to two top priorities of investing in roads and transportation and affordable housing and look at our bond capacity and things like that.

Ms. Arnold said there's a place for that right? You have processes to work through some of these. Well, I can help you with that.

Mayor Lyles said to be clear, I do think that's an excellent point where we will land today, but at some point, tomorrow, we've gone through this, give everybody some time to think about it, but we will have to vote. I mean, we've been telling people these priorities and we've committed to these. That doesn't necessarily mean that the budget's going to be all there or how it's going to work because as I said, we've got a lot of programs that we currently do. Maybe it's not necessarily adding to, it's like, "Where does it fit?" I think that we will have to have an actual hand raising on these issues tomorrow for some guidance.

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ITEM NO. 5: ARTS AND CULTURE (WORKING LUNCH)

DeAlva Arnold, Facilitator said very good. Two other points I think are worth discussion. One is that there is one initiative that's on the board here that did not get a lot of passion from the room. Want to discuss that, and then we'll talk about the few that were added as well to make sure that everybody's on the same page in terms of when we're leaving out, understanding that there's more discussion here.

So, Arts and Culture actually got three nos. In terms of the question was, if you are not in agreement that this initiative should advance, that was the question. So, there were three no's from Council members that Arts and Culture should not advance. As we all know, that is an active initiative and project. It is underway, and so certainly is worthy of discussion in the room. For those of you who may have a different perspective about yes or no and whether it should move forward or not, if you want to share your perspective on that, but that is an active body of work that we need to address.

Councilmember Winston said obviously I'd say yes, but again this is the way I introduced it in the first place. Arts and Culture is about jobs. It's about building a workforce that is underrepresented in this city. We look at all the economic development numbers. There's a lot of money spent here and it's in an industry that has not been necessarily cultivated in ways that we put efforts into other industries. We saw that with the economist from the fed that came to talk to us at our Housing and Job Summit. She said, "In North Carolina overall and in Charlotte, most outside job growth is going to be in leisure activities," because you have so many people moving here. They want things to do. So, I think part of the work that we're doing was to not necessarily make it the number one priority, but to create a workflow so that we are dealing with Arts and Culture through the lenses that we deal with in just about any industry. To your point, we are just about finished with buttoning that up so that staff can roam free on it.

Councilmember Driggs said so, I think I understand those stickers because in the landscape of priorities we're talking about Arts and Culture is small. We have a question that we have to answer, however. So, one of the issues I had in the first place with the yellow stickers was all of these are established goals or priorities of the Council. So, the idea that we would try to just erase them and not spend any money or make any investment in the 2040 Plan and the UDO, I think the blue and green stickers tell a good story about relative emphasis. I don't regard those stickers next to Arts and Culture as a message that we just not fund the arts, not talk about it anymore. So, again it's much smaller than the other things. I get that. I will mention that in the books, there is a kind of suggestion for a Council action that we could take to try and define what we do and do not want to have in the Arts and Culture Plan, which is in production.

This is an ongoing process. So, that's an opportunity for Council members to say, "Okay, yes we should provide a certain amount of funding for our legacy venues, the ones that the city owns, we want to do this about the Arts and Science Council," we need to clarify the Council's positions on those things. It doesn't compete with some of the other priorities up here, clearly, but we do need to answer the question. There have been now two rounds of engagement with Council. One with the last Council through the consultants, another one through three of us on the Council with our colleagues. It's time to wrap this conversation up. We've had several presentations. We now have a revised document describing the state of culture and some of the conclusions from the review of that, but I don't know that we need to have the entire arts conversation again.

What I hope we can do, Mayor Pro Tem and Mr. Graham, is get into circulation a version of the thing that's in your book and get each member of Council to say, "I would vote against the plan if it had this in it. I would vote against the plan if it doesn't have this in it." Let's just establish what the majority position is on what this plan must or must not include and then let the people writing the Arts and Culture Plan get on with their work.

So, I think if it's okay with you guys, we'll just follow up and circulate a list of things and ask people to comment on them. Yes, this should be in, this should absolutely not be in, yes, or maybe and try to wrap that conversation up. I'm not sure there would be, frankly Mr. Manager, a whole lot of benefit from hearing again what we've been told a couple of times already.

Councilmember Ajmera said I agree with what Mr. Driggs just said. The sticky notes don't really go in depth as to what does it mean. Like Arts and Culture, when I see an orange sticker, does it mean we stop investing into it? Does it mean we don't spend additional funds towards it or does it mean that our responsibility is done with the cultural plan? I think that's where we need to have a discussion on, and I saw on our agenda that this is the next topic. So, maybe going around the room and really trying to understand what does each sticky note explain under Arts and Culture.

Ms. Arnold said it's really important that you understand. This is simply an exercise to understand where your perspectives are as it relates to your preferences. It is not to determine the priorities of the City of Charlotte or take anything off of your priorities. It certainly is intended to do exactly what it just did, which is say that this warrants a conversation. So, you have three Council members who don't even think an activity that is almost done needs to move forward. I think that's worthy of a conversation within this space or not. That's all this was intended to do.

Ms. Ajmera said perfect. I think to Mr. Winston's point, really Arts and Culture maybe falls really under workforce development or HIRE Charlotte. I think that's the conversation I look forward to really hearing from my colleagues as to what does this mean.

Ms. Arnold said very good. Certainly, if any of the colleagues who voted against it have a point they want to make briefly and succinctly about it, this would be the place to share that perspective, but there certainly needs to be further conversation if the plan is almost done. Thank you.

Councilmember Mayfield said so, my yellow sticker is specifically for today's conversation, not saying that it needs to not be a part of the conversation for Arts and Culture. So, according to what we were told what the blue, green, yellow and orange meant for today's conversation, for this strategy session where we have a day to have this discussion, where I felt like priority went was in the three that received the most energy.

Ms. Arnold said I understand.

Ms. Mayfield said it is not a conversation regarding not talking about or not funding Arts and Culture.

Ms. Arnold said okay.

Ms. Mayfield said that is a different conversation for a different day for me. For me, today's strategy retreat for us to come together with a collective where do we see synergy regarding our priorities, the three are, even though I have some green and blue in some other places, the ones that overwhelmingly stood out are housing, Corridors and HIRE Charlotte.

Ms. Arnold said very good.

Ms. Mayfield said for me, I don't want supporters to think that no we don't care about Arts and Culture, because we obviously do, but for this strategy session when we have not even two full days to go through this as a Council, that's not where I wanted to spend a whole lot of energy and conversation.

Ms. Arnold said thank you for clarifying.

Councilmember Watlington said I don't think I put a sticker there, but I will say this. I agree wholeheartedly with what Councilmember Driggs has suggested and I just want to say yes. Let's do that. Wrap this up, send it around, what are people's deal breakers and let's keep it moving because when it comes to budget, maybe that's not the discussion, but when it comes to hours and resources and attention spent on it, I do think that we've gotten 80 for the 20 there. So, let's do exactly what Mr. Driggs suggested and keep it moving.

Ms. Arnold said okay, very good.

Mayor Lyles said I want to add. The thing about it is someone's got to create those questions and I don't know if the City Manager will do that or in conjunction with ED and Ed and the Mayor Pro Tem, but we've asked these questions and we've had these surveys. We've done this and it doesn't seem that anything sticks. So, I'm really concerned that I think the process that Ed has described is correct and I want to make sure that we are putting the questions to put this to an end, we are going to support our legacy organizations because we're paying for their debt, for their buildings. That is an important thing that we need to recognize. We've taken on that accountability and we're responsible for that. So, I don't know if this is like, "And what else? What are the other things?" I don't know what they are, but we need those questions to really figure out what the Council would like to choose to do. So, Ed you've been great. The Mayor Pro Tem and Malcolm. All of you worked on this but we need to get someone to ask the right questions, so we close this one up.

Mr. Winston said I think we're at a place to close this up and I think it's in the pre-read. All we have to do is affirm or deny the Council position document that we did put together that was made after all of our conversations. We just didn't have six basically on one or two items and it really is about how do we go about grant making and affirming a framework where Council can prioritize year to year. Mr. Bokhari kind of said it best in those Council conversations. What are we willing to invest in? What do we want to accelerate and what do we want to incubate and what do we want year to year kind of leave to decide. So, I think we're there. We really just have to affirm the document that is

in our pre-reads and staff has done the work to kind of cross reference it with the State of Culture Report to give us a little bit more insight to the facts that the consultants and our experts have brought back to us that we charged.

Mayor Lyles said I agree with that, but I think having that accountability from the three of you would make a big difference.

Councilmember Graham said one, as chairman of the committee, we would like work with staff to develop those questions. Councilmember Winston is correct. The pre-read lays out a roadmap in terms of key decisions that we have to make, and I agree with Ms. Watlington. It is time to wrap this thing up.

Mayor Lyles said okay so, what I hear is that the three of you guys will use the draft statement of the Council position that's on page 41 and address those and then if there's anything else that works. Okay.

Ms. Arnold said thank you Mayor. Okay, so there were four that surfaced as net new. It encompasses everything I think we've talked about, can be encompassed in some of these in some way but there were some that we thought were important to call out. The digital divide, equitable housing versus affordable housing. That was a distinction that was made. Strategic development and small business development and then clean environment were ones that were added. We have three yeses on clean environment in terms of in this moment. Is it worth a discussion to move forward? If it's not [inaudible] supports further discussion around that.

Unknown said [inaudible].

Unknown said the yellow is what we were told.

Ms. Arnold said two no's, one yes. Thank you.

Mayor Lyles said you know, on our clean environment, what we have been saying and Sarah is here. What we've been really trying to say is that it's like equity. We need to be applying our environmental standards to things that we do. So, I would [inaudible] to say that I don't think that it has to be a priority, it has to be incorporated in the way we do business.

Ms. Ajmera said yes, I just wanted to add to that. So, when we look at clean environment, it sorts of falls under our infrastructure because when we look at our clean environment, we are talking about clean air, clean water, clean energy. So, SEAP (Strategic Energy Action Plan) is part of it but then also littering throughout the city has been an issue. I know that it comes up every time we discuss priorities. So, clean environment could also be part of our Corridors of Opportunities, and how do we ensure that we are having clean corridors throughout the city?

Ms. Arnold said or neighborhoods.

Ms. Ajmera said or neighborhoods. Right.

Ms. Arnold said [inaudible] clean environment.

Mr. Winston said again, it's a goal of our 2040 Plan.

Ms. Ajmera said the SEAP, yeah.

Ms. Arnold said very good. Thank you. So, that one seems to be covered. Small business development, we have six yeses to small business development. Is there anything special around that in terms of adding it as a main priority. Small business development.

Councilmember Bokhari said this goes back to we all need to be level set up to the right speed and perhaps I think about it wrong, perhaps I don't, but when I think about HIRE

generically, I think about coordinating the jobs with the providers of workforce training, but then also either supporting the existing companies and helping them expand here or recruiting new companies that then add to that ecosystem.

So, whether that's working with EDPNC (Economic Development Partnership of North Carolina) and the state to figure out can we do micro [inaudible] for small businesses that grow that then they can hire out of the platform. So, I really just view all that stuff as one thing. I could be wrong, but the point is it's a two-sided marketplace where you've got people who get trained who need jobs and people that have jobs and they're either the jobs today, the jobs we recruit or the jobs we recruit to expand that are already here.

Councilmember Mitchell said so, let me give you my take of why I was a yes on that. I think that small business development from my perspective is our CBI (Charlotte Business INClusion), how many of our small business programs have the capacity to win contracts? Another part of small business development, those of us who kind of plan in the space, is wrap around services. So, I do think that's a different conversation when you're talking about what Councilmember Bokhari mentioned. I'm looking at some small businesses needs technical assistance. I've talked about capital access funding, for the small business program and more importantly, how do we grow? Sometimes we see the minority participation as zero because we don't have a lot in the stormwater. So, how do we take the true initiative to develop small businesses in that space so we can get more participation. So, that's my take on why that's important, our small business development.

Ms. Arnold said thank you for the clarification and different perspective.

Councilmember Molina said thank you. Actually, he stole a lot of my thunder, but he made some excellent points and I just want to raise those points up and say that a part of preparing our ecosystem is preparing those who are small business owners, especially those who are minority and women businesses because competitively, we have the numbers. We've spoken extensively about the lack of competitiveness in our community. So, I think we have to take the resources that we have, which we have a strong resource community between the public and the private sectors to connect our business owners with the right resources so that they can scale and grow. Right now, a lot of the minority participation, it's just not there. We've seen it across the board, across entities, across sectors.

So, like Councilmember Mitchell said, that could be helping a company do something small or teaching them what it takes to compete for those larger business contracts, but altogether making them more competitive so that they can not only survive, but scale and grow. I think that's what we need to make sure that we run home. It's not just creating small business owners. It's making sure that now small business owners who are just surviving and paying their bills, which is a large majority of minority business owners. They're keeping the lights on and they're paying their bills at the house, but they're not in a place where they can compete and win those larger contracts. I think I'll add too, we have to have the conversations with the community members and organizations that provide these contracts so that they can be willing to assist with that process where we continue to allow those business owners to learn what it takes to compete at that level so that they can scale up.

Ms. Arnold said very good, thank you. Then bridging the digital divide was the other that had a lot of support.

Mr. Winston said yes, again, I think this is an interdisciplinary thing. This is about equitable neighborhoods; this is about our Comp 2040 Plan implementation. This is about workforce development; this is about small businesses. The idea of HIRE Charlotte, you can't even start to deal with the businesses of tomorrow without the focus on digital divide. Again, it's a priority that Council, especially over the pandemic, set as a priority.

Mayor Lyles said I think the collaboration portion of this is what's so important for us to figure out what is our role and how can we advance this. I think that Ms. Askew is doing a ton of work in this area and it would be helpful I think again, sometimes we do so much

I can't remember it all. So, I don't know if we need to get a little bit more of an update of where we are on the digital divide and what's going on, but we do know that our school system is working towards that. We do know that all of our small businesses really need that kind of training and opportunity to have access to the internet to grow their businesses. It's an essential commodity now and we've got to figure out how to support that. I think that we'll have the federal government provide some success with funding and we'll have to keep doing that. So, I don't know if there's anything else to add Reenie.

Reenie Askew, City Manager's Office said no. You covered it very well. I'll be glad to provide an update on where we are with the digital divide with respect to connectivity and then programs that we're looking at to enforce workforce development.

Ms. Arnold said very good.

Mayor Lyles said do we know when the federal government is going to make the decision on the lower rates or suspend them or continue?

Ms. Askew said no. Right now, they're planned until 2025. So, we're hoping that it will continue. So, with our digital inclusion work, our goal is for sustainability. So, we're trying to get as many people signed up on the affordable connectivity program as possible. In the meantime, we're supplementing it through the funds that the city has provided through direct connect, wired through Spectrum.

