

ANNUAL STRATEGY MEETING, DAY 1 - MONDAY, JANUARY 27, 2025

The City Council of the City of Charlotte, North Carolina convened for an Annual Strategy Session on Monday, January 27, 2025, at 9:08 a.m. at The Restoration Asheville, 68 Patton Avenue, Asheville, North Carolina with Mayor Vi Lyles presiding. Council members present were Dimple Ajmera, Danté Anderson, Tariq Bokhari, Ed Driggs, Malcolm Graham, Lawana Mayfield, Marjorie Molina, and Victoria Watlington.

ABSENT UNTIL NOTED: Councilmembers Tiawana Brown, Renee Johnson, and James Mitchell

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ITEM NO. 1: WELCOME AND INTRODUCTIONS

Mayor Lyles said this is the moment that we have to actually work together, work to determine what the next several years and months will be for our City. So, I'm really excited that we've taken enough time to actually engage with each other. I really believe, and let's see I've been Mayor since 2017, that there is an opportunity for us to come out of here with something that we would all be proud of. So, this is really great to have everyone in here to participate. We've got a lot of opportunities for speakers. We're going to talk about some of the tough things that we can't do at the dais and there are a few of those.

So, let's go ahead and get started, but before we get started, I wanted to introduce Esther Manheimer, who is the Mayor of Asheville. The last time that I really saw her in action was the Metro Mayors, that's where all of the mayors from the largest cities get together, and there was a conversation about how she managed the city through Helene. All of us were in awe of the work that she had done, and so I'd like to actually say to her, thank you for sharing what happens when things are really, really bad. We've had some tough times, but your time and your composure, and you went to helicopters and all kinds of things like that. What you've done has been significant, and I think we can all learn from you what it means to be cool and calm and confident at the same time. So, let me have a hand for Esther Manheimer, Mayor of Asheville.

Esther Manheimer, Mayor of Asheville said thanks, Vi. I very much enjoy working with Vi through the Metro Mayors. I get to see her once in a while. You have so much experience in leadership, and I'm just hanging in there. I've been Mayor longer, but you've been doing city stuff a lot longer. I've been Mayor of Asheville since 2013, and welcomed a lot of people to Asheville, but it's really special now after Helene to be able to welcome people back to Asheville. We're slowly getting restarted, and restarting is really, really hard, so we appreciate you being here. This is a great venue. This is one of our newer hotels. It doesn't have the best view. I think it has kind of one of the more interesting views, because you can see parts of downtown. So, I don't know if anybody has any questions or comments. The Asheville City Council, we're doing our retreat in February 2025, so I know it's a lot of work and long days and interesting conversations, but we just appreciate you so much being here. I will just correct Vi, one thing. It wasn't just me that got everyone through Helene. We did have a whole panel at that Metro Mayors Conference to talk about what a team it took and still takes to keep working on this recovery. So, thanks for being in Asheville, and we hope you enjoy your time here.

Mayor Lyles said thank you very much. Now, Esther is being very modest, and I appreciate that as well. You have to tell the story about the guy that was in the communications area. You have to tell the story of that.

Ms. Manheimer oh, okay. I actually think this is kind of interesting for city people. When this hurricane hit, we had no power right away, and then landslides started taking out all the cable that made all the cell towers defunct. So, gradually throughout Friday, September 27, 2024 when the storm was coming through, we all started to lose communications on our phones. So, you couldn't leave your house. There were trees down everywhere. You couldn't drive anywhere. The winds were still terrible, and then

your phone didn't work, so you couldn't tell what was going on, and then the water stopped flowing. So, we all kind of were momentarily very, very isolated and didn't know what was happening. So, what was happening is the very downtown core still had power, we didn't know it yet, and it still had internet capability. So, my law firm is actually just on the other side of the park, because you know Mayors in North Carolina are part-time, and so we have to have full-time jobs. So, I have another job where I'm a partner in a law firm on the other side of town. So, eventually the next day I made my way down there, and I walked in the building and my phone just went [inaudible], and as soon as I got on the Wi-Fi, my inbox was full of every major news outlet in America, and not just America, Australia, Canada, Italy, asking for an interview. So, I happened to have a person on staff, that I didn't hire at the City, who is the former Fox News Bureau Chief of London and Miami, and don't ask me why she was hanging out here and working in our communications department in Nashville. Her husband's a camera man for the local TV station. She came in and said, "You've got all these requests," and I hadn't ever really worked too much with her, and she said basically, "I know TV, let's go do this," and we set up my law office, because I could do like a zoom-style interview on my computer, and she set it up to be a studio, and basically produced me. She knew how to interact with all of the media. She knew how to talk to every one of the producers. She'd sit in the corner on her cell phone, help load me onto a show, and then we just knocked it out, and I'd go on Fox News. I'd go on CNN. I'd go on MSNBC, I'd go on whatever it was, and say, "We need help!" Because at that point we had three of our four highways knocked out. The only way you could get in here was I-26. People couldn't communicate. It was like a post-apocalyptic HBO show, and I'm not kidding. My husband would sit in our garage in our car and listen to the radio, because that's the only way you could get any information, our local NPR station, and we had another FM/AM radio station, and those journalists slept in the studios.

Finally, what happened was, the county was able to stand up communications, and the county would stream over Facebook, but of course, nobody could get a stream here. So, the radio station would sit there and play the stream through the radio, and we would say to staff, make sure you describe what you're talking about, because no one can see anything you're showing them. So, it was a really, really, really, crazy time. Then, of course, because we were in an election, and were a swing state and everybody cared, I know they all cared, they all came here. So, speaker Mike Johnson, the President, the Vice President, everybody came, and so my job became literally running around and meeting every single dignitary, or whoever who came here, and getting them up to speed, showing them what was happening and getting the help we needed.

One final thing that happened, and you guys, you're Charlotte, you're like the lead of the whole state, but for us we had just redone our emergency operation procedures. We had just built our first standalone emergency operation center. We just happened to have done all that, and we had all trained on the emergency operation procedure. For elected officials, our job only, because we can't directly direct staff or we're not supposed to even be in the EOC (Emergency Operations Center), really, was to communicate. Well, that was really, really hard to communicate, because unless you were me and you could get on TV and do all these things, for our City Council trying to get a foothold on what was their role in this crisis and what could they do, that was really, really challenging. So, just something to think about. I'm so glad we rehearsed it, because we did it and it worked, and I'll tell you what, the people have been so grateful. I mean, yes, you get a grumbler here or there, but they are like, "You guys worked so hard. We saw how hard all your people worked. You've just been amazing. You've done all this." I think it's the difference, right after that storm happened, do you know in Spain they had massive flooding and 200 people died, and when the King and Queen of Spain went to the area where it happened, people threw rocks at them. We had 200 people die in this storm, over 100 in North Carolina. Nobody ever would've done that. They said, "Thank you. Thank you for all the work you're doing." I think it's the difference in how you lead through a time like that that helps the people feel differently even though it's just as catastrophic.