Ms. Mayfield said [inaudible] defer to my colleague, Ms. Anderson first.

Ms. Anderson said thank you, Ms. Mayfield. I really feel like this area is an area that we lift up as an order of importance, but it really is a bit of a black box as it relates to the tangible things that we are addressing to bridge this gap. I'd like for us to raise this topic to have recurring updates as it relates to what we're doing. We talk a lot about affordable housing, we speak a lot about transportation mobility, Corridors of Opportunity, but due to what everyone has said, this is such a critically important area as a connected tissue for jobs, for our kids, for everything that we are trying to achieve as a goal. We need better transparency around our plan for bridging the digital divide and then what we have accomplished and what's to come.

Ms. Arnold said very good, thank you.

Ms. Askew said I can prepare a pre-read for the next week or two so we can provide that update.

Ms. Arnold said thank you.

Ms. Mayfield said thank you Assistant City Manager Askew. For me, we have the Council's equity framework. We're talking, as my colleague mentioned earlier, that who, what, why. The what for me, with this conversation of digital divide ties in all of this. So, we go back to the conversation with Charlotte HIRE. If there was an individual company identified to run it, they also are telling us, "Here in the digital divide, here are the technology jobs and trainings." You know what? The city and county have invested millions in EV. Charging stations, vehicles, whatever. We've identified a training to have local repairs, whatever it is. If it's in that technology and along with that training, creating small businesses, all of is tied together.

Ms. Arnold said it's connected.

Ms. Mayfield said so, when we start receiving proposals or we see a request come before Council, whether it is a zoning business decision, having this as that framework and how it checks, would be helpful when we're moving forward so that we can start connecting these dots and we can quickly tell the community, "Here's what your Council is doing," versus all these silo conversations that we're having. That's what I'm hearing and my interpretation. So, if that is different, then my colleagues can tell me. We can step to the side, and they can explain it to me differently, but that's what I'm hearing. By utilizing this,

we are giving staff a clear directive of when it comes before us, here are the key things that we are looking for to tie in to address the policy recommendations that Council supports.

Ms. Arnold said very good, thank you. Bridging the digital divide, small business development. There were two yeses on neighborhoods. Not a lot of passion around that. I just want to recognize it. We don't have to spend any time there because it only got 2 votes out of 11. Then public accountability, there were two there. Equitable housing, one, and economic and business development would be the other one then that I think was an add, but not really. Obviously, you're the city. You do ED. You're an ED department. So, there's some talking points around how this is different than what is currently happening within the city. I think that's worthy of clarifying right now. Thank you.

Councilmember Johnson said thank you. I just want to speak to the equitable housing. We do have an equitable framework. So, the goal is for us to be looking at all of our policies through and equitable lens. Maybe we can get it tomorrow, but if we can get an update on where we are with that framework, I think that addresses many of the items up there.

Ms. Arnold said economic and business development was called out separately or added separately. I'll have to look back at my notes in terms of why that was called out separately. Does that ring a bell with anyone or is that worthy of discussion at this point?

Unknown said I thought it was wrapped in.

Ms. Arnold said it's wrapped in, but I didn't know if it was anything different. Okay. So, staff has two to respond to. Mr. Jones, I don't want to speak for you, but I think that means that your team will be taking those away to do some research. Very good. Thank you. Let's take a five-minute break, stretch break. Grab some water and then we'll come back and move into the next topic. So, just to make sure we're clear in alignment on perspectives and everyone had an opportunity to speak on those, we will take away the ones that the passion is around, and we'll have subsequent conversations about confirming them. Thank you.

The meeting was recessed at 2:34 p.m. and reconvened at 2:41 p.m.

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ITEM NO. 6: FUTURE OF MOBILITY

Marcus Jones, City Manager said okay. So, I guess on to the main dish for the afternoon. So, Mayor and Council, we're going to have a conversation about mobility. I believe late last fall we had Ed come in and talk a bit about how all these things work together. I think it's important that before we start, for me to just capture a little bit of some of the things that have happened over the course of the last year. I would say in terms of mobility, that there has been movements that I would consider positive. For example, the Council approved advancing the Gold Line Phase 3. Trying to get that back, get a refresh on that to the 30 percent design. The MTC (Metropolitan Transit Commission) voted to refresh the design of the Red Line unanimously. Again, trying to get to that 30 percent design. The Silver Line has continued to advance, and feasibility work has begun on a number of transportation projects.

You may remember where Ed talked about the 200 plus possibilities of transportation projects in the city. One thing that I like to do, and I think is important with level setting, this is really an opportunity to show you how the different transit and transportation projects can work together as well as I think for the first time in a long time talk about how these projects can be financed. We're not really going into any details about phasing of projects or any detail about what a governance structure would look like, but it's almost a continuation of the summit from a couple of weeks ago where we talked about jobs, and we talked about housing. The Mayor has said from time to time the three-legged stool being also not just having a good paying job and a place to live, but the ability to get there.

So, really what we want to do is this will be the longest presentation of the whole two days across the retreat, but I think it's important. Even around the room there are some slides so that you can see how these things work together. So, with that said, I'll turn it over to Ed, but really one of the goals today is getting direction from Council in terms of if these are the projects that we'd like to move forward with, how do we go about funding them? So, thanks Ed.

Ed McKinney, Charlotte Department of Transportation said sure. Multimodal is the foundation of this. It goes to the Strategic Mobility Plan; it goes to the Comprehensive Plan. That's the core of this. State partnership I would put as number two. Certainly, the success we've had at the city and the growth that we've had as the foundation of that, really is our road and regional infrastructure and making that successful both from a mobility, people, and a freight and logistics. Regional, as we talked about, the notion that over half the employees that work in Mecklenburg County are coming from outside of the county. That's a great responsibility for us and is a big part of our success, but it also comes with things that we need to do from a transportation standpoint.

Jason's going to talk about transit. There's a big rethink and lots of new things that we're doing that's going to weave into our strategies. So, really a merging opportunity there as we think about transit in a different way. Fiscal responsibility. I'll talk about the notion that everything we need to do has to be done in a way that has been benefits across the board, across all modes and across the goals we have about moving people. Then finally as we talked about briefly last time, we're doing a lot of work now to think about what are those projects, what are our priorities, so that every dollar we spend has measurable impact and really leading us to our ultimate goals.

I'll just make a brief notion about the Comprehensive Plan. So, it was discussed earlier this morning. We talked a lot about it from a mobility standpoint about that fifth goal, safe and equitable mobility. I probably haven't done a job of saying everything we do from a mobility standpoint touches all 10 of those goals. Our mobility strategy is embedded in all of those. So, I won't belabor the details of that, but just to make the point that the nature of the conversation you were having this morning, all of those things are interwoven and everything we do has a connection to opportunities, growth and development throughout the city.

So, now I want to make that connection between mobility and our other goals. The way I would describe that is certainly the best mobility plan we can have is also a jobs and housing plan. So, this connection between what we do and how we invest is fundamental to all the topics you were talking about this morning. I'll walk through this a little bit and certainly it will be good to have Tracy amplify some of these things. On the notion of accessibility, think about the kinds of places we have across the city. I highlighted a couple of the place types from the Comprehensive Plan. Manufacturing and logistics, employment campuses, regional activity centers, that cuts across the spectrum of development and job opportunities. So, in a manufacturing and logistics industrial warehouse, think of Amazon and think about the needs of those employees from a transportation standpoint. Multi-shifts, 24 hours in relatively low-density places, and so how we think about connections and transit are important to that.

Think about where we are today. University Research Park and the sort of suburban office campus and that first and last mile notion. If you're working in Wells Fargo, to get to the station here, is a whole different animal we need to think about. Jason is going to talk about some great pilots that we're looking at to do with that first and last mile connection. Then regional activity centers. The notion that there are employment opportunities that do and want to be where we put major public investment because they know the kind of employees they're trying to attract want to be and have that kind of access. I know Tracy is going to amplify some of that a little bit.

Tracy Dodson, Assistant City Manager said yes. So, I'll come at this from a couple of different perspectives, but real-life examples. We don't usually talk to a company that's either in bound or growing here that we're not talking about mobility and how do they connect their people to the jobs. Ed hit on it a little bit. Whether it's Amazon that's three

shifts or even a rival with their manufacturing facility was a mile from one of our corridors. It didn't easily connect from a transit perspective, all the way to companies that might want to locate on the rail line but are transitioning from employee habits, and how do you transition that over time to last mile discussions like Ed mentioned? It's at the forefront of all the employers, but what we've learned over time is that there's definitely not a one size fits all. There's not one place for an employer to go that's connected to everything. So, we do have to get creative in talking with them and working with them about how they better connect from a mobility standpoint across or city.

Mr. McKinney said to other points I'll make here is around equity and affordability. So, a couple of stats here. There are literally 20,000 households that don't have a car at home. So, that means we built a road infrastructure that they simply can't use or simply don't have that direct access to. So, we have to devise a mobility strategy that addresses and recognizes that.

It's also an affordability issue. So, you talk and think about the housing affordability, but transportation is the next biggest cost. So, how we invest again and making sure that we are moving towards a direction like some of our peers where to live and to move in Charlotte is as affordable as possible. So, the investments we make will be part of moving that needle.

So, real quick points about jobs and housing. Sort of what is the transportation point of that. Let's talk about it in a little bit more detail. Try to do this in very simple sketched thoughts. So, back to this notion of capacity. We talked about this in November, that we've got this huge amount of growth and that's going to create a large mobility need. Capacity, it's going to increase trips. How do we manage that? We talked about that before. It's both of land use, sort of jobs and housing. How do we get people closer, but then we have to increase capacity. So, look at that bar chart, the notion is we want to shrink the amount of trips, the length of trips. Think about that from a land use, jobs, housing standpoint. So, we want to manage our capacity, but yes, we have to increase road capacity and we have to increase multimodal capacity. Transit, walk, bike, all the innovation that's happening.

So, it's a matter of thinking about those two things together. How do we make that connection from a jobs/housing standpoint? Again, this diagram. Purple, think about it as a job. Think about all the residential around that. So, if we can move and think about land use differently, not everybody, just as new growth occurs, how do we get them closer? Not just to the job specifically, but transit access and transit corridors. How do we get them so that the bike and walk trips, the first and last mile opportunities that Jason will talk about. Those are all important things because we can measure this.

Back to this arrow going down. If we can reduce the trips, the length of those trips, if somebody lives closer to their job and they're driving a car, even a small reduction means they're going through one or two less intersections, they're using one or two less miles of our system, multiply that by the thousands of trips we're talking. So, that is measurable, it's an impactful direct line to our capacity, our congestion. So, those are real things. It's not just good thinking about land use. It has a real impact from us from the land use and transportation standpoint. It's also good for air quality. It's good for quality of life. It is good for affordability because maintenance and travel cost on a car, but at the bottom line for us, it's a capacity thing and it's an important part of our strategy as we move forward through investment.

What does that mean from the actual on the ground infrastructure? Again, sort of a sketched notion of just think about how we invest in our streets. What I would describe is think about it from the right of way. So, from a C-DOT (Charlotte Department of Transportation) perspective, our asset is the right of way itself. Everything that can go in there. So, it's about how to maximize capacity of that system. Yes, cars and vehicle but we are emerging with opportunities to think about supporting high frequency transit and micro transit. How do we provide space and design our infrastructure to support it? The emergence of micro mobility. It's not just scooters. It's about e-cargo, it's about tiny mile as a pilot. How do we ensure that the infrastructure we're building supports the future of

those kinds of opportunities? Again, increasing capacity for every e-cargo delivery, it means one less truck delivery trip in our active places. So, that has again a direct impact on the capacity of our system, and we need to design our right of way and invest in our right of way that takes advantage of that.

There's also virtual capacity. So, the city has been investing for the last 20, 30 years in the ITS (Information Technology Systems) infrastructure, the fiber of connectivity that connects all of our signals. We continue to do that. We haven't connected everything, but that means our signal infrastructure can talk to everything else. So, we're on the tipping point of all these purple bubbles. Everything is going to talk to itself at some point. We've got the travel safety app that we're testing in Southend. That increases safety, that increases again the capacity our system over time as it connects to autonomous vehicles. So, there's an emergence there that we're just on the tip of. Again, there's some really interesting things that CATS will do to demonstrate how that'll impact the way we think about mobility. With that, I think it's a great segue to have Jason talk a little bit about that and think about the connection and the opportunities with mobility from a transit standpoint and really take advantage of these new emerging opportunities.

Jason Lawrence, Charlotte Area Transit System said thank you Ed. Good afternoon. It's great to be in front of you all again. Jason Lawrence. I lead our planning division at Charlotte Area Transit System and Ed talked a lot about space. I'm going to talk a little bit about space because when you think about how much has changed throughout the pandemic and how we have certainly seen challenges not only in Charlotte for transit, but we have seen challenges across the country. We are starting to see some recovery and some bright spots on our light rail or express rails and our bus routes. Also, I think with certain recognition that we have certainly changed how we have moved over the past two years, but also over the past 25 years. All of these different types of modes of technology as they're integrated into the different types of transit modes, they will need space. No matter the differences between all the modes, that's one thing that is certainly consistent with each of those. We're seeing that evolution come to us and we're preparing ourselves for that.

Many of you came to the site today using our app. On that app, you can buy your ticket, you can see what time the bus is coming, what time the train is coming. That's the same app that you'll be able to schedule your micro transit trips and do the full completion of that service within the app. So, it's a really important concept that we've moved forward with. At the bottom line, transit is still a fundamental investment in our economic strategy throughout. How people move within our socioeconomic status. We've mentioned the Chetty Study a couple of times here today. In that study, one thing was very consistent. That the single greatest way for somebody to move up the ladder is reducing their travel time. So, if you can give somebody an hour back, a half hour back, that adds up to dollars and time with your family. So, as transit improves and evolves, that's an important concept that we must always remember.

We've learned on our rapid transit projects, if we think through like the Blue Line, the Blue Line extension, both phases of the Gold Line, how we approach the Silver Line today is different than how we approached those two projects. We have added affordable housing and transit-oriented development planning at the beginning of the project. Rail trail planning at the beginning of the project. We were successful in being awarded federal grants to study that, looking at equitable TOD (Transit Oriented Development) strategies, doing that at the beginning so that we can continue that process throughout. It's really critical to the success. Not only of the project but for the community that we'll serve in the years to come.

As we think through the ridership and think about what has happened here since the past couple of years. Certainly, there have been declines, but we have seen some bright spots and we continue to see recovery on our light rail and our bus services. We'll be approaching 70 percent recovery on our rail services by the end of this fiscal year and in the mid-50s for our bus side. Our trend is positive on both modes, and we're seeing new patterns emerge as we look at the hybrid work schedule. We're seeing higher ridership on Tuesdays and Thursdays. We're starting to see a strong recovery in the peak time

period as people come back to work, as they get more consistent hybrid schedules. Special events. It's not only just about the workers, it's about all of our activities that we have throughout our community.

The opening of the Charlotte FC, that inaugural day in March of last year. We saw just over 27,000 passengers on our rail and Gold Line and Blue Line on that same day. So, we're seeing that strong recovery in special events, and we hope that will continue. We've seen a strong recovery on our peak ridership for light rail and our bus ridership has stabilized with the reliability improvements that we put in place in August, but unless we're able to put frequency back in, that ridership will stay where it's at. So, frequency is a direct correlation to the number of people that want the rider services.

It's with that frequency and those improvements at the bus level is the conversation we've been having with you all. Many conversations at committee and at Council level about our Envision My Ride effort. The old model of hub and spoke can be replaced with a new vision of mobility hubs throughout our community that provides transfer outside of Uptown. So, we don't have to travel all the way in to go across town. Micro transit that serves and replaces some of our cross-town routes and puts greater frequency in the power of our individuals. Rethinking how we do our service models. Historically we've been focused on the peak hour, serving office workers in Uptown, serving the Uptown area. How do we spread that frequency throughout the day through a consistent high frequency, through bus corridors throughout our community?

Modern infrastructure. Thinking about how do we put public Wi-fi, how do we put devices in the hands of people so they can take advantage of that new infrastructure that will be critical to take advantage of micro transit. I think ultimately as we think about what is the network that transit rides on. Historically, asphalt and steel. That's our trains and our buses and all our vehicles travel upon. They will still continue to travel on those but as we think about capturing the travel markets of today and tomorrow, we much travel on new networks of the connected devices and things throughout our system.

So, understanding how that comes in so that we're in a position to bring our services to the customers rather than relying on them to come to us will be a critical piece as we come out of this pandemic. It's with that, we were very excited to begin rethinking how we deliver some of our mobility services by the implementation of micro transit. It really completes that mobility landscape. If you think about transit as a network, as a bus project in some levels because you're changing bus routes to connect with that, micro transit is a part of that too because it provides that connecting tissue at the neighborhood level and key destinations. It's first/last mile connectivity, smaller vehicles coordinating with our rideshare partners across the community, curb to curb but also curb to hub, go to exact destinations. All supported through our app.

Many communities are doing this. Dallas and Dallas Ready Rapid Transit, in Atlanta at MARTA, Denver at the RTD System and we're going to be launching our first pilot with this in summer of this year at a first/last mile opportunity between the Parkwood 25th Street Station going to the Northend area and then over to the JW Clay station where we got off this morning to come to this facility, over to key destinations at the University Research Park. Putting our place in the position to go to customers that may not be completely converted to a transit-oriented development, but also put us in a position to better serve them where they are today.

We'll be working on a turnkey procurement to do full deployment of our Envision My Ride effort which was 19 on demand zones. Ed's going to talk about some of those zones and his example. The goal would be to do the pilot, learn from that, bring in a turnkey provider and then add that to our toolbox of mobility services. We'll bring more information on that as we continue to further evolve that. Then ultimately, it's not successful unless you find ways to bridge that digital divide. We talked about some of that today. How do we ensure that those that need the service the most can also access it. So, that'll be a key part in just moving forward.

Mr. McKinney said so, how do we put all that together? I want to walk you through an example. This goes back to what we talked about in November. We've been working to identify and look through and really focus on the priorities of mobility. We talked a little bit about how we've wired that to the goals ultimately from the Comprehensive Plan down to the Strategic Mobility Plan, the mobility criteria that got us to that blue map. Think about that blue map as almost like a diagnostic. Like where are the heat spots of our community? Both needs and sort of aspirations. So, in this case, I'm going to focus in on a specific corridor just as an example. As you can see on this map, there are many more. Think about as I talk through that example what it means in other parts of Charlotte. Why does that area highlight in blue? So, it was on our bike priority network. It's an important length. We can actually get a connection east-west in Charlotte. So, that was a big part of our Strategic Mobility Plan.

It happens to be blue because it's one of the corridors Jason just talked about from the Envision My Ride. It's one of these high-capacity corridors with the opportunity for micro mobility. It has populations I'll describe that are transportation disadvantaged. Some of the things we just talked about. Income, lack of access to a car, age, you're either young or you're old. So, you don't have the natural ability to use the conventional ways we move around. Then ultimately it is about growth. You'll see it's highlighted here because there is congestion. There is growth in this corridor, and I'll describe it.

So, when you layer all these things together, a significant challenge. So, the question is how do we approach that challenge in a new way? So, I'm going to walk through this example and a couple of things about this. Let me orient you to this map. I'll say it should be a little disorientation on purpose. We wanted to show a part of Charlotte in a completely different way, oriented in a way that you probably haven't thought about before and sort of walk you through and use that as the scene for how we're thinking about this connection between mobility and ultimately jobs, housing and economic mobility in our community.

So, at the bottom is Berewick. You're looking through the center. That red line is 485. So, you're sort of almost hovering over the airport. You're looking sort of southeast. To the top is Ballantyne. I've kind of described this corridor as Berewick to Ballantyne. The big red line through the middle is I-77. So, that gives you the basic orientation. You can see SouthPark from here, you can see Pineville, the Pineville Atrium Hospital. You get a sense of Renaissance West to the side. River District is literally just off the map. You're looking to the far at South Carolina. We're right on the border of the city and essentially right on the border of the state. The distance between Berewick and Ballantyne is the exact same distance from Uptown to where we're sitting today. It's about 10 miles. So, have that in your mind as I walk through this example, the scale of this. Think about the way we moved today, this morning from Uptown to here.

Think about what that looks like here, the challenges and maybe how we might approach it in a complete way from a mobility standpoint. So, what's there today? Let's talk a little bit about the numbers. So, housing, jobs, neighborhood, people and work. It crosses and cuts across a whole spectrum of Charlotte. I would describe this as sort of a snapshot of who we are. In the corridor is 80,000. It's a significant part of our population. There's almost 80,000 jobs and those jobs cut across the full spectrum. You've got Ballantyne to one end, you've got the hospital in Pineville, you've got Westinghouse, the distribution, you've got a tremendous amount of service retail in the middle of that. So, you can imagine every job spectrum from the executive that's working in Ballantyne to the doctor in Pineville to the staff that are supporting that hospital to the people that are working in distribution. Think about what we just talked about in terms of how do we connect all that. It's low density, it's some high density, it's growing places like Ballantyne and rethinking but it's really across the spectrum.

On the housing side, a couple of stats too. So, there's a challenge there. You've got neighborhoods from Ballantyne to Steele Creek to neighborhoods like Nations Ford and Arrowood. So, again, that crosses every challenge and opportunity we have in this city. I mentioned transportation disadvantage. So, 20 percent of the population, 16,000 have that constraint. Again, that's a metric for income, lack of access to a car, disability, age.

So, that's folks that are challenged to move in this conventional way that we've been providing infrastructure. 2,000 households that don't have a car.

Interesting at the bottom. So, commute by transit is actually significantly higher than the city as a whole. So, that tells us something. So, the inverse of that is obviously less are commuting by car. Back to that mode shift. We've got a 76 in this part of Charlotte, and this is a good point to make. Not all Charlotte is the same. So, it gives you an example that we move in different ways, and we need to think about our investment in different ways.

The last think I'll say. I don't have this on the map, but Shawn Heath and his team gave us these numbers this morning. There are 9 Housing Trust Fund projects in this corridor, representing about 1,000 units. That's your investment over the last 20 years in terms of the Housing Trust Fund commitments you've made. Think about that in terms of housing and jobs. We put that investment in this corridor, we've got 76,000 jobs across the full spectrum. How are we getting them to those jobs? We've got a really unique challenge here that doesn't have a simple one size fits all kind of strategy. Again, I want to walk you through what that strategy can look like.

Where are going tomorrow? So, this is a snapshot of the growth in this corridor. So, back to residential, 40,000 existing units entitled, there's another 12,000 units. Certainly, Steele Creek feels this. We see a lot of rezonings in the Steele Creek area around Berewick. So, you're seeing that happen. Certainly, the reimagination of Ballantyne is taken at a suburban office and putting more people. That's sort of a transformation of how we're thinking about work. So, it's really about the future. I think it was described this morning that the challenge here is the future of work, the future of our residential neighborhoods and home and then the future of how we connect those things together.

A tremendous amount of growth. You've got two new hospitals. Berewick, Novant, and you've got the Novant Hospital that's developing in Ballantyne. You've got education. You've got CPCC and the Harris Campus directly on this corridor. So, again, the spectrum of opportunities, an example of a cross section of Charlotte in a place that is growing as fast as any other part of Charlotte that again, sets the stage.

A couple of other things I'll say. Think about that office growth number. We've got about 13 million square feet of office today. There's another 11 million entitled. That is Uptown. That's the scale of office that we have in Uptown plus or minus a little over 20 million square feet. This is a 10-mile corridor. So, it's a tremendous opportunity for economic development but it's spread across the corridor that's many times the scale of Uptown. So, the way we're going to serve that isn't the way we serve Uptown. We need to think about the way we serve it. We can't ignore it. It's where growth and where jobs and opportunities are, but we have to think about mobility in a different way.

The other thing I'll say about this is lots of discussion around cumulative management. How do we think about it? This map is cumulative. Think about everything on the yellow. So, the question and one of the things I'll put in the room is we need to start thinking about cumulative strategies at a scale that we can achieve. This is a 10-mile corridor. We can't think about it project by project. We all know that. We can start to think about it when we collect projects in certain areas and we've got ways to address that, but at the end of the day, the only way to fully address that is to think of it at a scale that we can actually put all the transportation and investment pieces together in sort of one strategy.

So, let me build what that strategy looks like, and let's start with the roads. Again, historically and for right reasons, the reason why this place is growing, the reason why Westinghouse is there, the reason why Ballantyne is there, because 485, because of I-77, because of billions of dollars of road infrastructure we put in there. That has made this part of Charlotte successful, and it will continue to make this part of Charlotte successful. What's highlighted in these big corridors are three major projects that are priorities for the state, priorities for us. That includes the 160 projects on Steele Creek. We know we're waiting. We know we've got challenges for funding, but it is the top priority. It's a project that will happen. I-77 managing the lanes. It's a regional piece of infrastructure, gets the

commute that connects you from South Carolina into Charlotte. It has both the benefits of having capacity for cars but ultimately will be a great platform for CATS and for transit.

Then you've got existing investment in 485 managed lanes that has supported the growth the Ballantyne, the opportunity, and then long term you've got the 521 projects. So, the message there I'll say is roads, yes, but they're not and cannot be the only way we invest. It's a big part of the strategy, but we can't do it all and in fact even with this investment, it's not going to solve congestion. It's not going to manage. There's only a limited amount we can do with that investment. It's critical. It's absolutely necessary but it can't do everything for us.

Now let's layer on their transit. So, the message here is there's not one size fits all. So, on the top part of this you see blue lines. So, at the middle of this corridor is the Arrowood Station, you've got Blue Line that connects you into Uptown. I'm assuming on this map a solid line is the Blue Line extension to Ballantyne. A lot of what Ballantyne did and the investment they made is premise on the notion that that infrastructure will be there someday to support the growth of that center.

You've got three regional strategic corridors from the Connect Beyond Plan. So, those are the purple lines that connect. So, the notion that yes, that transit vision is regional. The I-77 managed lanes is a good example to that. So, you think about higher capacity, regional transit, don't know what mode that is today but it's the notion that those corridors are platforms for more transit and access. Then the orange line through the middle is the Arrowood Corridor. It's one of the CATS bus priority corridors from Envision My Ride. It connects you from the Berewick Town Center to the Arrowood Station and it's an opportunity essentially, thinking about higher capacity more frequent transit on that corridor to connect the neighborhoods to that. To connect it more directly to the Blue Line and the extension and then ultimately it gives you that connection directly to Ballantyne.

So, again, the notion here is it's not one simple transit strategy, it's big and small things and it's done in a way that responds to what this place is and the character and the density and the kind of mix of things that this corridor is.

So, then I just highlighted what that looks like. We'll go with this notion of Berewick to Ballantyne and I've layered back on there the growth and some of the opportunities. Two more hospitals, the significant investment that's happening in Ballantyne. On the bottom here, I think I had it on one of the other slides, River District just off this map. I mean, if you think about that, the planning that has gone into River District to Ballantyne, the work that we did to coordinate with the Ballantyne development to protect for transit, to think about partnerships and road and infrastructure, and to essentially set up an opportunity to think about both planning and mobility and growth. Tracy, do you want to add to what that development looks like?

Ms. Dodson said I'll just add for both Ballantyne and River District, because of the scale of them, we were able to think about the job's component, the growth component with the mobility component. That was the whole thesis behind River District. If we didn't plan for that growth it was going to go to Gaston County and beyond. The struggle then becomes how do you then connect out of that singular project beyond, but it is a component that now, what is nice is that more often you see it thought about holistically on those large projects.

Mr. McKinney said now I want to connect what Jason was just talking about. So, layered on this now along that bus priority corridor are these green blobs, these micro transit zones and Jason talked about that relative to the pilot they're going to do up here. The notion that you would have the ability to have that first/last mile connection from the station out here to your job at Wells Fargo. Think about that multiplied on this corridor. That's the plan. Those green blobs are part of CATS' plan today. The pilot that Jason's talking about is something that then can be magnified and extended to a corridor like this. That means you get off in Berewick or you get off in one of these mobility hubs. You have first/last mile mobility to your job in Westinghouse. Today, CATS serve that with a direct route, but

if we've got this new ability through technology and through the service they're providing, that first/last mile helps both for these lower density jobs and places like Ballantyne.

So, you can get off in Ballantyne and have that first/last mile even to get you across 521 to your office building across the street. So, it connects in a way that extends transit in whole new way. It gives us to have kind of a calibrated way we think about transit that isn't necessarily one big project, it's a series of investments we can make over time. Just to layer to that, things we've been talking about in terms of multimodal. There are five greenways that cut across this corridor. The top is Cross Charlotte Trail.

So, essentially again with the notion of our bike priority network, that connection from the Cross Charlotte Trail to Berewick. So, one of the things of our Strategic Mobility Plan is looking for that kind of investment, connects existing infrastructure to places that are disconnected today, east-west. In addition, there's another four corridors across this transit and mobility corridor. So, the extension of those gives us again more ways to get from our neighborhoods, from our places of work to where these mobility investments are being made.

So, I don't want to belabor, I just want to give the sketch of what that looks like. The notion is our strategy really needs to meet the city as who we are and where we are today. The strategy I talked about deals with the context, the scale, intensity across that place. It understands the range of housing and job opportunities and sort of calibrates the mobility strategy to meet those things. Also, it's set up for the aspiration. Places like River District and Ballantyne. We're setting the context for how we can meet and support the ultimate growth of those places. It's all things on the side. We can't do one or the other. It's the package of everything that's listed on that side and it's big and small things. It's everything down to the pilots that we could do with CATS, to big things like the extension of Blue Line to Ballantyne. It's public and private.