Finally, one other thing that I thought was kind of interesting. Because as electeds, I don't at least in the City of Asheville, we don't have direct staff support. I don't have a staff. I mean I'm like every other Council member. I have people that help me do planning and scheduling and some communications, but really, it's kind of me if I want to do social media or whatever. I had a friend call me up, who used to work for the city and she's now with Bloomberg Philanthropies. This was like right in the beginning, she said, "I'm going to give you a grant, and I'm going to hire communications people for you right now," and she got me, both ladies are out of New Orleans, one does social media, so she stood up a Facebook page, she built my newsletter, which I know Vi gets, and started immediately having me have my own platform to push out the information that the government was pushing out, city, county, state, FEMA (Federal Emergency Management Agency), whoever. I could help kind of push that out, and then build a newsletter, so I could communicate directly with anyone and everyone who had ever emailed me or was in my email list, which is like around 5,000 people, so for me that was a lot of people. Then, the other team she hired me were subject matter experts, more to help me navigate and understand what I should be asking of my city or my county or my state in the face of a disaster, because it's a whole niche area of regulations. You're dealing with FEMA and the SBA (Small Business Administration) and the Army Corp Engineers, and they would say, "Okay, in a disaster, you should be doing this many briefings a day. You should be getting this kind of information. You should be pushing out this kind of data. Now, you're at week three, you should be here in this process." So, that was really, really helpful to have them kind of help me to sort of evaluate if what I was seeing and hearing was, we were doing enough. We should be doing more. I should be asking these questions. I should be asking for this information to be provided. So, totally critical completely happenstance wasn't planned. Something to think about, if it ever, God forbid, happens to a place like Charlotte.

Mayor Lyles said it is always good to hear. So, I want to thank Esther. I want to say then, the courageousness and the opportunities that you took to actually reinvent almost City Hall, and to do this for your community, has been exceptional. So, thank you for allowing us to be here in a moment with you, we really appreciate it, thank you. So, I'm sure that we will have an opportunity, and any time you're in Charlotte, come on down. Alright, thank you very much, Mayor.

We now will begin to talk about the next part of our agenda. So, we are going to be here. All of you know DeAlva, and she has worked with most of you. I think everybody's had an opportunity to introduce themselves to her. So, I'm going to just say, we need to go ahead and get to work. We need to get outcomes that we all can agree upon, and this is the time to actually stand up and say this is what I want. This is what we want. This is what we can do to get to the place that we all want to have as Charlotte continues its growth. So, with that, I'm going to turn it over to DeAlva.

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ITEM NO. 2: OVERVIEW AND WORKING AGREEMENTS

DeAlva Arnold, Facilitator said good morning, good morning. As the Mayor said, I'm DeAlva Arnold with D. Wilson Agency. It's a pleasure to be with you here again this year. I will guide the Council over the next three days as we dive into meaningful discussions and actionable planning for Charlotte's future. I want to say good morning also on behalf of the City of Charlotte and extend a warm welcome to the Mayor and all Council members here. Thank you for being here. Thank you for leaning in. Also, to our distinguished guests, I think we only have one left, and then to all of our staff and speakers who are here this morning, good morning. I want to also acknowledge and thank Jason, Amanda, Beverly, and all of the staff who've leaned in to pull in this production. It has been a production. As you know, it takes a few months to get here to schedule three days to go smoothly. So, thank you for all the work that you're doing, and I want you to thank everyone in the room for dedicating this work to this critical time to shape Charlotte's future. It's a time to align. 2025 is a new year. It's a time for new beginnings. A lot of you used the word reset in our discussions. So, thank you to those of you who met with me to participate in the planning for this retreat. I appreciate being

here again. I want to also thank Council members, particularly for your servant leadership. Charlotte has been amazing in 2024, in terms of some of the accomplishments that you've made, and we'll talk about that this year, today, and throughout the next couple of days, but it really requires all of the sacrifice that you've made, all of the leaning in and the hard work, the hard discussions that you've had, representing not only your constituents, but representing the entire City, regardless of where you live or who voted you in. So, thank you so much for doing that and being here today, and committed to continue to do the work.

In the sessions, we will evaluate our collective process, so Anthony and I have some things teed up for you today to strengthen the foundation around that. We'll explore some new strategies. We have a lot of information and experts to come in to provide some updates and insights, and we're also going to spend a lot of time on governance this year and really lean into governance excellence, and develop a cohesive vision for the City of Charlotte. So, not only a cohesive vision, but also cohesive action is also what we want to pursue this year. In jumping into that, I want to pause a minute and take a look at some of our accomplishments.*Video is playing.

In 2024, we prioritized mobility. We prioritized business and jobs. We prioritized Corridors of Opportunity, Workforce Development, MWSBE (Minority, Women, Small Business Enterprise), Arts and Culture, and other important imperatives as strategic pillars to strengthen the City. The next three days are structured to ensure we merge with actionable insights, to reaffirm your priorities, and collectively commit to a set of initiatives to guide the work for the City of Charlotte this year, for City staff this year.

First, we're going to start with some rules of engagement for the next few days. You guys may remember some of these working agreements from our years passed. All of them are the same here that we've agreed to before with the exception of one that I've added this year. So, I'd like for you to review with me and also agree on these. So, we're going to have an opportunity to edit, change or add anything you think that should be added, and edit anything you think should be edited, and then these will guide our interactions and collaboration over the next three days. The first is to respect every voice in the room. Second is to assume positive intent. The third is to honor our time by being concise and intentional in discussions. To be succinct and respectful of time. I'm adding this year that we limit our talk to two-minute speaking limits. So, we'll have an opportunity for round-robins. So, when you have your discussion [inaudible] to the room if you will limit your comments to two minutes. We'll have an opportunity [inaudible] to look for what connects rather than divides, find the common threads and common grounds. As I've said before, there's not really been an issue in terms of us agreeing collectively on what you want to accomplish for the City of Charlotte, so it's not at a priority level. We get lost in the sauce, if you will, in terms of how we go about doing things at an initial level, or what you think people should be doing differently. For the next three days, it's essential that you function as a team and essential that you focus on the bigger goals and what you want to accomplish. This is a priority conversation, so we're focusing on big [inaudible] for most of this time together, not necessarily the how, but what we're going to accomplish. So, the focus there, we want to make sure that you're listening for common threads with your colleagues, and that leads to one other, which is number eight, practicing both/and thinking. Two things can be true, it's not always an either/or. So, seek first to understand, then to be understood. Really listening from where a person is coming from, because all [inaudible] aligned in the same direction you are not just [inaudible]. We'll get there. Sometimes that's where the [inaudible] comes in. So, number nine is to remain present and focused. Limit the use of technology until breaks, please.

I will say that you have some [inaudible] cards on your tables [inaudible]. If you have any emergencies, mission critical emergencies, like you forgot you left the dog outside back in Charlotte, write them on a card and give it to Lindey with a number and she'll handle it for you. So, mission critical emergencies only. So, here are working agreements and guidelines for the retreat. Is there anything to add here? Is there anything you think we should add? Okay, nothing.

Motion was made by Councilmember Watlington, seconded by Councilmember Mayfield, and carried unanimously to adopt the rules of engagement as presented.

So, the next thing we're going to do is really talk about how to build on these accomplishments that you've had. As you can see, last year was extraordinary, really extraordinary. If you think about some of the things that you've talked about for years that you actually accomplished. Mobility got so much closer. Eastland, we had the privilege of working on Eastland at the early stages at the request of a Council member. So, that's MWSBE coming into play. You've done a lot of work. So we're going to build on that. You've had some historic achievements, so I also want to congratulate you on a job well done. We can pause and do that. I know that when you're in the moment and you're operating at this level, it's sometimes hard to stop and reflect and celebrate what you've done, but you really have moved some big rocks and made some extraordinary achievements. There is no corner in the City of Charlotte that is not growing in some way. There is no path. Marcus and his staff have a path and an agenda with corridors and the strategic investment areas, the path and the road map is there. Thank you for leaning in on that, and we moved from 50 to 38, we're going to talk about that later today.