So, another emphasis here are the things that we're doing like in Ballantyne is finding ways that we can build infrastructure in partnership. A big story of that is in Ballantyne. So, we're building roads, we're building capacity. They're supporting things like transportation demand management where they're going to support programs that reduce trips, that find and give their employees ways to get around that aren't just by car. So, it's everything from big infrastructure projects to partnerships where we can invest with private development and support common goals at all scales. Anything else you want to add to that, Tracy?

Ms. Dodson said you talked about Ballantyne and the partnership, but as we talk to companies and we see, I'll use the Blue Line as an example, locate on the Blue Line, we're having those conversations with them from day one of what are employee passes and things like that so that that culture starts from the beginning. So, whether it's light rail or another mobility option, we start those conversations sooner rather than later.

Mr. McKinney said so, a couple of things. You can't separate our strategy mode by mode and the way you do this has to be integrated. It's got to be calibrated to the place. It's not one size fits all but we can't simply rely on one mode, and you can't separate this notion of housing and jobs. You all know that already, but we wanted to make this connection between the way we invest in mobility and its ability to support the larger goals we have about growth in the city.

The segue I'll do to financial part; I think Jason and I had the easy part. We'll talk about the big vision and now Ryan and Amanda will have to talk about how we pay for all this. To make that segue, I want to make this point. There are things we can and are doing now. So, the notion of this strategy isn't just about the big things and waiting for the money to do the big things. There are all sorts of projects we're doing now. The sidewalk projects, the bike facilities, the complete streets. There are transportation projects you haven't invested in that we continue to do. All the things that Jason just talked about in terms of micro mobility. Those are plans we have today and those are investments we're already making.

Small things like this can lead and do lead to transformational change. So, we've got to start somewhere. These small pieces, it sets us a framework to do the big things. It sets up a framework to take advantage of the transformation that's happening in technology, the investment we're making in our right of ways. So, it's about the small things we can do now and tee up the ability to plan for finance and fund the bigger projects. A couple of examples lastly to say that micro mobility pilot, that can be applied in this corridor quickly. Corridors of Opportunity are already taking that opportunity. We did a grant for the mobility hub strategy in the Sugar Creek corridor. So, we're already applying these strategies now. The question is how do we amplify and extend that with our ability to fund and implement these bigger projects over time in sort of a coordinated strategy across the city.

So, I'll stop there. I don't know if we, I assume we can again talk and transition right into the financial stuff. Glad to pause and have any discussion as well.

Ryan Bergman, Strategy & Budget Director said thanks, Ed. So, I wanted to talk a little bit about the context whereas we've talked about this for the last couple of years, we have really focused in on a sales tax-based strategy despite all of the hurdles that are out there to make something like that happen. So, I want to talk a little bit about why. So, I'll let you read this slide, but the two things that are really important on this are the growth rate difference, So, when you look at sales tax versus property tax. Sales tax, we project has a long-term growth rate of 4 percent. I can tell you that over the last 10 years, the sales tax growth rate has been north of 8 percent and if you go all the way back to FY99 when we started the transit sales tax, the growth rate has actually been 4.5 percent.

So, we're comfortable with this growth rate, but one of the key distinctions between that and property tax. Then the other key distinction that as you'll see causes sales tax to be the primary revenue source for programs like this across the country is in the bottom left there. The 30 percent that were able to capture from commuters and tourists, people who visit the city and people who work in the county and people that don't live in the county but do work here.

So, let me make sure that I put it out there that this is not an either/or to be considered or anything of that nature. That amount was chosen just to show the impact that the growth rate can have on a sales tax over time. So, both of these will result in the same amount of revenue over 20 years according to our projections. So, one is the 1 cent sales tax and the other is a city property tax. I can tell you that we use city because that's under the purview of this City Council, but even if you used a countywide property tax, you would still have about a 15-cent property tax that would be needed and it would be about a \$500 initial impact to the median household. So, you see a much more impactful amount to the residents early if you're trying to generate the revenue required for a program such as this.

So, another way to look at this. Some of these funds have been discussed as being utilized for some of the bigger transit projects that are in the 2030 Plan and have been discussed. So, because a sales tax dollar has less of a burden on a typical household, you actually get about \$1 from a Mecklenburg County resident and from that \$1 you also get 69 cents from commuters and tourists, 67 cents from businesses and on that, on the big projects that were being discussed, you get a federal match of \$1.64. So, that \$1 of sales tax that the typical resident would be putting in on a program like this, yields \$4 in infrastructure on these big transit projects.

So, these are the types of reasons that sales tax is so common. This list is derived from our 20 peer cities, the same 20 peer cities we've been using for 4 or 5 years now. From those 20 peer cities, there's 11 of them that have some kind of rail service and you'll see those 11. On the left there, you'll see that sales tax is extremely common. The only one that does not have any kind of a sales tax is Portland and they actually use a payroll tax to fund their transit system, which is unique. Then you can never have a perfect comparison. There's all kinds of differences. Some of these like Minneapolis for instance also has a property tax on top of the sales tax that's dedicated. So, you're never going to get a perfect comparison, but it kind of tells the story that there's a reason that this has been the primary driver of some of these programs.

On the right here let me tell you that if you included all 20 peer cities, Charlotte would be spending more per person than all of the ones that don't have any rail system. If you compare us to the ones that have a rail system, and every rail system is different. Some of them have multiple lines, some of them only have commuter rail or streetcar. You'll see that the current revenue level that we have per person puts us into the bottom of the peer groups that have rail. So, with that I'm going to turn it over to Amanda from InfraStrategies.

Amanda Vandegrift, InfraStrategies said thank you. Good afternoon and, yes, you may see my colleague Carolyn Flowers who has worked alongside me and our team for this work. She may seem familiar to many of you. So, I'm Amanda Vandegrift. Some of you may remember that I did present to you in 2021 twice, both at a Council meeting and then at the retreat in October. We've been working with the city over the past two years to develop a suite of financial assessments and tools to help you think through your funding strategy for your mobility improvements. We actually are a small women-owned business, majority women-owned business and we started about five years ago in March. So, we're celebrating our fifth birthday. We are comprised of people like Carolyn Flowers, former transportation executives. We've been in your shoes; we've developed programs and we've advanced them through and into opening day.

Many of our clients are the peers that Ryan just mentioned. Some of them like you, are in pre-project development and still really thinking through how you might do this. Some are deep into implementation, advancing projects through the federal process and working through all the requirements that you need to complete to get through that process. Some of our clients are coming out the other end and cutting opening day ribbons. We know what it's like to be there today, in today's financial market and today's environment and federal funding landscape. We are working in partnership with Davenport who is the CATS financial advisor and debt modeling consultant for the city. They have been leading the financing piece of this work and providing a lot of expertise on the municipal advisory side so we could have a really good understanding of the debt structure and the financing tools that could be used to best leverage a program of this size.

So, I talked to you guys back in October of 2021. So, I'd like to give you an update of some of the work we've been doing over the past year. One of those was answering a question that Ryan talked a little bit about. Is sales tax the preferred funding source for Charlotte's mobility improvements? We completed a detailed funding and financing options review last year. We looked at nearly a hundred different sources on the federal, state and local level and we looked at revenue potential, equity, stability, cost burden. All of those items that Ryan talked through, 46 different sources were shortlisted, 38 of those were funding sources. The vast majority are federal grant opportunities and eight of those were finalizing tools that were used by Davenport to develop their financing assessment. One of our big findings is we did confirm what Ryan stated. That sales tax really is the preferred primary local funding option to advance a program of this size for all of the reasons that were mentioned.

So, the federal funding opportunities that we looked at as part of the financial review included 27 different potential federal sources and I will tell you, the last time I talked to you in October, something great happened about a month later. The Bipartisan Infrastructure Law passed. That changed the game. So, typically when I did this type of review, you'd see half the sources on this list, now we're looking at a ton of new programs. So, we're really in an era of unprecedented federal funding that's available today for Charlotte to compete for and leverage into the Charlotte region. An important point to make though, to do that, you need a local match. Sometimes you even need an overmatch to be competitive for many of these programs. Another thing to point out here too, is you'll see a bunch of new programs. Not only are there programs like you previously saw like the RAISE (Rebuilding American Infrastructure with Sustainability and Equity) grant program which was formerly BUILD (Better Utilizing Investments to Leverage Development). Those are massively increased. We also have new programs that are really geared towards the mobility improvements that I mentioned a moment ago. It's less about moving vehicles. While that's still important, it's more focused on moving

people. There's a focus on resiliency, sustainability, active transportation, safety and equity.

So, another thing to point out too, that list that I showed you, even though there is this fundamental shift in the Bipartisan Infrastructure Law funding programs, the vast majority of the funding in your mobility plan we're still assuming would primarily come from the transit side. Like Ryan mentioned, your return on investment on the transit side is higher if you look historically at your mobility funding from previous projects. You leveraged millions from the federal government on that side, but for transit, you have the potential to leverage billions. So, let's talk about that a little more.

The Capital Investment Grant program over the Bipartisan Infrastructure Law time period has some potential to double. You can see in 2021 before it was passed, we had about \$2 billion in appropriations. Last year, which was the first year of the law we had \$3.8 billion and now we're looking at a THUD (Transportation, Housing and Urban Development) build release last month that was \$4.2 billion. So, we're getting very close to that \$4.6 billion authorized amount. There's a lot of money available through this program and that's great news, but at the same time there's competition. There's a huge pipeline of programs going through, many of the are mega projects in New York, in California, many of your peers are advancing programs at the same time. They're doing that because they have committed local dollars to leverage this funding down into their regions.

So, the timing is really critical. The time is now to capitalize on this once in a generation investment in federal transportation funding. Many of your peers shown on the screen who have committed local funding over the past few years are ahead of you in the pipeline. They're leveraging dollars from the federal government and they're able to pull that into their region. Charlotte needs local funding to do the same.

So, let's talk a little bit more about recent changes. All of the federal funding momentum that I just shared with you, it's all great news. Those are some of the positive impacts that have impacted the financial plan for the transportation program. We also have sales tax revenue collections that are much higher than we were projecting last time we talked to you. Growth rates are much higher for the sales tax, the TIFIA (Transportation Infrastructure Finance and Innovation Act) financing program on the federal level, that has been expanded to focus more on transit and transit-oriented development opportunities. These are all really great positive impacts on the left side. If you isolate them and you don't talk about the negative impacts, this is a great story to tell right here, but just like the rest of the country, we're in an environment over the past year where we have seen record inflation. We've seen very significant cost escalation. The fed is currently trying to combat that cost escalation by increasing interest rates. So, all of those things impact the cost of our program.

Our peers are also experiencing that same thing. You might have seen some national headlines over the past few months of programs of this size who are a little further along than you are, are now re-baselining. Their costs have gone up so much that they're looking at their programs and going, "Oh no, we can't build everything we promised." I will say one thing that Charlotte is ahead of the game here doing is you are already thinking through this today in an early stage. You have a financial model. You have a financial strategy. A lot of your peers were not in that position that early in the process to think through these things at that stage.

So, we're talking about making this more multimodal, looking at it more holistically as mobility improvements. Is there a way we can look at the financial strategy to think a little bit differently about how we advance this program? So, we have been noodling with this for a couple of months now in the model to see what it looks like if you were to potentially think more strategically about your early mobility investments. Let me just show you here. This is a typical transit project, not any transit project in your program, just a typical new start transit project.

So, a larger transit project and most of your transit projects are here in pre-project development. All of your projects are in pre-project development. You haven't entered the program because you need local funding committed to enter this program. It takes a couple of years to get through project development and meet all of the requirements. Engineering takes a couple of years and then you have shovels in the ground. So, we're here today, we have the Bipartisan Infrastructure Law time period ending. It expires in 2026. So, there is some strategic thinking around shifting your mobility investments that are lower cost, single year mobility investments earlier in your timeline and continuing to advance these further into design, further into the federal process and then ramping up to construction.

We have looked at that and there is a huge benefit to that. So, you can potentially do your mobility investments, your micro transit that was talked about, all of your crosswalks and different types of one year, two-year investments while you're still in earnest advancing your transit program. So, we've been thinking through the pros and cons of this. A big pro. Immediate, impactful countywide, regionwide mobility investments in your streetlights, your roadway network, your mobility hubs, all of the great things that were just talked about. That can all be done pretty quickly; at the same time, you're advancing your transit program through the required process for you to leverage billions of federal dollars in the longer term. This allows you for these projects, to potentially increase your local share in the early years to compete for and pull-down Bipartisan Infrastructure Law funding from all those programs I showed you and we're able to show a maintaining of the delivery schedule for all the early action transit priority projects like Envision My Ride which was just talked about.

On the cons, of course depending on how many years you do this and what share, how much you're allocating towards transportation, it may have some trade offs in terms of delivery timeframes and prioritization. You also would be required to increase your debt issuance in the early years to meet your transit program targets. We do think that there's a lot of strategic consideration around this type of concept we wanted to bring to you, get you your feedback and talk more about it.

The next slide is a look at those types of investments that could be advanced in the first few years while we're actively and earnestly advancing the transit corridor projects into the federal process.

Mayor Lyles said we've got a couple of people that want to talk. Do you want to lead us off Marcus?

Mr. Jones said yes. Great job. That's kind of where we'd like to be today, at least have a conversation. I had a conversation with one Council member on, I guess it was Sunday, about are these actually items that are going to come out of this today. So, we tried to build a case that sales tax makes sense. We tried to build a case where some of our peer cities, how they are handling this and right now, what we would like to have a discussion amongst the council about is whether sales tax appears to be the right pathway to go, and this whole concept of frontloading some of the funds for the 200 plus projects that Ed is working on that are more transportation related. However, it also would include making improvements to the bus system.

So, again we think about transit being the bus and rail, and transportation being everything else, but as we start to think about a little bit of a shift in thinking with frontloading, some of these funds around transportation also would include improving the bus system.

Councilmember Driggs said so, I'm not sure I should be the transportation committee chair because I have to admit I'm a little bewildered and I think one of our big challenges here is to take all of this information and get it to a point where for public purposes, there is some sort of understanding of what it means. There are so many dimensions to this and to me this looks like the bones of the equivalent of our 2040 Plan and I'm curious to know what the UDO is going to look like.

So, in my world, the question is when am I going to get some relief on Providence Road? What are you doing about that? If I tried to explain to my Friday morning group for example what we discussed here, I think I would have a few people who are dazzled and a bunch of people who are dazed. So, I'm just wondering how we can develop a message for the benefit of the community that makes clear where we're going. We have a whole bunch of aspiration here and frankly in my mind, the resources that it would take to fulfill all of these goals are not within the scope of the sales tax. I agree if anybody cares. The sales tax is probably where a lot of the money needs to come from, but I would point out we've been talking about a penny on the sales tax. If we added a penny to what we're already charging for mobility, I know you'll say, "Wait a minute, that's different," but seriously we would be at a percent and a half which would put us right up at the top of that list of comparable cities.