So, as a result of your work, the entire region is booming, really with Charlotte as the hub. So, in order to get to the next level, it is going to require more of you. So, while we've thanked you and celebrated, we're also going to ask that you lean in and do more. Often getting to the next level requires you to do something different, for you to do things differently as a team, and you do things differently as a team by doing things differently as an individual on the team, because your each part is a sum of the whole. So, we're going to talk about high-performing councils today. We have some exercises for you to do group work, because it's not helpful for me to sit here and go through all the rules, guidelines and principles of high-performing councils. It's something for you to discuss, and we want you to work through it at your tables and lean into adjustments that need to be made as a Council, adjustments that need to be made as individuals, so I have questions and prompts to do that. Then, we're also going to get into governance. So, Anthony and I will partner on this presentation. Anthony will come in and really talk about governance and how you govern, rules and regulations that are set in place legally to guide your interactions, to guide your business, and how you conduct business as a Council. Then, at the end, we're going to ask you to consider a team operating agreement or team charter, in which you commit to these guidelines as you move forward throughout the next year in terms of adding your work.

It is time to do things differently. It is a time to engage differently. It is a time to elevate empathy and grace and all the other things that are sometimes difficult in the moment, when you have passion about a particular thing, but very much effective in terms of moving to the next level and what you need to do. So, by prioritizing collaboration, strengthening governance, you will not only sustain the momentum of your success, but also dramatically amplify your effectiveness, efficiency, and ability to make greater impact. So, what do we do when we want to do things differently or we want to grow personally? We lean in, we learn, we listen, and we evolve, and this is also the opportunity to do that collectively as a Council, but also as a team, to begin to see yourselves as a team. So, we'll use that word a lot as well.

So, quickly on purpose, I don't want to read everything that's in your binder, because you have lots of slides in there. I will say that we have way more slides than we have time. So, you'll see us jump around a little bit, but certainly the essence of what we're trying to accomplish we'll make sure that we hit, but if you could just spend a minute on the purpose of this next couple of hours. Then, I'll ask you to look at the goals, understand the principles of high-performing Councils, clarify governance roles and responsibilities, enhance collaborative decision making, foster a culture of trust and accountability, and create a team operating charter. Is there anything that you want to add? Do you agree with these goals? Is there anything that you want to add or change about these? I'm taking that as they're okay. Give me a nod, thumbs up. Thank you.

What is not on the agenda today is examination of deep dives or specific instances, interactions or experiences or histories that you had. So, we're resetting. We are beginning anew. So, as we think about these conversations today and the interactions today, let's focus on the issue, not the person, so that we can elevate the conversation and make sure that we are leaving with something that's actionable in terms of how you may be able to evolve and engage today differently and be more impactful as a Council. So, you've accomplished a lot. These principles allow you to accomplish much more exponentially. It provides for more efficient and effective business meetings, interactions, clearer direction for staff, clearer direction for your constituents, and also a more cohesive and pleasant experience for Council as you go about and do your work. So, as you think about the other instances in which you are conducting business each of you do in your lives and in your work, there's no reason why this should not be different, in terms of how you engage and how you lean in and how you show up.

What I'd like to do, we have some poster pads coming around to your tables. What I'd like to do is start with the big picture, for each of you to start with the big picture. So, Mayor, we may have to ask you to join a table, because your colleagues aren't here yet at your table. We have a couple people coming in at 9:30 a.m. Here's the exercise. Each table needs a poster. We want you to work with your group to create a shared vision for the Council as a team and a governing body. So, if you were to begin with the end in mind, literally what do you want the Council, this team, to look like at the end of the year? Each member can share a quick discussion and share a word or phrase describing your highest vision for the team in 2025, and you should have markers on your tables already. We're going to take just a quick five minutes. Since we started a little bit late, we'll see if we can make up some time here. We'll take five minutes with this exercise. Each of you just share your one word or one phrase for your vision for the Council as a team. How you engage together, not what you want to accomplish, but you as a team for 2025.

The meeting went into group activity work at 9:40 a.m.

Councilmember Mitchell arrived at 9:50 a.m.

Once each of you have shared, if you could begin to create your vision statement. Okay, let's take another three minutes to wrap up. Okay, I think we have some powerful statements. If I can have your attention, please. Let's come back together please as a team. Which group wants to start first? Victoria is still writing, so we'll give her a minute, and we'll go over here.

Councilmember Molina said good morning. Alright, so our [inaudible] team, we came up with four [INAUDIBLE]. So, our four phrases are collaboration is the first one that came up from our team. The next one was respect for our roles as a governing [INAUDIBLE]. The next was better utilization of Council strength, both individually and collectively, and role-focused efficiency.

Ms. Arnold said tell me more about that.

Ms. Molina said so, the role-focused, we actually had some comments on role-focused efficiency, and that was my colleague here, Tariq. So, I'll let him explain his train of thought, but [inaudible] said that [inaudible].

Councilmember Bokhari said good morning. I got a little more tactical, yet at a strategic statement level, thinking about what is my greatest [inaudible] this Council and the work efficiency? We're not as efficient as we should be, so I thought the solution then was being more role focused. I made the argument to our table that our role is only three things, policy development, budget creation, and oversight, and we do very little policy creation. We do kind of more of a smooth [inaudible] budget process where we argue [inaudible]. Then, all of our time on super tactical [inaudible] over the place oversight. If we could figure out how to streamline the oversight without losing the ability to draw attention to something that probably [inaudible] and focus on the other things, I think it would be a more pleasant experience for sure [inaudible].

Ms. Arnold said thank you. Any questions about what was shared? Any quick questions to follow on that? Okay, thank you.

Ms. Molina said so, we combined our statements collectively, and we said a better collaborative role focus, and we kind of put asterisks on role [inaudible], so a better collaborative role focused [inaudible].

Ms. Arnold said thank you, very good. I'm going to add focused here as a word. Okay, Team two.

Councilmember Johnson arrived at 9:55 a.m.

Councilmember Watlington said our team put together our vision statement very similar to some of the values that the other team called out. [inaudible] we work together to build trust through communication, while respecting each other's time, talent, and opinion, acting with consistency, focusing on critical priorities, celebrating wins to efficiently advance the goals of the City of Charlotte. So, that encompasses [inaudible] some key values, while also considering how we intend to get the goal accomplished.

Ms. Arnold said very good. What were your key words? Any key words on [inaudible]?

Ms. Watlington said sure. Our key words have been like respect, communication, trust, teamwork, focus, celebrating, efficiency, advancing goals, advancing specifically in regards to what action are we taking in order to impact the outcome of work [inaudible] Councilmember Bokhari just spoke to a little bit, that we have a lot of conversation [inaudible] about activity, so making sure that that matches [inaudible] to an intended outcome.

Ms. Arnold said very good. I have governance here, I made up a word apparently. Okay, very good. Those are very [inaudible].

Ms. Watlington said we work together to build trust through communication while respecting each other's time, talent, and opinion, acting with consistency, focusing on critical priorities, and celebrating wins to efficiently advance the goals of the City of Charlotte.

Ms. Arnold said thank you, those are awesome. Give yourselves a round of applause. I think you would be able to get exponentially more done if we were to [inaudible] for this group as a team, and certainly do it more efficiently, effectively, more impact, more alignment, more focus with the staff, more focus with the team means more focus for the staff of the City. For this next phase of the work, I want you to consider yourselves as the board of directors for a \$4 million corporation. You essentially act in that role, then [inaudible] your roles. So, we talked about role focus, that's where we are. You're the governing body of a \$4 million organization, that's it. If you were to be the governing body on the board for a \$4 million private company, I want you to think to yourselves, you don't have to share it, think to yourselves what I should be doing differently coming into your [inaudible] City Council [inaudible] for the City of Charlotte? It's the same role. You're functioning, and Tariq I think you were calling it out, policy budget oversight, that's your role. It'll be the same role. Take a minute at your table and think through individually as part of a team, what I should be doing differently and how [inaudible] show up differently, communicate differently, leverage differently, engage differently and team differently. So, you are the governing body of a \$4 million public entity, the City of Charlotte. Your role and function is the same as a board of directors for a private corporation. That's essentially who you are but for a public entity so [inaudible] different there, but still the function is the same. I submit to you that many of you would engage and move around and work together differently if you were a private entity, and I want you to evaluate for yourself why is it different being engaged in the City of Charlotte, just for yourselves personally.