So, I would just like us to get a little bit more down to earth and acknowledge some of these things. You know, a penny on the sales tax is \$9 billion I think we said. Is that really what it is that we're going to propose? Is that what we want to do and if we do, as we know it takes cooperation with the legislature, it takes a referendum. If we're going to conduct a referendum, we need to have a much clearer message than this. The public needs to see the relief they're going to get in terms of congestion on the roads, the improvement in the air quality and we're starting from a point where right now there's controversy around the buses and I appreciate your presentation. I don't know, just looking at it through the lens of a member of the public, I just don't see in simple terms how this is going to play out. Are we going to widen Providence Road? What are we going to do on Ardrey Kell? When will that Blue Line thing actually happen? When can I expect to see that?

From what we're hearing now, I can expect to see it later than maybe I thought I was going to the way things were going before. I guess that's it. I would just like to see the kind of public relations version of this presentation, frankly for my own benefit, and say, "Alright, we're going to invest in the roads. We're going to invest in realizing our streets map and those concepts. So, we're going to invest in buses." Roughly how much? What kind of changes can we expect in bus service? Where would we see the improvement on the roads? A lot of the principles that are driving your great thinking on this, are not going to be as interesting to the people who are expected to pay for it as what they can expect to see.

Councilmember Ajmera said Amanda and Ryan, great job with the presentation and Jason, especially the financial piece. I have had these conversations with Ryan in the past where I had asked him for a comparison between sales tax and property tax. It's great that everyone gets to see why we are pursuing a sales tax option. Clearly it actually puts less burden on our residents and also ensures that we have some sort of steady growth rate as opposed to the property tax.

So, I really liked that. Obviously, it's great that we are leveraging \$4. For every \$1 we spend, \$4 of other investments. Whether it be a federal match or a county match or a business match. So, that was really good. I'm trying to figure out, because you gave an example of big cities like New York and in California, Atlanta is doing this. Amanda, you mentioned this timing is crucial. So, knowing that we are starting this process now, how are we compared to other cities when it comes to competitiveness for pursuing federal funds knowing that we are actually behind other cities in trying to go after federal match?

Ms. Vandegrift said so, I would say that is the key piece. Your peers, many of them that we showed have the local match already committed. They have a valid initiative that was passed in 2016 or 2016 or 2019. They've been gearing up. Their projects have been advancing because they have that local match to enter project development and get their major corridors in the pipeline to compete for those dollars. They also, if we're not talking about the transit side on the transportation side have that local match to compete for that raised grant, to compete for the bus and bus facilities grant. They have a lot of funds to be able to provide an overmatch which is typically needed for a lot of those highly competitive programs.

Ms. Ajmera said so, why have some of these cities already have secured a local match, that doesn't put us a disadvantage from the timeline perspective. Does that? I mean as long as we continue to prioritize this.

Ms. Vandegrift said well, I think that's why we're looking at this a little bit differently now, is because having the local match for those projects that are quick wins, like one year, two years, that's a different strategy than the transit side. The transit side, you need the money to start getting into the pipeline, then you can advance it further into design and engineering. Start completing need book, getting yourself to 30 percent design, getting into the next phase of the process, showing that you have the money and that you're technically ready to do it and getting under constructions. That's when you get the money, once you're under construction, but that's the billions of dollars we're talking about.

Ms. Ajmera said so, is that why we are proposing the option to frontload transportation dollars so we can get easy wins done faster? I'm trying to understand why are we proposing this whole front-load transportation dollars option right now.

Mr. Jones said yes. So, I'll take a shot at it. So, if we could combine the morning's presentation with the afternoon's presentation, and Ryan if I'm wrong be gentle okay. So, think about the CIP that we talked about, the 2024 bond, the 2026 bond, the 2028 bond. If I'm not mistaken, we had \$50 million in the 2022 bond for sidewalks. We don't have \$50 million I think combined. We get close to it in the next three bond cycles for sidewalks. I think we have two road projects and two intersection projects in those next three bond cycles. We haven't begun to even touch the 200 plus projects that Ed is working on, and your affordability went down a bit right?

Ms. Ajmera said right.

Mr. Jones said so, if you start to think about even what we have planned, there are stressors on that but that doesn't even begin to address the projects that have not been identified. So, there's an opportunity, whenever it may be, there's an opportunity to have a revenue source that can help us both with our CIP as well as with the bigger picture that Ed is trying to keep us on, and that is don't pull different pieces of yarn out of the ball. Look at the ball as something that is built together.

Ms. Ajmera said got it. So, the way I look at this solution of one penny sales tax is really short term and long term to alleviate some of our short-term pressure points that we have currently, which clearly, we are not meeting when it comes to our infrastructure needs, but then also long-term transit projects. Is that correct? Yes. Okay.

I did look at the comparables Ryan that you had provided in the deck and how we fare compared to other cities looking at our overall municipal cost. To Mr. Driggs' point, I think he brings up a good point here as to with this one cent sales tax, could we get a similar comparison to other cities in this state and in the nation as to where would we be? Especially us compared to other cities in North Carolina. How would we compare? We also have to look at this from the burden on our local residents while we address short-term and long-term needs.

Mr. Bergman said yes, absolutely. It's actually based off of the same data point of median household income in Charlotte. So, the \$177 you could essentially add to the cost on that chart you're talking about from earlier and that kind of shows you where it would be.

Ms. Ajmera said okay, maybe you can show that in this slide later because I wasn't sure where it was.

Mr. Bergman said yes.

Ms. Ajmera said the other question, to Mr. Driggs' point about ridership and that question often comes up. I think that's a question of what comes first, the chicken or the egg. We often say, "Well ridership will be addressed if we address the frequency issue." Well, there is another component to it. We can't invest unless we see an increase in ridership. I see

that often when I'm out in the community. I hear that, especially from folks who are riding our public transportation. They say, "Well I just can't rely on our transit system, so I don't take it." They have to use Uber or Lyft from time to time.

What insight can you provide to that? That frequency will result in ridership? I know you mentioned that when we have events in Uptown, especially sporting events, we have seen an increase in ridership. I have taken the Gold Line when I've gone to art and cultural events in Uptown, but I'm talking about tracking some sort of ridership where people are making use of it every day to get from point A to point B. For an example, to go to work, to go to a grocery store. I think that's the kind of ridership data I think I would be interested in looking at as to how we are doing. Yes, we are making a recovery, but how close are we? How well are we doing compared to where we were in 2017/18?

Mr. Lawrence said sure. I think part of the challenge is that transit agencies are at a time where there's a great need for adaptation and adapting to how people consume technology, how they consume their experience in transit. So, the strategy we put forth of really that 40-foot bus is focused on straight line high frequency corridors. Taking our neighborhood shuttles that are oftentimes at 45 or 60 minute frequencies, convert those to more on demand smaller more nimble vehicles coordinated through an app. Then take those hours and fold it into frequency into your high frequency network. So, it's a bit of a chicken/egg there and frequency does drive ridership and ridership does sometimes drive the frequency. I want to put it out there, but we do know that frequency does help improve that but also does reliability and convenience.

We do think the strategies we put forth funded could help us with that overall conversation. I think the world is different than 2017 and 2018. We're in a different kind of space now with hybrid work schedules that we're still adapting to that change.

Ms. Ajmera said alright. Thank you. That's all I have.

Councilmember Mitchell said okay. Thank you. Ed, can you take the clicker because I'd like to end on slide 29. So, since joining the Ed Driggs committee, I've been trying to come up to speed and understand transportation and boy, I'll tell you, it's a lot. So, just a couple of questions. So, on the sales tax as a solution to pursue to build out the Strategic Mobility Plan, A, that's going to take state approval, correct?

Mr. Bergman said correct.

Mr. Mitchell said I think B, there's a long session currently now in Raleigh. Then I know we've been talking about putting up a referendum. So, to my colleagues, I guess what I'm struggling just a little bit is expectation. Is that referendum possible in 2023 or is there a 2024? So, I think we need to have that honest conversation about when we do we put a referendum.

On the option to frontload transportation dollars. So, Tracy are we talking about the CTC (Charlotte Transportation Center) in the Gateway Village as way of frontloading transportation dollars? Could that be an option or that's not what we're alluding to?

Ms. Dodson said I'll look at the team too, but we haven't really looked at, with those two projects, kind of how they might fit into this model. We've been kind of working those independently.

Mr. Mitchell said oh independently. Okay. So, then Ryan when you showed an earlier slide, the 2026 transportation project, could that be part of the frontload transportation?

Mr. Bergman said yes. The way that we had been discussing this is there'd be a portion that goes to transportation projects.

Mr. Mitchell said okay.

Mr. Bergman said presumably the language would allow for very similar things that we use our transportation bonds for now. Complete streets, sidewalks, things of that nature.

Mr. Mitchell said okay. Amanda, this is for you as we look at this chart. When you look at what our other peer cities are doing, how many of those have a structure that are an authority and how many of those are departments under the city?

Ms. Vandegrift said I believe all of them have some type of authority. So, Denver has an authority, Atlanta has its own authority, Seattle has its own authority. Yes. That is the case for the vast majority of them, if not all.

Mr. Mitchell said so, is that current structure, as we have our transit part of the department, is that hindering us to a certain extent?

Ms. Vandegrift said I think that's a bigger question that will require some additional review on the governance structure behind all of this.

Mr. Mitchell said okay.

Ms. Vandegrift said you will see, and your peers, that that has been the general trend.

Mr. Mitchell said authorities?

Ms. Vandegrift said for authorities with major rail corridors.

Mr. Mitchell said okay.

Councilmember Winston said thank you. So, to answer the questions and I think staff is really looking for some direction from Council, some definitive yeses and nos. You can count me in as a yes as sales tax is a solution to pursue and build out our vision of the Strategic Mobility Plan. I think that's what we should be pursuing, and I hope that we can get to six to move forward with that.

One of the big things that's been illuminated or highlighted here are those federal funds. Those one to four, and not only do I think we need to take advantage of the law that exists, we need to take advantage of our champions who are up in Washington who have a proven track record of getting us those federal tax dollars when we meet the criteria. As past co-chair of the Intergovernmental Committee and just a member on our intergovernmental trips up to Washington over several years, I think back to the times sitting in Senator Tillis' office and him and his staff have said what their philosophy is. Before a bill is passed, he's going to fight like hell in what he believes is right and against what he thinks is wrong, but regardless of his feelings, once that law is there and that money is there, he's going to do whatever he can do to get that money to North Carolina, and he's going to do whatever he can do to get that money to Charlotte. That track record is pristine, which is highlighted by just this weekend. Mr. Bruno in the back sent out the message that he brought home \$4 million for some of those transportation things that are highlighted in this Strategic Mobility Plan. We have bipartisan support of a delegation that is going to go up there and work to bring that money home. So, why should we leave this money on the table?

As it relates to ridership and everything else, we know that even intergovernmentally here in Charlotte everybody is looking for solutions. So, you look at things like issues that the school board are dealing with. Parents are trying to figure out a better solution for school buses. What is the future of development going to be when you have a quarter of a million kids that need reliable transportation? That could be reliable transit riders every day. Do we really need a redundant system of yellow school buses and city buses? Which is in itself a public transportation system. Should the school system be looking towards that or should we work collaboratively to better plan our system and better plan our neighborhoods.

I do believe that we should consider this option to frontload transportation dollars. Count me in as a yes for that. We have to get things done. We have to get dirt moving and we have to get improvements. We have to be honest, and we are part of a region, we are a part of a state that is growing and regardless of what we do or don't do, other people are going to be doing things that they think is in their best interest. The idea Mr. McKinney highlighted, making shorter trips here in Charlotte is what is going to help people move in and through Charlotte, whether it be goods or people. If the state is going to build four lanes of I-85 in Kings Mountain, well to be actually successful and not just to end up being four more lanes of traffic in Kings Mountain, you're going to have to get people off I-85 between Billy Graham and Uptown here in Charlotte.

If those logistic investments in Rowan County are going to be able to flow fast and freely through the I-85 corridor and get to and from our airport and our intermodal yard, we're going to have to get people off 85 up here in University. That is going to help us, and we need to put these strategies on the paper and do the work. We always talk about the need for expert opinions. We've got our experts here and they've given it to us again and again over the past three years about what is the best strategy.

Now we can decide not to, and we could just decide that we don't like it, but I think that's what we need to tell staff now. Are we going to go with the best route forward or are we going to say no and figure out another way somehow. So, count me as a yes to both of those.

Councilmember Watlington said thank you. Forgive me, I'm catching up on the notes of the discussion, but I did have a couple of questions. I want to make sure I understand. On slide 27 where it has here the sales tax and the property tax and the initial annual impact to the median household. Yes, this one. Is this what the proposed plan would do? Or is this cost avoidance?

Mr. Bergman said the one on the left is what we had been discussing, the one cent sales tax. So, it's showing the initial impact to the median household. The one on the right is simply to show the starting point you'd have to start with on a city tax to get to the same amount over 20 years.

Ms. Watlington said okay.

Mr. Bergman said the huge difference is because of residents and commuters and property tax being a little more on the resident side.

Ms. Watlington said yes. Okay, cool. Alright, I'm tracking. So, with that said, my next question then, you know, I will say it again, I say it every time. When we talk about living in the region, half of the people on our roads are coming from outside of our county. To me, this cannot go forward without a holistic view of who all is paying into this beyond Mecklenburg County, and I'd like to see that piece of the puzzle. Because when I think about Councilmember Mitchell's question as it relates to an authority, well that tells me already broader than the city limits. As it should be. I do agree that we need to be looking at moving towards an authority from a transportation standpoint, but that means something, right? You pay to play. So, where are our potential partners in that? That's the part that for me, needs to be more of a conversation or at least I need to be brought up to speed on how we think those dominoes fall. A piece of it is not going to be enough. We know that, right? So, that's what's key to me.

Mayor Lyles said can I respond to that? So, the MTC is made up of a eight people that vote on all of the matters. That is the six towns, Charlotte and as well as Mecklenburg County. We have a regional study that all of us have heard about at least, Connect Beyond. In the Connect Beyond work, the idea is exactly what you said, pay to play because if you are going to be a part of the authority, which I believe everyone has endorsed and supported as you grow, but you have to get your core right. So, we had a meeting last week and Centralina Council of Government pulled together the teams from around the Mecklenburg County and they will tell you they rely on us getting it right so that they can grow beyond. They also had a focus on building a better bus system for the

entire region. So, the project that Centralina Council has designed is with the idea that we need to build first trust among each other and have a success, and that success would rely in having a bus system that works and everybody has something that's going on.