Councilmember Driggs said [inaudible]. We have operational responsibilities to [inaudible] basis. The rest of it is the Executive staff. So, the differences are [inaudible],

because the way we [inaudible]. So, I think that makes it harder for us to have focus than a corporate board does on the just the big picture.

Mr. Bokhari said our revenue is different too.

Ms. Arnold said thank you for that. So, let me phrase the conversation a little differently. There are [inaudible] to exercise. This is a personal exercise. So, as you as a person and a human are walking into that meeting to do whatever you would be doing, regardless of what you're asked to do in your role, you are going to show up, and I know most of you, and so I know that you show up differently in different settings. So, what I'm asking you to do is to evaluate yourself. This is not to be shared because it's personal. To evaluate for yourself why you show up differently for City Council meetings than you do for us? That's the question.

Ms. Watlington said I would offer that are differences too, beyond the legal piece, is just fundamentally the reward of recognition structure. Even on a private board, we win together. Whereas here, every two years, we have to go [inaudible] against each other to win. So, I think if we all commit to winning as a team and leveraging that to continue being able to do the work, then that changes how we show up.

Ms. Arnold said you know why you're different, because you're here now. You already won. You're here. I know, I thought about this, and I don't know how to say this right yet, so be patient with me. Some of you are elected by your district, some of you are At-Large. All of you have to be about the City of Charlotte regardless of who elected you. So, now, because the [inaudible] in seven benefits everybody. It's not like you can't go in and enjoy what's coming up there, because you live in District 5, 2, 3 or 4. The same thing with Eastland, the same thing with Corridors and all the amazing things. People [inaudible] people don't think you can't go over there, because you don't live there. Everybody is benefitting. So, why is it that in this moment that you're down here [inaudible]? Again, it's personal. Why can't we come beyond district thinking to Charlotte think? Because you can do both. Does that make sense? You can do both, because you set policy. You can do both.

Ms. Molina said so, this isn't really what you would say a personal statement, but what I would add, there's an additional dynamic in that there's this dichotomy with the political emphasis on what we do. There's the R and the D and the expectation of what that means, and the alignment of how that plays out in being a representative in the City. So, I mean there are opportunities where we have to provide policy positions that are a neutral position, but it really depends on, I guess, the position of the person, the individual, etc., etc., and we have varying degrees of where we sit on that spectrum, but I think to some degree, some of our positions, it's just an assumption, align with what those political perspectives mean. There has to be to some degree, some alignment with the political perspective of just the nature of what this is.

Councilmember Brown arrived at 10:05 a.m.

Ms. Arnold said absolutely, and this is by knowing. That's why I told you I didn't know how to say it twice. I've been thinking about it, because this is not about not representing your district. There's a way to do both. Does that make sense? So, certainly you have to represent the people who elected you in office, but I think there's a way to have a conversation and a way to position all of your work and how you leverage and how you lean in that it's a win-win for everybody. Somewhere we've kind of mapped into, this is not you, this has happened before you, so it is not this board, but I've been here for a very long time. So, sometimes we have mapped into districts against districts, not only you, but also your constituents. So, as I said before, there is no corner of the City of Charlotte where nothing is happening. So, is it the narrative that we're telling? Is it how we're positioning it for people? Do we need to say there's a roadmap, it may not be this year, but I've done this for you, it's coming, because you can't get everything done in one year, but it's there? So, do we have to make sure that we're more intentional with our words and inspiring hope, and then setting the vision for our constituents, and that's why I want you to evaluate that for yourselves.

Mayor Lyles said I just wanted to say that, I know Anthony has to correct me, because Anthony was around when we went to this [inaudible] as well as I was around it. The districts were really to get rid of where there were five people living in one district. It wasn't about creating a different geography. It wasn't about the way that I think we express it often, which is like this is mine, and it really is a consequence that we have done this. Then we had the whole idea that Malcolm ran with us with the, how do we do the district maps, and we've created more controversy among our districts by the way that we created our maps, and that we did not really respect the idea that every person in this community should have the opportunity to be wherever and however they want to vote. We've had it just so long and we've engrained it as this is mine, and I'm not so sure that the public sees it as this is mine. I think that they just want to be able to see equity and inclusion across all of these boundaries.

Ms. Arnold said I agree.

Mr. Driggs said so, we do all have City-wide responsibilities. I chair the Transportation Committee, but at the same time, the people in our districts look to us. I get calls about the schools, about County issues. So, we do have a personal responsibility, and the priorities in the different districts are not always the same and, therefore, you are trying to sort of advance the particular priorities of your constituents, because if you don't, no one will. So, it's not as easy as that, I'll just say that.

Ms. Arnold said thank you for saying that. Here's the point. You're exactly right. I would not change one thing about what you said, but I'm going to add to it. Once a decision has been made, then what do you do? Once a decision is made, are you supporting the decision? Are you sharing that support with your constituents? Are you working as a team to get it done? Because as I said, everything cannot be done. Every district cannot get a billion dollar project at the same time. However, what I would like to say is, there's nothing that is not being done for a district. So, that's why we're back to narrative. So, you fight, you represent, you make your best case, but once the Council collectively has made a decision, are you supporting it? Are you individually supporting that team as an individual, and are you demonstrating that support? Do your words [inaudible] to that? It doesn't mean you have to say, aww, they beat us down, we'll get them next time, maybe you do, but you say that's great work and ours is coming.

Mr. Driggs said I fought the UDO (Unified Development Ordinance) the whole way, and I defended it at a recent Council meeting.

Ms. Arnold said thank you, that's exactly what we need.

Ms. Molina said I just want to add to that thought, because at one point I was thinking objectively about the same idea that you're talking about right now. How do we demonstrate to the people that we represent that we are both individually, where it applies, to those of us that are district reps, but we make City-wide decisions? So, I was looking at cities that are comparable to the City of Charlotte, that have the same type of structure and how their elections are operated. I think I found Columbus, Ohio, and they were an example that guided some of my thought processes, in that they have district representation, but those elections are run city wide. So, in other words, if you're going to run for, let's say for an example District 5, you can't live outside of District 5. You have to have a voice that is in District 5, but that is a city-wide election.

Ms. Arnold said interesting approach.

Ms. Molina said so with that same vein, I'd also like to add that, in the line of thinking of what we champion versus how we get it done, Eastland was a collective win. So, that's the way I've always demonstrated it no matter what. I may be passionate, because I live close by, but I could not have gotten it done without the emphasis and collection of my colleagues, and I think that's something that's missing, by the way.

Ms. Arnold said it's a great model.

Ms. Watlington said I'm struggling a little bit, because I absolutely agree that there are some things that we do as a City that's policy that is Citywide. I agree wholeheartedly with Councilmember Driggs' earlier point. So, I definitely agree that there is a reason that there's a district representation. I think that the whole point was that we don't want all of the decisions being made out of one sector that negatively impacts others, so to me there's definitely a play for a district rep. I do agree that once the policy is done, we have to execute it. However, the execution really falls with staff. So, to the extent that there is still a policy discussion to be had, I don't think there's anything wrong with maintaining the position that you had previously. We don't have the luxury of the federal government to just, if you don't like it sue and get it caught up until the midterms. We don't need to rehash the same policy questions, but as the new policy questions come up, I do think there's a place to still maintain whatever position it is that you're representing.

Ms. Arnold said thank you, that's a good point. Again, I am not talking about even changing your position on it. You can say I wish it were different. I still think it should have been different; however, we're here now and we're going to make the best of it. Here's what I do know. So, it's the conversation. It's the language. That's why I'm asking you to do it individually for yourselves. How can you begin to change the narrative and how it shows up? Because sometimes you don't like it and you're still holding onto bad feelings. You can't do that. That is not something that the 15th largest city in the nation can afford to do. It's just not. We have to be good losers, not sore losers.

Anthony Fox, Interim City Attorney said if I can jump in. Mayor, I may have missed part of your comment, I was talking, but the concept of district representation really arose back in the Fred Alexander days when [inaudible] City was a City that had, as the Mayor said, representation coming from one quadrant of the City. District representation was designed to allow for a greater, broader representation throughout the City. That's why it was district representation, then we later on added some at-large members as well as district members, and we've kind of allowed for that to be, everybody's voted on from an at-large, but you're voting in your district if you're a district rep. What I've seen occur is that the focus of the district representation has lost the luster of the protection of the overall City, because it was always still focused on doing what's best for the community at large as a City as a whole. I think because district reps get pressured from their constituents out of that district, that they've kind of morphed to a protectionist environment for those districts. The ultimate goal when you have that conflict, you need to always start from the principle that this is the City of Charlotte. That's the ultimate goal, is to continue the progress of this wonderful City that we live in, and we just happen to have a district that we're focused on, and I'm your person, I'm your voice for that district, but we've got to always start with protecting the City first, and then aligning the district goals within that overall City policy.

Ms. Watlington said but the district goals should come from the constituents [inaudible].

Ms. Arnold said she said the district goals should come from the constituents. We have two last comments, and we'll move on.

Councilmember Anderson said thank you. First and foremost, I completely agree with what Mr. Fox just said. I think that's spot on. What I wanted to add to the conversation is, as a district rep, there's nuances between what goes on in the district that's relevant for the district, and what's most important for the City. So, of course, very directive things for neighborhoods and infrastructure and things of that nature for District One. I can speak for District One. Of course, I'm meant to represent that, push that, extend that, but then there are bigger projects that occur that impact the entire City. So, I'll just use one in my district for example, The Pearl. The Pearl is a huge impact for the City of Charlotte. Our first medical school, the establishment of Medical Tech is going to happen. It's in my district, but it's a huge win for the City of Charlotte. So, I could pick things from other districts as well that have been wins for a particular district, but really it's an issue or a challenge or a major goal for the entire Queen City.

Ms. Arnold said thank you for raising that, because I think the point is, if it's important for District One, it's important for the City. If you've heard from it from District One, then you've heard from it from the City. Does that make sense? I think that supports what you were saying as well. Thank you.

Councilmember Brown said Good morning, everyone. I know I arrived late, but it's a pleasure and honor to be here with my colleagues. From just what I heard, and from a perspective of changing the narrative, I heard from my colleague, Mr. Driggs, he said he voted for the UDO, and he defended it.

Mr. Driggs said against it.

Ms. Brown said voted against it, whatever your comment was, with all due respect, but for me, the narrative has to be changed as a whole. So, when I came in and I ran for my constituents in District Three, I understand that we're doing things as a whole for the City of Charlotte, but if we're going to be transparent and authentic in our approach, we have to understand that some districts may feel like they're not getting, or funding is not being allocated in the places where it needs to be. So, we have to make sure that if we're going to be a voice for everybody, that we protect everybody, and we move with intentionality for the entire City. So, unless there's an opportunity to change the way we do things, to unlearn, to relearn, this meeting we can have with you, and you're amazing, and I love that you lead this meeting, but for truth and transparency, I learned it doesn't matter how long you've been sitting here, doesn't matter if you've been in office for 14 years, and I came in three days and I might not know anything, like last year, but I know a lot this year, and so you hear me speaking a lot more. For me, this is just me, I'm only one of 11, we have to really truly change what we know to be, like it needs to run like this, or that's old school, or this is something that was stamped in its legacy. If we're going to move together as an organization, we have to move together with authenticity and truly be open to make sure that District One through Seven have everything collectively, and we move in that direction. Okay, that's where I'm coming from first thing this morning.

Ms. Arnold said I'm with you.

Councilmember Graham said I guess the way I look at it, and I've always looked at it, is I don't carry myself that I'm a district rep, that's BS to me, because I clearly understand that my first priority is protecting the interest of the City of Charlotte, but I work really, really hard to make district issues City priorities, because I can't do it by myself. City priorities get funded. City priorities get the attention of the Manager. City priorities get the attention of staff. So, the issues may be different from district to district, but they're almost all, all the same. So, if we can do something really well in District Two, and have that being copycatted in Three, Four, Five, Six, I think that works. So, I think those who represent districts, we really should adopt that philosophy of how do we make district issues City priorities, and you'll see the funding follow.

Ms. Arnold said thank you. I'm going to point you back to agreement five. Focus on what connects instead of divides. There's common ground and there are common threads, but what you described is what you do in life. If you have a personal issue, what do you do? You have to influence others. You have to connect with people. You win people with what's in it for me. So, if you have an issue in your district, where are there other districts where they could benefit as well? What are the other points? Where are the other connect points to the City of Charlotte? That is the point of how you govern as a district rep in a city, and that's also how you govern as an at-large rep representing the City of Charlotte in each district's interest. So, thank you for doing that. We're going to move on now to the next slide.

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ITEM NO. 3: HIGH-PERFORMING COUNCILS

DeAlva Arnold, Facilitator said okay, so what are high-performing teams? What's a high-performing Council? First of all, everybody agrees why we need to focus on being a high-performing Council. Can we agree on that? Does everybody agree there's opportunity to lean further into that direction? Does everybody agree that you individually can do something to affect the change? That's a very serious question. Okay, because we skipped your reflection period, we're going to come back to that. I want to get to the slides, because I submit that there is no person in the room, regardless of what team it is, but there is no person in the room who does not have something to do differently going forward in order to get us to that point, and you're all amazing, but there's still more.

Let's look at what is a high-performing Council. A governing body that excels in executing its roles and responsibilities to achieve meaningful and measurable outcomes for the community it serves. What are the focus areas? Strategic alignment. We just had a great conversation about that and some ways to do that from a district at-large perspective. Ethical governance. I don't think we have a lot to do there, but we are going to spend a lot of time there as well, just to reset and establish a baseline for 2025 and going forward, and collaboration, we have a lot of work to do there in terms of how we lean in and collaborate. These are characterized by your ability to effectively address complex challenges, balance competing priorities leading to the conversations you just had, and create a vision that inspires trust and support from your stakeholders, the narrative that you share, the language that you choose, the way that you choose to explain things to your participants as a Council member representing the City of Charlotte and districts in the City of Charlotte. How do we know you've gotten there? How are high-performing Councils recognized? What do people see? They see a strategic vision, that means that you have a unified vision. They also see a collaborative culture. Culture. What is the culture? You are the culture. Your business meetings are culture. Your phone calls, your hallway conversations, the way that you address and work with staff, that is culture. That's culture. Accountability and transparency. I want to talk about accountability, because I've asked you to consider for yourselves, so that you can be accountable for yourselves and manage yourselves, but let's also talk about at some point today accountability for your peers. Are you having the tough conversations for your peers? Are you letting things lie? Are you touching your peers and saying, hey, I think there's a better way, because I think we can do it this way. Are you touching your peers to say, hey, I think we have some common threads, let's talk about it, and then transparency. Transparency is always important in everything. Commitment to result, I don't think we have to worry about that. Adaptability probably needs some work there, but when you're a high-performing Council, these are some things that people will see.