I'll give you the example that's most often thought about. In Cabarrus County, Concord and Kannapolis, one has an on-demand service and the other one has fixed route service. They're about to merge, but they understand merging is going to cost them administration, it's going to cost them maintenance facilities. So, what they would like to see is Charlotte be able to figure out what we're doing so that they can figure out how best to fit in to it and not cause duplication and expenses that shouldn't be taken. So, your answer is we have to get Charlotte Mecklenburg for these folks, but they really see this as the regional hub for transportation.

Ms. Watlington said so two things. Thank you for that. I'm happy to hear that is the direction that our surrounding communities are going. I'd like to see their response to, "Okay, well this is what Charlotte is planning. "What else are you willing to do? Because if we go, we need to go together, but that sounds like a good start because I think about the folks in Steele Creek. They're going to want to understand if we're putting in, what are we getting out of it, and it has to come in the form of how are we reducing this impact on our roads from commuter traffic?

Mayor Lyles said I think that is actually what everyone of us really is trying to figure out. This is probably one of the toughest decisions that we have to make because it is an environment where we have deadlines that we didn't set necessarily for ourselves, information that we need. So, we're relying on Connect Beyond, we're relying on our own opportunities that we have within our financial structure, our governance structure to be able to meet a deadline that's two or three years out that requires us to commit to something. I know that's hard. It is very hard to commit to something, but I can tell you the progress that we have made with the MTC alone is amazing. For them to vote for the 30 percent refresh unanimously for the Red Line was a significant point of I think building credibility and building an idea that we can do this. Now it's not going to be smooth sailing all the way through. Every person is going to ask, "Well what's in this for me?"

Ms. Watlington said absolutely.

Mayor Lyles said I think the frontloading is our possibility. These folks work hard I know, but we may have to work a little bit harder on frontloading to say, "Well what are the projects that we ought to frontload?" I would hope that we would be prepared to look at congestion. Now, I don't want to be Ed when he has to tell them Providence Road isn't going to be widened, but it's not because of the housing along it. They're not going to tear up a lane of beautiful homes that these people have their camellias and azaleas done.

Ms. Watlington said they better not tear up Wilkinson Boulevard's either then.

Mayor Lyles said exactly right. So, we're not trying to tear down houses, we're trying to create mobility so people can move around. So, this is going to take some effort, but we do know that there are some streets in our city that could be widened and need to be widened and will make it a safer place for us driving as well as pedestrians. So, we're going to have to figure it out. I think that's the gist of how fast can we move to meet this frontload idea and are we willing to take that concept? Drive it through this process and at some point, then prepare to go to Raleigh. I think that we have got to go in a way that we are engaging with the leadership in Raleigh to say, "Here is the data, here is the case we're making for it." I think you're hearing the case that we would make today, not just to the leadership, but to our own delegation as well as the delegations that surround us. So, when we talk about these other cities, what would their delegation say?

Ms. Watlington said yes. I look at it like we're planning a trip, and somebody's got to put down the money for the villa and if you haven't told me you're on this trip, I'm not putting down this money. So, I think that what you've described is we're moving in the right direction. I think there's some work to do. Your point, to make that the folks who said, "Yes, I'm going on the trip," in the group chat, are actually putting up the funds.

Mayor Lyles said exactly.

Councilmember Anderson said on slide 37 where you walked through the pros and cons of potentially frontloading some early mobility dollars. I'm very much for accessing additional local matching funds to unlock our ability to compete for federal grants and of course being able to pull up some of the mobility investments earlier. I truly support those two options, but can you add some more dimension to what that means on the cons side to potentially increase our debt issuance in the early years and if that will affect our ability to move on other projects or opportunities that we might want to do? Then also the first bullet around increasing allocation in later years. I'm sure you can't give me specific dollars, but from a t-shirt size, is that like a medium size, is it a large, is it a triple XL? Can you just add some dimension to those two cons?

Ms. Vandegrift said sure. The cons will really depend on how many years you're frontloading and to what extent you're frontloading. So, we've run some preliminary scenarios and we'd love to work through that some more about what your priorities are, how much are we frontloading, how many years, and if it impacts. We've run scenarios where it didn't impact the transit program at all and that's great. That's great news, but you can't go several years without having an impact because eventually your transit projects, in the early years, they require much lower costs per year to advance them, but as they move further and further into design and you start talking about mobilizing for construction, things get more expensive pretty quickly.

So, there have been some scenarios we ran that did not impact our phasing and our priorities for those projects, but if you go far it would impact it. So, that's why we gave that caveat because that hasn't been decided yet. As we work through that, we can talk through what the tradeoffs might be for a specific scenario.

Ms. Anderson said thank you.

Mr. Jones said Amanda, if I could answer that. So, let's call it a stress test. So, part of what Amanda has been doing independently is running a stress test about the affordability of these projects. I think the key is simply this. Early on the thought process was build out the transit first and whatever is left over, leave it for transportation. We're thinking about it a different way now. How can you frontload some funds for transportation over the first two, three, four, or five years what have you. As she showed you, a lot of those early years are just designing the transit projects. So, as long, let's say if the starting point is do no harm, make sure this thing can still pass this stress test, we can do that. What we didn't want to do today is just arbitrarily throw out some percentages, but this whole concept of being able to move on transportation projects early on, I think is important.

The other thing that's important is this SMP (Strategic Mobility Plan) that I think is on everybody's table is an infant. You only approved it in June. So, we're really in this process of trying to develop the project. So, I know this is a conversation we have over and over again. What's in it for certain areas, but I hope what Ed was able to show today that there are multiple opportunities throughout the city. Can you just go back to slide 27, I think this is the bottom line. Yes. On the right side of this slide, you can do that. You can do that as a Council. You can adjust your property taxes. On the left side of it, you can't do that as a Council. You need authority from the state. Whether you want that authority today, tomorrow, five years from now, you can't do it without the authority.

One of the things that's important about the sales tax. We were charged a couple of years ago, maybe three years with finding a financing model and also what could the legislation look like. So, unlike the quarter cents sales tax that is available to counties where you can't put on the ballot what it's for, this is different. So, I think that as we try to warm you up to this concept, the questions I would be asking is how would the ballot question look like? What would the legislation look like? What would the interlocal agreement look like? Again, until we either get the nod or pump the brakes or hit the gas, right now we're just trying to get to the place that this is an option. It has many more hurdles, but it's an option that we believe has less impact on the residents.

Mr. Winston said it was \$36.8 million.

Councilmember Graham said obviously when I stated my priorities earlier in the day, transportation is one of them. I think it's going to be the single most important thing that we do all year. A number of questions that we have to answer. One I thought we've answered was that were we going up to the sales tax. I didn't know there was a debate of there being any other option. I thought that was foregone conclusion. Maybe that's me being wrong.

Councilmember Bokhari said you were right.

Mr. Graham said so, I'm not sure there's an approval that's necessary, and we can't do anything without federal support, right? Those are just two givens and even when I served as chairman of the Transportation Appropriation Committee in Raleigh, the state match is important, and I think that state match has even decreased. It was 50-25-25.

Mayor Lyles said the plan does not include a state match because we're asking for permission [inaudible].

Mr. Graham said exactly. So, that's already disappeared when we built the Blue Line. That doesn't even exist anymore. I'm with the Manager. I'm to a point where we're asking a different set of questions versus whether or not we want to approve the sales tax or whether we're going to get federal support. Those are things that we need. The valid question of, how do we maneuver working as a region to make our case to Raleigh and make it in a way that people understand exactly what we're asking for and understand what the value proposition is. Not for the City of Charlotte, but for the region. How do we all get something out of this together? Making sure that when we talk about our priorities to Raleigh, it's a narrowly tailored audience that we're talking to. We're not talking to all those legislators. They really don't care what our priorities, only our delegation to a certain extent.

A question like this is going to be decided upon a small group of people in a room. I thought we would be talking about strategies in terms of how do we communicate with the region, with our delegation. Mary Belk, who's our new delegation chairwoman and resources that we have in this room that can speak their love language and talk with them in a different type of way that maybe I couldn't. Maybe Ed and Bokhari can talk with them differently in reference to the importance of this for the region. Maybe some of our corporate leaders. The Council didn't solve HB2 (House Bill). We kind of created the problem, but we didn't solve it. It was those corporate friends who went to Raleigh and explained the impact of that decision, and maybe we should have our friends from our corporate community talking to some of our colleagues in Raleigh. Maybe Mr. Bokhari and Ed who speak that different language.

The Mayor has done a good job. I'm just letting you know, over the last four years, our reputation wasn't very good up there. There was a lot of clean-up work that needed to be done and a lot of training that needed to be done that has been done over the last four years to get us into a position where we hope that they will listen to us. So, I just hope that we just be honest with ourselves in terms of where we are and the questions that we have to answer. One is how do we communicate our need from a regional perspective with all regional partners and making sure that we're talking to the audience that's necessary to help us make this decision and bring those individuals along the way who can help us make the case, who will stay with us.

One of the things I read earlier, sometimes we're going to agree and sometimes we're going to disagree. When we win as a team and we're going to lose a team if we don't get this thing done, we all lose. That's just the bottom line. The city loses, the region loses and we're leaving money on the table that can help us with our mobility and connecting the dots and growing our region.

So, lastly, I think Mr. Driggs makes a good point too. Somehow, you've got to make this thing understandable for the people. I just don't know how you do that because it's

complicated, but you have to be able to sell it in a type of way that people know exactly what it is that we're asking for and why it's needed. Thank you.

Mr. Driggs said so, generally what he said. I guess Mr. Bokhari it's up to you and me to deliver a message. So, you go first. There were two questions, I think. If we need a revenue source, is it the sales tax and I really don't know of a meaningful alternative. We may be able to offset some of that through other means. So, the answer to question is yes, I think we're already in agreement as Mr. Graham said that the property tax was too onerous and contributed too little. That's a more than 50 percent increase in the property tax to get to that number. The second question was what about prefunding or moving the sequence around. I think if we can access some low hanging fruit and start delivering benefits to the community, that will play better with people voting in the referendum with our neighboring communities with whom we're partnering and probably with the public. So, I would be in favor of not asking people to approve a sales tax, the proceeds from the benefits from which they're not going to see for 12 or 15 years. Thanks.

Councilmember Mayfield said so this isn't something you have to respond right now, but for me when we have the conversation about transparency and relationship building, the what if. What if we were to take it to a referendum and that referendum is not approved by the community. We have a lot of things that have been going on the last few years. We have more things that are going to be addressed throughout this year prior to a referendum. The school board is putting things out there. Give us what those numbers will look like.

Also, for me, at this point, I'm not in a comfortable position to say yes let's move forward. I need more information. I need to know on the ground what this can look like when we're talking about the movement of this land. Government, historically with I'm going to say good intentions, has created a lot of challenges, when we look at land grabs in certain neighborhoods, 77th, Independence, other places, but we could look at right now a conversation that's happening off of Monroe Road where small Black owned and minority owned businesses are negatively being impacted because of road conversations that we're leading.

It would be helpful for me if I'm going to be out having conversations with community and even the consideration of why this could be good. To also be very transparent and upfront with the area that's going to be impacted and how do we plan to mitigate so that we're not displacing small businesses that are under whatever the threshold is of what your revenue needs to be or size or office that has less than 10 employees. What are we doing to mitigate that? Because we have seen historically the challenges, because that business isn't able to just pick up and move to a new location without our dollars and we've already discussed how the cost of living, the cost of doing business in this city has more than doubled which is why we've had to put more money into certain projects. We would then be creating a potential burden for that small business to have to try to identify another location based on what we're doing.

So, for me to even be comfortable with this conversation whether it's a one cent sales tax or not, the overall, to talk about this transportation, it would be helpful to know where we're talking about moving these roads around. Where we're talking about, we need additional land because you mentioned earlier, we know in some parts of the community there's not going to be any land that's going to be taken. Well in other parts of the community, we know that has been a default. It would be helpful to have a clear understanding of exactly what we're talking about prior to expecting for Council to vote yay or no on this. Thank you.

Mr. Bokhari said so, a couple of things. I'll preface this by saying a show of hands of all of my colleagues. Is there anyone on board right now that is for anything else other than getting a transformational investment in transportation to this community? Whatever that looks like. Is there anyone that's not for that? So, that unites us all. I think that's the most important thing. It's how do we get there and where do we go from there. From a new Tariq perspective, I will say I appreciated some of the things I saw in there. I saw glimmers of a real step forward. For the first time, we're really seeing glimmers of what a new plan

looks like that has other characteristics to it that we know are very important. On the slightly critical side, what I'd say is this word frontloading. This is the thing you've heard me rail about before, it's another version of what's been happening for the last 20 plus years in Charlotte. A rebranding, a kind of repositioning of the old plan. The point is we know the old plan is dead. We really realize that fact right now.

So, there's two things we can do. We can work on a new plan. I personally believe looking at this, Charlotte is becoming aware of the fact that the old plan is dead. We can debate that, but the point is I think we wouldn't be here doing this right now if that wasn't the case. So, we can come up with a new plan that makes sense that unlocks a transformational investment, or we can fall into the trap that happened before and rebrand and rename from Charlotte Moves to TMN (Transformational Mobility Network) to now the Frontloading Plan. The reason that's really problematic is frontloading is nothing new. It's a cool new concept. We've been doing it all along with the Silver Line. We spent \$50 million frontloading that plan so that we could get to a point where ultimately, they were like, "We're ready to go," and we haven't figured out funding and how that's ultimately going to work.

So, ultimately, I think if we can take what we see here, these glimpses of the new plan and double down on that, really craft that new plan and then be able to come out with what I think are four distinct messages. These are messages to the General Assembly; these are messages on that referendum to the voters. If we can say these things, I think people will understand and see why this is a necessary investment. One, it's a roads and technology first strategy that's going to improve mobility, it's going to reduce congestion. It's going to include our regional partners, the General Assembly and their priorities, it's going to ensure ongoing involvement by the towns and our partners. It's strong and it's structured in a way where nobody feels like they're an afterthought. Roads first. Roads and technology based first, where the puck is going to be.

Two, we're seeking a roads first partnership with the state, our General Assembly partners that includes how we're going to come together with statewide roads and the issues there, 77, 85.

Three, there can be some transit, but it's not the same old transit first rail plan that we've seen over and over again. Perhaps it's the Red Line that promises were made and not followed through on, paired with we can maybe get creative and take the west portion of the Silver Line out to the airport. I think regardless if it's a Red Line to Silver Line west strategy, the fourth point is really important. This is so key in this frontloading aspect. We will not advance any transformational investments until we have funding strategies agreed upon by all of our stakeholders. It doesn't mean we have to know exactly the ins and outs of it, but we could've sat around four years ago as a Council and had six votes and said, "We're going to go forward with a local transit tax." We could've said that, and it was going to be done. Why does no one go and do that? Because they don't want to be the first nail sticking out and thinking that "Oh, maybe that isn't popular yet."