This is how you know. Does that make sense? Not because you said it, but because you demonstrate it in your actions, in your words, and your actions and words are not going to come from any place other than the way you think about it yourselves, because you're not going to be authentic. We going to fake it until we make it, but at some point you have to get there where you really understand and believe that making this a team, a more collaborative team, and I have to do my part, even if I have an emotion that tells me to do something different in this moment, is going to help us get there. Because when I tell you, you guys have done some amazing things, I think really, really incredible things as a team and as a Council that you should be very proud of. Charlotte is it. It is the place to be, and it is because of you. It's very, very important that you understand that. Because of you, the work of the staff, and the support of your constituents, not a district, but Charlotte, because when people are looking at Charlotte, they're not looking at, oh district so and so is on fire. They're saying I want to move to Charlotte. They're not saying I want to move to a district. I want to move to Charlotte. What we see in the papers when we're on these charts, it's not a district, it's what? It's Charlotte. It's Charlotte. So, when one wins, we all win. So, having that perspective is a mindset shift for each of you to get us to this place. It is not because it's on the paper. It is because you have lifted it. You've taken something from these three days, and you have made a commitment to do things differently and to engage differently and to show up differently when we leave here on Wednesday.

Key Attributes:

Alright, now let's look at some key attributes. Key attributes of a high-performing Council. We're going to get back into some group work in just a second. Shared vision and strategic alignment, we talked about that. Effective communication, going back to your words. You'll see some of your words here, effective communication. Who said define roles? Focused roles, define roles and responsibilities, ethical governance and integrity, collaboration and teamwork. These are all words that you've already talked about. So, that tells me that you have these things in your mind. It tells me that these are some things that you desire to have as a team. Trust and accountability. The only thing that's not here is accountability. Somebody may have said it, I just didn't write it down, but trust is already here. Focus on results and impact, that's here. Adaptability innovation. I think we had innovation, somebody said it. Conflict resolution skills, not here, but we're going to talk about it. Strong leadership and governance culture. We're going to talk about that as well. Do you see the connect points? Because we started with your vision, not the list. So, that tells me on your hearts and minds, you already desire to be there. So, we're going to talk through some specific things that help you, to give you some tools and insights to actually get there. We won't be able to get it all done today, but you will likely see some homework from me afterwards, because this is a very important topic [inaudible].

Councilmember Anderson said I would just like to get a click on culture a little bit. On the previous slide, you had collaboration, culture, and here you have governance culture. I think culture is so important, but just in my experience, the one thing I've learned about culture is, someone can't tell you what the culture is. You experience culture. You feel culture. So, when people come to the City of Charlotte, we can tell them what we believe the culture of Charlotte is, or the culture of North Carolina, but they're really going to understand that through their experience, how they're interacting with the City, with people, how they feel, etc. So, can we talk about culture and what we mean here through collaboration and governance [inaudible]?

Ms. Arnold said thank you. So, the point about culture is that people don't [inaudible]. Culture, again, is not something we say, it's what we feel. It's the essence of who you are. So, as an African American female, not [inaudible], because I don't want to say all [inaudible], but there are some things [inaudible] culture [inaudible] a few, don't put this in a box, but a few. That's culture. As a team, the way you show up on every Monday night and you are [inaudible] your interaction, that's culture. That is what you have said to people that when I [inaudible] or when I view this team, this is what I would expect, because it is a combination of your history as a Council. That's how you have culture. Culture is rooted in repeat experiences in history. It's rooted in word choice. It's rooted in [inaudible], your action, your emotion or lack of emotion, whichever that's culture. So, culture is a very active thing, unless you're [inaudible]. So, if you have a culture, [inaudible]. Think about it as a team. So, when you think about building culture, and building effective culture, I want you to understand that the top of the [inaudible] what type of culture [inaudible] the City of Charlotte? What kind of culture are you setting for 9,000 people. So, if any of you [inaudible] a test on Monday nights, are you really saying that that's the way that you want them to engage when they go to work every morning with their peers? Is that the culture that we want to set at the top of the house for the City of Charlotte.

Councilmember Molina said I just have a quick addition in that same train of thought. First, I guess, are there successful examples of how that's executed among a board that's parallel to what we do?

Ms. Arnold said [inaudible].

Ms. Molina said so, that's what I would be interested in seeing. Then, adding to that, based on how they are performing, are there things that we could use to align us with those types of outcomes?

Ms. Arnold said [inaudible] though, because we're talking about you as a team and as a Council, but just because you're a City Council, doesn't mean you can't do anything differently from [inaudible].

Ms. Molina said so, listen, I'm not even arguing against that point. I get along well with my colleagues. I think based on this type of body, is really where I'm having the.

Ms. Arnold said no, I'm sorry, I'm sorry. I was asking you to lean in on people. Use your people. [inaudible].

Ms. Molina said in dealing with the reality of where we are, the GPS (Global Positioning System). GPS. Where are we going? We're going based on where we are right now. I have this ideological place of where I would like to go, but the reality is with the GPS you start with where you are. Where we are, the GPS currently states that there are multiple issues that need to be dealt with. So, with the reality of that context, a lot of the times, in order for me to align with where I would like to go, then I then need a map in order to get me there, in most cases, if I've never been there. Once I go one time, I know how to get there, but that's what I'm asking, in that lane.

Ms. Arnold said thank you for saying that. I'm going to go back to the same place that I [inaudible] so you know the team. You already [inaudible]. Remember you had team report, so again, just as you would at any other setting is you need to create an environment where you are working better together. It is always going to begin and end with you. What can I do differently to effect the change that [inaudible], and I'm saying to you, it's what's required, a different level of emotional intelligence, and each of you have it, each of you have it, but it's going to require a different level of emotional intelligence. Mobility is big. Mobility is regional. Mobility [inaudible], that's a good thing, not only in the City of Charlotte, but for the region, but when people see you, they just have trust in this team collectively, not any person individually. Does that make sense? Again, 15th largest city [inaudible] remains the same. How will you lean in differently as an individual. That's why I had to replace your question. I'm still asking to take back with you, what can I do differently? How can I affect change here? Does that make sense? Okay.

So, now, if you look in your book to the next slide, you see these sets of 10. Let's break into four groups, please, or just work with the people at your table. Can we have Councilmember Brown and Mitchell move with the Mayor, please? Thank you. I want you to go to the next set of slides in your book, which have a description of each of these key attributes. I want you to do just a really quick [inaudible] for each of those attributes, what [inaudible] opportunities? So, in the interest of time [inaudible] for the assurance and the opportunities? Can we do that? Thank you. Okay, so Team one here, can you take the first three? Team one, can you take the three? I will take you to your books now, to slide eight in your book. I'm sorry, I got my slides out of order. Can each of you take out your phones really quickly and scan this code? [inaudible]. If you could scan this code and take a really good self assessment. If you scan it with your phone, if there's a technical issue, then we have pages [inaudible]. Raise your hand if you need technical assistance. If you scan this QR code, it automatically will come up. If you need a paper copy, [inaudible].

The meeting was recessed at 10:47 a.m. and reconvened at 11:00 a.m.

The meeting went into group activity at 11:05 a.m.

Ms. Arnold said there's one quick note to make about the mics at your tables, which is, when you pick them up, pick them up by the base and not by the stand, by the mic itself. That will help with the issues we've been having so far, to pick them up by the base. Each of you have a card at your table. I think LaWana has your card. She's not back yet, so somebody at Team one can grab that card. Renee, would you mind grabbing the card? Oh, thank you, Councilmember Molina, thank you. Each of you has a card at your table where you have one of the 10 attributes assigned. If you look in your books, you will see that for each of those attributes, you have some additional information, insights,

and definitions of characteristics of that attribute. Please discuss those at your table, and here's where you're going to very quickly, very quickly, give a sense of strengths, meaning what's working well and we should continue, and opportunities, where things aren't working well for this one, there's some weaknesses, and we're going to share the opportunities. Does that make sense? For each of your three, and if we can do it in five minutes that would be great. I know, I know, I know, but just quick. Here's the thing about this piece of it and this work at this point. This is not group think, it is your perspective. So, each of you have a vision and a perspective around that, it's yours. We'll have an opportunity to explain it if we can get beyond this point, so you can lean in more, but state your position and please be open to listening to the position of others. Is that fair? Thank you.