So, I think if we can say those four things, and that roads first strategy like we saw today, mobility hubs, micro transit that connects to them, the technology that's going to take autonomous vehicles and where we're heading and get the IoT (Internet of Things), the 5G, the smart corridors, the smart street lights, the things that are going to actually reduce congestion and what people care about. I really think that's what's going to get a General Assembly not just onboard of, "You've heard us," but also potentially find some state matching funds there. I think that's going to give us the ability for a referendum and it's going to enable I think taxpayer's support of something that we should only do in this kind of environment unless it's just such a transformational investment opportunity that we have to.

So, I personally think that there's a path if we really buckle down and work on the new roads first, tech first strategy where we put something on the referendum in 2023. If you knew how painful it is for me to say that out loud, you would know I really truly believe that, but it cannot be a repositioning of the old plan to say, "Look, we care about roads," true, but the frontloading is we don't know how they're going to be funded but then we're

just going to keep moving down the road on the other transit based things that we need. I really believe that the opposite of frontloading is roads first. Roads first and not investing in anything that we don't have a secured set of support by stakeholders for funding.

So, that's it. I think there's middle ground on all those fronts for us to work with our partners, but frontloading is a killer for this. I cannot emphasize that enough. The General Assembly will smell out a fast one this quick and it'll be the same conversation we've had. If we take some of those glimmers of what's happening in there, I think we have a real chance to benefit all of our stakeholders and taxpayers in town by investing in something that they're going to see and feel every day, yet it prepares us for the future.

Ms. Watlington said thank you. I would be remiss if I didn't bring up one other component of this conversation. I know we're talking about transportation, but heretofore, the focus has been transit. I realize we're trying to move away from that, but it's still a huge component. There is an economic development piece to transit and when we invest in transit that means that private dollars are going to want to invest. So, there are real economic impacts and the Black Political Caucus and other organizations have brought up what it would take to garner their support because oftentimes when we go for these tax increases, we go to key demographics to get the support.

When I think about people who live along some of these transit lines or future transit lines, they're the very same people who could be impacted by displacement. They're the very same people who as Councilmember Mayfield mentioned may have their businesses impacted by transit investment. So, to me, those two are inextricably linked. I know that we're talking about a funding strategy right now, but we've got to get support from the voters. In order to do that, not only do we have to tell people what's in for them from a transportation standpoint, we've got to help people understand how implementing a sales tax that's going to impact everybody the same amount, from a percentage standpoint, how that's going to be a benefit to people who are not the ones that are going to go build multi-family units along the line.

When we think about convenience of transportation and transit, to Councilmember Ajmera's point, it's not just about the frequency, but first of all are you going where I'm trying to go? So, how do we make something that may not be used by the people who ultimately end up investing in it still show up like help in other areas that match our key priorities?

Mr. Winston said so, the last retreat that we had, I think this Council made a mistake and we decided not to have a coordinated outreach campaign. Instead, we took the direction to let individuals go out and just talk about what they thought was important. I don't know why we did that, but we really need to correct that mistake. I don't think it should just be Mr. Bokhari and Mr. Driggs going to talk, we should do again like we've been doing with our legislative agenda. Put our legislative asks on paper and then we go and talk about it and we look people in the eyes. We don't treat people like boogeymen, we go and do our jobs. We go and look people in the eyes and tell them what we want to do and why we want to do it. A lot of the comments here, how we work together to execute regional needs. We don't let individuals go and just speak for themselves and make believe it's on behalf of the Council or the entire City of Charlotte. That's how we built inequitable cities and inequitable states and inequitable nations.

Really at the crux of it, again, this City Council has to decide are we going to invest in our mobility needs or not and right now it's not clear that we are. We have a lot of prerequisites before we're willing to say yes or no, I think we really need to get off the edge. Be on one side of the line or the other so we can get to work. I hear what a lot of colleagues are saying of the work that we want to do and the questions that we want to get answered, we cannot answer those questions until we decide that we are going to invest in our mobility needs. We just have not given staff a very clear yes on it. I don't think we've necessarily given a clear no, but we're still kind of in the same position, stuck in the mud and I think that's unsatisfactory.

DeAlva Arnold, Facilitator said I'm sorry to interrupt, but I think we have some follow-up items that we need to get to advancing to when the team comes back with some of the outstanding questions and responses that provide [inaudible]. I do want to get back, for all you Council members now, I know that's of great importance to a lot of people in the room. So, I want to move back to that conversation now and let me check. Do you need a five-minute break or are we good?

Mayor Lyles said do we need a break? So, this was supposed to go until 4:45 and it's almost that. I do believe we need to have some idea about this because I take notes and I say, "Where are people?" We probably need some of that. I think that as Tariq talked about the new plan and he had four principles and he also said room for compromise, I think people understand what we'd be talking about is actually going in and beginning roads first. As a part of this effort, I also think that we have come a long way due to a lot of work by a lot of people in this room. That we do have the ability to have a voice to present this to the legislature, and I do believe that the legislature will have feedback and that there will be opportunities to have this conversation and to come to some conclusion on it.

Right now, the Manager needs to know whether or not Davenport and all of the other infrastructure people, do we continue to do this idea of having a plan that we can one, make more understandable to our constituents, but also begin to move us along in the idea of what can we do out front to build that trust. We've been building a lot of trust across the footprint of our city and our region, but we have to do something to build that trust with our residents. That's really important. So, I think that what we're trying to do is some nod to continue this as an option. It is not a decision that we will do this, but to continue this step as an option, we do need to have some hand raising on that.

Ms. Watlington said Madam Mayor, I want to clarify the last thing you mentioned. Just so I'm clear. Right now, I get that we are not voting to approve, we're voting to move to the next phase. When will we see this again? Not a timing but I want to know what are the key milestones that I can expect to review before I have to make a new decision. I just want to make sure that if I raise my hand yes, I know when I'm going to see it again.

Mr. Jones said so, if you say we move forward, what I'd like to be able to do is what I said earlier. Show you what a valid question would look like. Show you what legislation would look, show you what an interlocal agreement would like, because then it would allow me to have more conversations with the town managers, the county manager so that at least we're understanding what's important to them also. The one thing that will be difficult, I'd ask you to not force us to do a Cross Charlotte Trail, is that we're going to come back in the first quarter of the calendar year with some idea about some of these projects, these 200-plus projects. When we do that, they're going to be lines on a piece of paper. What we've been doing is getting to 30 percent design on projects and I think you're asking me to be held to a different standard for this and I'm telling you we can't get there from here. What we can do is identify types of projects like we did today that we think would help us in terms of congestion. Fair enough?

So, that's kind of the nod. So, we would begin to really flesh out legislation, ballot questions, things of that nature so that you would be able to say to your constituents, "This is what this could look like."

Ms. Watlington said so, I think you nailed it. That's the struggle for me. In order for me to turn around and go tell my residents that this is something that I'm prepared to raise my hand for, I don't have the WIIFM (What's in it for me?) from what I just heard. What I heard was a strategy to get to referendum and that's one component, but to a resident that has questions, that doesn't feel like an answer to the questions that would reduce any reticence. So, I appreciate that you're not in a position to have every detail or to say definitively it will never change. These are the projects, but me personally, I would be looking for something more than your 30 percent designed question if that means that we can have some real projects that people can wrap their minds around and determine what they're actually paying for or willing to pay for.

Mr. Driggs said I just wanted to say briefly if the converse of the question you're asking is should you discontinue any mobility planning, should you reject the idea of accessing a new revenue source. I don't believe anybody here thinks that. So, if there's any discussion or question, it's just wanting to understand exactly what it is you want us to nod to. If it is continue to work on these things, recognizing that you haven't nailed it all down yet. Do we acknowledge that it would take a major new funding source which would probably be a sales tax? In my mind, yes. Certainly, the converse is not true. "No, don't do it, we don't need a mobility plan," and "Forget about it, we'll pay it." So, I don't know.

Mr. Bokhari said so, said another way. I think I can simply this. If it's everything you talked about here, and all the potential strategies and the cool stuff we saw and the communications and the negotiations, absolutely. If the specific question, which it says on there is, "Are you for the frontloading plan?" I just have to say, even if everyone around this room says yes, we're for it, and then you start going to the towns and you do all that stuff, it is a nonstarter with the General Assembly. We will have wasted time. So, I'm for everything and I think you guys made a ton of great progress here, but if the simple question is, "Are you for frontloading? So, that we can say things to towns and General Assembly that they get now, and then we'll keep spending money on things we have no idea how to fund, I think you should just not waste the time because the citizens are going to be the ones that get hurt by not getting a transformational investment done.

Mayor Lyles said I think what we were saying is take the information that we had and ask, do we continue to review this option? Now that doesn't necessarily mean frontload transportation dollars. I don't think it is any explanation up there, but it's going to require the team to have an explanation.

Mr. Bokhari said the sales tax was the only thing we've ever had for this. That was a nonquestion. The question is are you for frontloading or not?

Ms. Arnold said I just wanted to give Marcus an opportunity to clarify what the question is for everybody at this point, because it seems like there's some confusion about what you need from the Council at this point.

Mr. Jones said sure. So, I guess the last time we had a conversation about this, there was a particular split. 80 percent going towards transit, 20 percent going to non-transit and that was a transit first proposal where whatever was left over was used for transportation. The inverse now is, whether they're smart corridors or smart streets or whatever the terminology that's been used earlier today, was how much more could you put towards the non-transit piece but still get the bus system right? I think this is where you may disagree, where you still continue to design the Blue Line extension to Ballantyne. The Gold Line Phase 3, the Red Line, the Silver Line. So, you don't necessarily put pins down on any project that's transit, but you're able to have more money early on to do these smart corridor projects.

Ms. Arnold said thank you for clarifying. Thank you for your patience, Councilmember Johnson.

Councilmember Johnson said that's okay. Thank you. I think there's a presumption that we've talked about this, but I don't know that this Council specifically has talked about this directly. It's been alluded to, there's been some talking points, you've heard it, but we as a Council have not been briefed on the sales tax, where they would be and I'm not comfortable raising my hand as a straw vote because if it doesn't come back, the media is going to, you know, "These Council members supported the sales tax." So, why don't we get the information first and then we can vote yay or nay whether we support it? Thank you.

Ms. Arnold said that's fair. Thank you.

Ms. Ajmera said Mr. Manager, maybe this will help. I understand that we had to go through this Advanced Planning tool to really give milestones and the projects information that some of the Council members are looking for. What might help is trying to figure out at

least if we can identify projects that could be frontloaded through transportation dollars would help Council members be comfortable that this is what they are getting in their district.

I think what you are looking at is really whole Cross Charlotte Trail, this is Phase 1, Phase 2, but that was really detailed. We had a timeline behind each, but even identifying projects. If you support one cent sales tax, this is what it could result in. Here are the projects that we could accomplish. I think having that, at least even for a short-term win would help Council members be more comfortable, because I and Ms. Watlington, we were having conversations, and we were talking about the list of projects that would get her comfortable. I understand that Mr. Driggs asked the same question, especially from road widening. Obviously, Providence is not a good example there, but maybe another project in District 7. I don't know, but I think having some sort of list of projects identifying those, especially in our short-term win would really help us get to that yes that you are looking for.

Mr. Jones said I will say this. So, I would say that right now if we divvied up 30 projects in 7 districts across Charlotte, I would beg you don't do that because it goes against what Ed's been saying all day long. It's a very different way of looking at capacity and in order to do that, you're going to have to be holistic. What I would say is yes there will be more sidewalks, yes more lighting, yes more greenways, and that's the county. Yes, more roads, yes more intersections, but just a list of projects, you will not get the end result that he's been talking about today.

Ms. Ajmera said I hear what Ed is saying, that we are to look at this holistically because this is a billion-dollar multiyear long term vision project. I think there are communities that have felt neglected, where they have felt underinvested in. As representatives of those communities, we have a responsibility to tell them. So, let's say for an example when we talk about sidewalks, we've got to put some sort of number. "This is going to get you 200 miles of sidewalks." Just an example. Or 50 miles of sidewalks. Through our CIP we are barely getting less than six miles every bond cycle. So, I think putting some sort of metrics behind each one, "What is this getting you?" Yes, sidewalks, great, but if it's not near your neighborhood, what good does it do when your kid is still having to walk through mud?

Unknown said like high school.

Ms. Ajmera said yes, a lot of high schools and I have seen a lot of kids that walk to schools and there are no sidewalks. It's very dangerous. So, I think we've got to have some sort of metrics as to what success means we frontload some of our transportation dollars.

Mr. Jones said yes, and I don't disagree. Maybe this will be helpful. With another funding source to help build roads and smart corridors and what have you, you free up capacity in your CIP. In that CIP if you had a \$50 million road that's going to be paid for out of this different project, you could take that \$50 million, put it towards sidewalks or lighting or affordable housing. So, that's why we wanted these two presentations together. This can give you some relief on your CIP.

Ms. Ajmera said thank you.

Ms. Mayfield said Mr. Manager, as I said earlier, I am not prepared to say yes on this. What I heard you mention, the way it feels to me is staff is going down a particular path. You're now trying to find the language to give us to sell the community on why this is good. What I heard more than one time including what I have asked for is additional information. Let us know how this is going to impact our community. Let us know what buy in we have from our regional partners so that we don't run into the situation we ran into a decade ago with the original placement of the light rail where Pineville was in and then they backed out and then it was all on us to fund it.

We have asked specifically from multiple people for staff to bring us some additional information. For me, that information is prior to trying to create the language to justify to the community why this could be good. I specifically asked for staff to show me what local

impact will look like based on the type of projects. What is the clear commitment from our residents? We can't keep going to the community and saying, "Look at this shiny new thing that I made for you that I didn't talk to you about, that I didn't ask you about, that I didn't have you get any buy in, but I put it on the ballot for you to vote for."

We need to slow down long enough to make sure that not only our residents who are going to be impacted, but those regional partners who's supposed to be at the table to help fund this and who also should lock arms with us for legislative authority, that we're all on the same page. Not just a group of CTC. The actual community who this burden is going to fall on. Not just the business corporate community who a lot of them don't live in our city limits. Some of them barely on the outskirts, they're barely within the region. We need to talk to our community to get buy in and to understand what it is they would like to see and also be able to explain to them this is what could and what may happen. At some point we need to learn the lessons that we didn't learn eight years ago when we went out and we did projects and then after the fact we then had to try to figure out millions of dollars to repair something that we could've fixed on the front end if we just slowed down and pivoted, opposed to, "If y'all just tell me yes, I can move forward with this, then we can just keep it moving," then after the fact we want to bring people in.

So, I really want you to hear. I want staff to hear me when I say this. So, fast forward in another four or five years whether I'm here or not, we don't have to pull back in the minutes to say, "You know what? That was brought up in the meeting."

Ms. Arnold said very good thank you. Could you put a pin on it for us?