Councilmember Mitchell said [inaudible] are we doing this individually?

Ms. Arnold said no, you're doing it as a team. So, if you have the card, you're going to share with your team which they are and discuss them. Again, there's a corresponding page for each of those.

The meeting went into group/individual reflection.

We're going make some adjustments really quickly, so we can respect your time to eat your lunch. Thank you, thank you, thank you for doing the work [inaudible] attribute areas. Here's where we ranked each one of them. So, we'll quick look at our four [inaudible] really quickly.

We're going to go into governance now. So, City Attorney Fox is going to come up in just a little bit after we look at the results. Okay, so we have strategic vision and alignment. The Council establishes and communicates the clear long-term vision and alignment policy [inaudible] with strategic [inaudible]. So, we're going to go through this quickly. We won't spend a lot of time on it. We'll just take a mental snapshot and come back if we have time. So, these are the ones that you gave us strengths and opportunities on. I think Team one had this one. Team one had strategic vision and alignment. Okay, here's where we are, one, two, three, four. The fives are pretty low. We have three people at four and five. Okay, there's some work to do there. So, remember each score one through five. So, here's where we are. So, four people rated number three.

Mayor Lyles said [inaudible] I think [inaudible].

Ms. Arnold said okay, thank you. Sorry, I can't see it. Okay, I'll read it for you. I was trying to rush, but I'll slow down. So, here are your results for the survey that you took. Thank you for leaning in and doing it. The first attribute of a high-performing Council is strategic vision and alignment, and here's how you scored the collective team. So, as you can see from strategic vision and alignment, the boxes go in order, so the colors don't matter. One, two, three, four, five. So, we had one person score three, three people to score two, four people say three, two people scored four, and one person said five, and that was from lowest to highest. Five means that you made it, you're there. There's strong demonstration of strategic vision and alignment. We won't get into comments right now, because we've got to get through.

Unknown said I don't see my answers.

Ms. Arnold said well, we actually had 13, so I think you probably submitted it twice in there. For those of you who gave paper copy, Lindey confidentially entered your results. Okay, thank you. So, you'd like it captured in one [inaudible], because we have 13 responses, and [inaudible] two people, so something happened. It's okay. This is directional. It is intended to provide a backdrop for the conversation, okay, thank you, and this is a reflection of what has been entered. Okay, can we go to the second one please? The second one is collaboration and teamwork. Council members were cohesively fostering mutual respect, consistence building, and shared purpose. Okay, we've got some work to do. Do you understand why this conversation is important

today? I want to call you back to the fact that your vision statement, that I asked you to create before we even got here, reflected that this is something that the team desires. Would you say that? The words are right there. Okay, so we've got some work to do here. Thank you, that's what retreats are for.

Alright, number three, effective communication. Open, transparent, and respectful communication between members, staff and the public. These are attributes of high-performing Councils. Again, skewed very low. Work to do. Number four, trust and accountability. Members honor commitment, demonstrate integrity, and maintain transparency in governance. Seven of you said one, number one, for trust and accountability. What can you do as a governing body for the 15th largest city in the nation with a \$4 million budget with no trust and accountability? Can you imagine what you are leaving on the table, what you could possibly actually get done? If you have done what you have done with this, just imagine what you could do as a high-performing Council who works well together and actually wants to work together. I submit that you're not serving your constituents if we're showing up like this. Can you represent them differently by getting to a high-performing Council?

Number five, community engagement. The Council involves diverse stakeholders and decision making and uses feedback to guide policy. Number four, I have questions about that. Four, two, three, three. So, we have three people who scored four there, community engagement, thank you. Number six please. Role clarity and governance. Woo, opportunity, opportunity. Clear distinction with adherence to governance responsibilities versus operational management. Let me apologize to the staff now, that can't feel good. Okay, number seven, ethical governance. Members uphold ethical standards, avoid conflicts of interest, and act in the public's best interest. Three, four, two, three, one. We have to unpack this at some point, it won't be in this moment, but I'm hoping that we get back to here in this day, because I don't see that as this Council, but we'll have to see what's there. Okay, number eight, decision making, and results focus. Decisions are evidence-based, outcome focused, and designed to achieve tangible community improvements. We have five at two, four at three. Number nine, adaptability innovation, six at two.

Okay, and number 10, disputes are addressed constructively, and discussions focused on solutions rather than personal disagreements, that's number 10. First of all, I want to thank you for being honest, because you can't address what you don't know about, but now that we know about it, we have to do something about this. This is not good. There's work to do here. We're going to pause here. I'm going to ask you to each take 30 seconds just to reflect personally for yourself, not to share, not to be shared unless you choose, but please respect the quiet time at the table for each of you to reflect on what does this mean? What does this mean for us as a team and what does it mean for me individually as a Council member? Thirty seconds please, thank you. After that time, we'll ask the City Attorney, Anthony Fox, to come up and we're going into governance.

Thank you. We made a quick adjustment [inaudible]. We're going to go ahead and go through the governance component. So, no one was assigned governance, because we really need to hear for our attorney around it. It's not a thing you have an opinion about. We don't want your opinions about that part. So, we're going to go to the technical part of it, which is really establishing the framework and the foundation for governance for this Council. Then, we'll take a break, 20 minutes for lunch. Please bring your lunch back in. We can have a working lunch. Then, we're going to skip the budget discussion and pick up where we are in this moment. Okay, very good, thank you.

Anthony Fox, Interim City Attorney said good morning. One of the things you identified earlier with DeAlva was the purpose of the retreat, and it struck me the last line of that purpose was something I wanted to emphasize for this group, and that was to govern with increased efficiency and impact. To govern with increased efficiency and impact. In order to do that, that's why it's appropriate to talk about the three areas that I'm going to talk about now, which deals with the council-manager form of government. It deals with your rules of procedure, and remember I said your rules of procedure, because you adopted those in 2022 as a directive of this Council in terms of how it

wants to govern itself, and then we're going to deal with the ethics rules that were adopted and required by state law. With regard to the council-manager form of government, it's not a luxury guys. It is a statutory requirement that you honor the council-manager form of government, and what does that mean? That means that you serve as a board of directors. One of the things I might opt to do for you guys is to bring in some people who are on private boards to talk about the roles that they serve on corporate boards, and that role is no different than your role. You are policymakers. You are to analyze and push back on policy directives. Your role is not to manage the City's employees. Statutorily, that is the role under a council-manager form of government that is clearly earmarked for the manager. The manager is the Chief Operating Officer. He is the CEO (Chief Executive Officer) of this organization. The City Attorney, I'm merely your legal advisor, and then we'll talk more in depth about that. Then the City Clerk, she is the custodian of the records, and that's her role, and that's a statutory role. The City Attorney, you have to have a City Attorney under North Carolina General Statutes. That's a statutory obligation, and then the role of the City Manager is also a reference in statute. Now, the council-manager form of government, it's been around for a while. It's been around since the 1940s. As a matter of fact, North Carolina, many of you may not realize that was revered about and by its option to utilize the council-manager form of government. The council-manager form of government is generally followed by communities of 25,000 or more. Smaller communities, up to 2,500, have also adopted this form of government. The charter states, that neither the Mayor, the Council, nor any member, shall direct the conduct or activities of any city employee directly or indirectly, except through the City Manager. So, Marcus, that's your charge. You're responsible for those employees, those 9,000 employees that I heard you mention earlier.

Now, in terms of the Mayor and Council's roles and responsibilities, you as a Council appoint the City Attorney, the City Clerk, and the City Manager. Those are your employees. Those are people over which you can exercise supervisory authority, disciplinary actions if necessary, hiring, firing, and the like, but those are you only three employees. The other 9,000 are not your employees. If you have an issue with the 9,000, or one of the 9,000, or 10 of them, that's where you hold that guy and that position accountable. That person has to make sure that the concerns that you raise are appropriate, and ultimately, he doesn't have to follow that. He has to decide whether or not your positions are valid. If you disagree, and you get six votes, then you discipline him through that exercise, but if you don't have six votes, what he does is within his [inaudible] width. Also, we talked about approve the City budget. Tariq, I know you mentioned that you get the budget, and you have little opportunity, but to have a \$4.2 billion exercise is an undertaking. To have that culminate with a recommendation to you requires a lot of work from the staff to come up with those, and they are recommendations for you, and ultimately, you as a policy body decide what's appropriate or inappropriate from that exercise. You also enact ordinances and resolutions, and you do that, not only at your Business Meeting, but through your Zoning powers are well, and you set City policy and you evaluate those outcomes through how you deal with those three employees that report directly to you. Then, as I mentioned, you evaluate and you discipline those employees.

The City Manager's role and responsibilities are to administer and implement a policy, the policy that you direct. He is charged with whatever you set as that policy agenda to implement that and carry that out, and then if you don't like the way it's carried out, then you can raise it with him, and if have six votes, then you can change that direction. The City Manager hires and disciplines and terminates and fires and promotes his employees. He makes reports to you, and he oversees the daily operations, and he prepares and submits the budget to you.

The City Attorney's role really is one of a legal advisor to you as the Council to the Mayor, to the City departments, and to the City Manager as well. Many of you may not realize the scope of that work its really what happens, not in front of you in the dais, it's what happens in the Government Center building, and all the things that go along with that, and we'll talk about this. The City Attorney's role, as I see it, is to help make you look good, guys. Have you guys gone and looked at any of your meetings? Some people would think it was entertaining. Some people would think it was for

entertainment purposes only, but part of it is how we deal with getting through meetings effectively and efficiently, and that is the role that your rules play into, and it's the role that I see that I assist the Mayor, who will talk about the responsibilities of the Mayor, in terms of effectively running the meeting, and then the City Attorney is aid in that. One of the things and the benefit of this here today is really to talk about and make sure everybody's on the same page of what your rules really are, and how we apply them consistently, because we've got to do them consistently. I think inconsistency for this group, based upon the ratings that DeAlva just showed you, inconsistency breeds distrust, and we've got to get you to a point of greater trust among yourselves and among the outcome of the Council.

Councilmember Watlington said before you deep dive into the rules of procedures, just in the spirit of getting on the same page, on this piece, the council-manager form of government. I have a number of questions and call outs. Shall I proceed? Okay, alright. So, the CAO (Chief Administrative Officer), you said that the statute calls for no Council member to give direction, direct or indirect, to any employees of the City, except through the City Manager, but the City Attorney has employees as well. Do those employees report to the City Attorney or to the Manager?

Mr. Fox said the employees of my office report to the City Manager. All employees of the organization are under the City Manager.

Ms. Watlington said okay, and then I assume the same for the Clerk's Office?

Mr. Fox said same with the Clerk's Office. Remember, you only have three employees.

Ms. Watlington said and the City Attorney and the clerk don't have any?

Mr. Fox said no, we have employees. We are just in the City administration, and those employees are a part of the City administration.

Ms. Watlington said but ultimately, per the statute, this Manager is the only person that can direct employees, even if they're sitting in the Attorney's Office, because per statute, they report to him?

Mr. Fox said I think we're getting to granular on that. No, as the City Attorney, I'm going to discipline, I'm going to [inaudible], performance evaluations [inaudible] but for purposes of your role in the Council, your role is to look at me and look at Marcus and look at Stephanie to make sure we're carrying out the policy agenda, and if one of our people takes a misstep, it's not for, or any member of the Council, to discipline that person. It falls under [inaudible].

Ms. Watlington said I follow that. Yes, that's my question. Who are they really under, because the statute is saying him, but you're saying that we are operating in a space where we take those to you or Stephanie?

Mr. Fox said yes. If you have an issue with regard to the role of the City Attorney and something the City Attorney or assistant or [inaudible], it should come directly to me. If it's related to other employees in the organization, it comes through Marcus, but don't get me wrong, my employees are still a part of Marcus' organization.

Ms. Watlington said okay. Then, the next question, and this gets back to something I'm sure we'll discuss at another point in this retreat, but I'm very curious into this role of the City Attorney as a legal advisor versus negotiator on behalf of the City. That one, we don't have to talk about it now, I know we're going to talk about it at some point in the agenda, because I saw that it was requested by several members, but that to me is a very important discussion to have, as it relates to the City Attorney and roles, particularly for economic development conversations. Is the City Attorney a legal advisor or a negotiator? We don't have to answer that question now. I know it's deeper.

Mr. Fox said we'll get to that, though.

pti:pk

Ms. Watlington said and then, as it relates to directly or indirectly working with City staff, given that we've got this committee structure, this OCS (Organizing Committee Structure), and these ACMs (Assistant City Managers), I want to make sure that we're very clear in the end about what that means, if the statute is saying that we can't directly or indirectly manage or direct City staff, because the way that we are set up I think creates an opportunity to be very clear about what that means. Then, another question I have is as it relates to the votes. I know that the City charter calls for a vote by the Mayor as a part of hiring and firing of the three appointees. As it relates to any other action, discipline, pay, otherwise, is it six or seven, because I know you said six? So, I know that the charter calls for seven votes out of 12, because it includes the Mayor, specifically for hiring and firing, but for all of the other decisions associated with it.

Mr. Fox said it's the majority for the other part, and it does say that Council, and the statute's clear. [inaudible] between the Council and the Mayor, and it specifically gives the Mayor the ability to focus [inaudible] in the absence of that. You have to interpret that the Council, therefore, has that. Guys, I want to try to get through the program.

Ms. Watlington said for sure, for sure, but this is the time that we're supposed to get clear on it. So, if we don't answer it right now, please list my question down, so we can get clear on that, because I think that these are some of the items.

Councilmember Johnson said I have a question as far as the interaction with staff also. So, there's been reference that we're comparable to a board of directors. So, if there were an employee or a culture or challenge, and employees wanted to reach out to Council, such as an open-door policy, that's where I think there's some confusion. We have three employees. So, if someone wants to talk to Council about our employees, that's when sometimes we're policy only. So, what outlet, I guess, do employees have if they have a concern with the City Attorney, City Manager, or City Clerk, if it's not Council?

Mr. Fox said the employees always have their first amendment rights. So, an employee can come and get under the dais and say something. The challenge then becomes what do you do with it, because your employees are the City Attorney, the City Clerk, and the City Manager? With that information, through the Manager, or through the Manager's direct reports, you communicate that to them as an issue, and you rely upon them to address the issue. The employee also has, under the personnel policies of the City, the ability to take advantage of employee grievance process, as well as other personnel associated rules, and you want to make sure that you don't get in the middle of the employee exercising and exhausting their administrative remedies that could otherwise jeopardize the employee's remedies at the end of the day. That's why the process is set up like that.

Councilmember Driggs said Anthony, we are not a board of directors, a corporate board of directors, and in practice, it wouldn't make any sense for us to try to take every communication that we need to have with a member of the staff and go to the Manager. We organize our committee meetings