Mr. Jones said I'll end with this. Councilmember Anderson said it earlier. We know where the puck is going. We're growing and there's putting stress on the infrastructure. How the Council decides to address it I think is something that we just need to keep at top of mind because it's going to be a challenge for us.

Mr. Bokhari said to end on a positive note, I just want to say you've made progress.

Ms. Watlington said [inaudible]. Where do we go from here? What happens now? We didn't make a decision. Do you continue as you were which would've been a yes vote? Or are we stopping? What happens?

Mr. Bokhari said I have a proposal. You've made a lot of progress here and I think while we're jumping on things from different angles, there is progress made and I think it needs to be recognized. I think there's a lot of us around this room that can't generically look at the progress that was made and say, "What does that mean? If we get \$10 billion, does that mean there's \$6 billion to roads and \$4 billion to light?" We don't have enough understanding of the framework. Are you going to fund a bunch of stuff that's unfunded or is there some kind of process that's going to enable not duplicating the Cross Charlotte Trail from a design problem, but then also not duplicating the Silver Line from we're going to spend \$50 million.

So, there's a couple of parameters that I think if you guys can take away and provide us, in said in other words, what the benefit is to the community. What they're going to think about when they go to the polls, what our General Assembly partners are going to say, what the towns are going to say. We just need that next level of detail. It can't be theoretical of a concept like frontloading. It has to build on what you've said and say, this is what we're going to go socialize to the towns. I think if you do that next and we have something tangible, I won't speak for everyone, I'll speak for myself, I think I'm scared that we're signing a blank check. That I don't fully understand it, and we're going to find out like six months from now that it wasn't what we thought. I think if you can bring that back to us, you will have built on what is a really good job by staff and yourself to get us to this point.

Ms. Arnold said thank you. So, the team definitely has action items. We probably should've restated that at the end to say that they're action items to follow up and provide some of the information that is being requested.

I do want to do a time check now. It's 5:01. We're supposed to end at 5:30. I have the sense that the priorities conversation may last longer than 30 minutes, the second phase of it. Are we going to 6:00? Proceed?

Unknown said you want to finish the priorities discussion, correct?

Ms. Arnold said yes. We have time? Perfect.

Mayor Lyles said yes, let's go to priorities.

Ms. Arnold said alright, I wanted to make sure we did. Okay. Thank you.

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ITEM NO. 7: FEDERAL AND STATE PRIORITIES

DeAlva Arnold, Facilitator said, okay. If we could have your presence back in the room, we want to regroup on where we were with the priority's conversation at the end. Thank you for the discussion earlier. We summarized a bit where we are with your responses on the board. Affordable housing, corridors, the 2040 Plan/UDO and HIRE Charlotte were just by the simple vote, may not warrant additional conversation. I'm looking at Councilmember Mayfield's response here. Those were the priorities that did have a lot of support and energy in terms of moving forward. I'll restate that. I'm just summarizing now, so just give me a minute, affordable housing, corridors, 2040, HIRE Charlotte got the highest level of responses.

Councilmember Mayfield said just for clarification. 2040 [inaudible] according to those stickies. The three that we said were affordable housing, the corridors, and HIRE Charlotte just based off the stickies. If we're going to add a fourth one in to that three, then one of the others has more than the 2040 Plan.

Ms. Arnold said let me restate. 2040 has three. Thank you. I'm going down my list here. 2040 is also very much baked. So, we want to also make sure that we have that context in terms of what might be feasible in terms of revisiting. So, it's not always fair to give the number of votes because everybody didn't vote on the things that they supported. So, that's why I'm hesitant in calling out the numbers.

Mayor Lyles said I understand as affordable housing has eight. You can't do it based upon [inaudible]. It's really about what the Council wants to do [inaudible] making up ways to, actually we do get [inaudible] support.

Ms. Arnold said I was just going down the list and was going to ask for your priorities.

Mayor Lyles said [inaudible].

Ms. Arnold said there were some though that are on the list, and I'll call those out, that are new that had some passion around it. So, I just want to set some context first okay. So, in terms of HIRE Charlotte by this vote was highest. It seems that from the conversation, and you guys correct me if my understanding is wrong. I'm regurgitating what I thought we heard, was that there was some feedback that Arts and Culture and workforce development could fall under HIRE Charlotte.

Mayor Lyles said, and I think Arts and Culture is actually in our economic development team and has three people working on it and we have a plan for that. So, I think Arts and Culture could be wrapped up in the next several weeks.

Ms. Arnold said yes. Thank you. Then the digital divide did have some responses here. Mobility also. Economic and business development with small business development and minority business development were also new. That had a lot of passion in terms of the discussion today. A few people also mentioned strategic development if you think about

strategic development, it really is the approach, and it could be a common thread throughout all of the initiatives more so versus being an actual initiative. Okay?

So, in terms of these items, I would like to take each of them to see again where the commitment is in the room from the Council. Mayor and Manager, is it safe to say that we want agreement on how we're moving forward with these priorities when we leave today? Is that the goal for this discussion?

Mayor Lyles said the goal is to actually have the priorities today so that we know what we're going to be working toward or on.

Ms. Arnold said okay.

Mayor Lyles said we've done this traditionally.

Ms. Arnold said okay.

Mayor Lyles said we've had as few as three and as many as five or six. So, the question is [inaudible].

Unknown said what was the [inaudible]?

Mayor Lyles said they're at the front.

Ms. Arnold said I would have it in front of me.

Mayor Lyles said so, we had priorities. Neighborhood, SAFE Communities, transportation and planning, workforce and business development and well managed government were the priorities. Then we have initiatives, and those initiatives fall under those priorities. So, much of what we're looking at are the initiatives.

Ms. Arnold said are really initiatives here. That's really the list that we're focusing on.

Mayor Lyles said yes. Let's go with what we have up there for the priorities, that group and list.

Ms. Arnold said our priorities have really been about we've intermixed priorities and initiatives in the conversation. So, I want to ground everybody on that. There's a view here which I think is really good and even we have some perspective on even how that falls with some of the new initiatives that we've talked about. How it really is all encompassing and they're very much interconnected.

Mayor Lyles said so the SEAP is an example as strategic development would be something that we would incorporate. Equity would be incorporated in every initiative. That's one of those three that stand out to me.

Ms. Arnold said right. Just to ground you again, here, well managed government, equity and environment in infused throughout all of them. The point I made earlier is that if you could imagine a bar going across the bottom, it's the strategic development because that's more of an approach in the common thread. That's the approach that you're going to take through all of this which is thinking long term and more strategically instead of about individual projects. Okay? Does that make sense? Alright. So, in terms of what was added. The digital divide, economic mobility.

Mayor Lyles said I have a question. Maybe it's for Ms. Anderson. I thought on the digital divide, what you asked for was regular communication on the status, or were you asking for it to become a part of the priorities?

Councilmember Anderson said so, I was specifically asking for the updates that we have on our regular cadence as a part of our key initiatives.

Ms. Arnold said thank you.

Mayor Lyles said okay.

Unknown said [inaudible].

Ms. Arnold said mobility also was one.

Mayor Lyles said I'm not quite sure where we landed on that. So, I think we just skip it.

Ms. Arnold said okay.

Councilmember Molina said actually use that diagram for what I chose.

Ms. Arnold said okay.

Ms. Molina said based on what the priorities were and [inaudible] primary relationship [inaudible] and what the subject matter was.

Ms. Arnold said yes, go ahead.

Marcus Jones, City Manager said so, can I try something?

Ms. Arnold said yes.

Mr. Jones said so, what I think I heard earlier is that two key initiatives will be added. The digital divide and small business development.

Ms. Arnold said we just took the digital divide off.

Mr. Jones said okay then, small business development and that Arts and Culture would be rolled up into whatever HIRE Charlotte will be.

Ms. Arnold said right. HIRE Charlotte, yes.

Mr. Jones said or workforce development. So, I think what's hanging out there, and someone said earlier, separate HIRE Charlotte from workforce development.

Councilmember Bokhari said no, wait. HIRE is workforce development.

Ms. Arnold said there was some passion in the room, and this is literally, if you guys could just be patient with the conversation because it's really important that you're all on the same page. So, this is the point where we seek for understanding. So, we're just regurgitating. I'm the neutral party here. So, we're just regurgitating what was heard for clarification so that you can be on the same page. So, there was passion about separating HIRE Charlotte and workforce development. I have a little cheat sheet here in which I actually put Arts and Culture and HIRE Charlotte under workforce development because all of it workforce development from a priority standpoint. HIRE Charlotte is a program or an initiative. You can think about it that way or vice versa. You didn't want to get into semantics. It's all connected, but there was passion about it being separated.

Mr. Bokhari said I think the problem with that is there could be passion about something but if it doesn't make sense, they are literally the same thing. So, here's what I would suggest. I think the problem here is everyone views this as a different thing. We don't have a common agreement on what this matrix is. I would argue the simplest way to say it is the rows, these initiatives are what city staff leads. The columns are what City Council leads through committees. So, that's the vertical view that cuts across all the horizontal activities that staff does that were primary or secondary or whatever, and these are the things that staff lead.

So, you can take HIRE Charlotte, Arts and Culture, digital divide all that stuff and you could just say economic development. Recruitment, small business. If you want to list them out, great. The point is we have a division, we have a department head, we have a group, both in economic development on one side and the CIO organization on another that touches digital divide in workforce and recruitment and small business. Then you've got 2040, UDO and infrastructure and SEAP. You've got transportation, you've got affordable housing. I would argue that Corridors of Opportunity probably belongs in a vertical and whether that becomes the equity lens or the equity framework we have or whatever, it could its own committee that looks across everything. The point is if we view this as what Council does and what staff does, your job Mr. Manager is to align your staff however you want them.

Ms. Arnold said there is a question specifically about where the Council wants staff to invest their time and where the investment is. So, that's why we're spending time specifically on the initiatives so we can see where the commitment is. What is the direction from Council for staff as it relates to these specific initiatives? So, some of the things that came up today.

Mr. Bokhari said we don't direct staff though. We direct the City Manager, the City Attorney and the Clerk.

Ms. Arnold said I am not talking about an HR (Human Resources) conversation. Can I please have attention please. There's a lot of passion. We understand that it's been a very, very long day, but what we're asking for is a very simple thing which is just to get your perspective, yay or nay, on whether to move forward with these initiatives. I was trying to get to a point where we were introducing some of the others that surfaced as new. Yes or no or consensus. I'm happy to draw it out or whatever we need to do so that you can visually see it perhaps, but that is the question that that is what success looks like for the end of this conversation, per the request that we have in terms of having a yes or no about these things. It may be only one other at this point, at the end of this conversation. So, we are talking about initiatives.

Mr. Bokhari said so, what does it look like to split workforce development out from HIRE? Because that doesn't make any logical sense in the world. Literally you're saying get rid of HIRE and call it something else?

Ms. Arnold said I'm not saying anything.

Mr. Bokhari said what are you saying?

Ms. Arnold said hold on. I'm not saying anything. I'm facilitating the conversation. There were Council members over here and I can't call anybody directly because I can't remember who it was, but there was a request or a recommendation that workforce development be pulled out as a separate initiative from HIRE Charlotte or a separate body of work or something to that affect.

Mr. Bokhari said ask your Economic Development Chair. Ask him what that means.

Ms. Arnold said well I don't think he said it. So, we should ask the person who said it.

Mr. Bokhari said no, he's in charge of it.

Councilmember Graham said I'm saying that I hope that we won't do that and, as I indicated earlier, there's a committee meeting coming up where a number of the issues that were addressed here today that we're going to vote to allocate over \$16 million to a lot of the things that people said they wanted to see happen so that we're doing exactly what you want to do.

Councilmember Mitchell said so, I was that group that really advocated for looking at developing workforce development from HIRE Charlotte. So, I put my sticky note up there because I think some of us have a different philosophy on what we're trying to create from

workforce development. I used the Chetty Report. Tariq you brought up how we could tie everything together. I think that's a great roadmap. Could it be successful? I hope so, but there needs to be a concentrated effort and you hear all of us around the table talk about workforce development in a sense of who we need to be targeting towards getting skills and putting people to work.

Mr. Bokhari said that is what entirely what HIRE is. That's why I'm struggling. I agree with you.

Mayor Lyles said we're not working very well together. I don't know. It's like a back and forth and not a conversation where people are being heard because everybody's talking at the same time. So, we have to figure out, and actually I guess we're at the end of the day and everybody's pretty tired. I wonder if this is a conversation that we should start off with tomorrow instead of trying to do this. Give some people some time to think about what information was presented and how it would work.

I think the first thing is, is this something that you've different points of view. So, is it worth taking a few moments over night to think about what it means? You've heard from the ED Chair, and you've heard from Mr. Mitchell. So, how do we address this so that we can get through this? I'm just not sure it's going to work tonight.

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ITEM NO. 8: WRAP UP AND ADJOURNMENT

DeAlva Arnold, Facilitator said I do believe even around those points, for the things that you have passion about, be sure that we're able to speak specifically about what the differences are and what the key points are. So, specifically certainly we know that workforce development is under HIRE Charlotte. You have a perspective about what's missing from that, and so your feedback is about the gaps, and I think that's a conversation that might be helpful.

Councilmember Watlington said that's exactly what I'm trying to speak to as we prepare for tomorrow so that it's clear because I support separating workforce development from HIRE Charlotte because there is a component that is about creating capacity in terms of new jobs that is very business led and there is a component about how do we put people in those jobs. So, there's from the business centric standpoint and there's the individual centric standpoint. I think those are two different focus areas. I think that in some industries we've got plenty of jobs with nobody to fill them. On the other end, we've got plenty of people walking around with certifications who didn't get jobs because that curriculum didn't match. I think it's two different ends of that same things. That is what I think is the gap at this point.

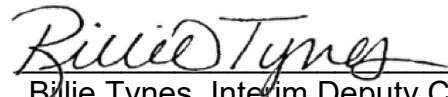
Ms. Arnold said very good. Thank you. So, I think there's agreement that we will table this conversation and begin with it in the morning. First of all, thank you all for your patience and your attention today. We've gotten some work done today and had some really meaningful conversations, so, thank you. I'll ask for closing remarks from the Manager and then also the Mayor if there are any.

Mayor Lyles said well we've had a day, and we've had some tough conversations. I want to say thank you to the staff and to the community leaders that are here, to the media, all of you for hanging in there with us. We're doing big things; therefore, we need to have these kinds of conversations about the how and the when. We're going to continue this tomorrow and if we can all be here 9:30 a.m. tomorrow. We will have a working lunch and a closed session tomorrow as well. So, plan on afternoon time. Thank you everyone.

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ADJOURNMENT

The meeting was adjourned at 5:20 p.m.



Billie Tynes, Interim Deputy City Clerk

Length of Meeting: 5 Hours, 46 Minutes
Minutes completed: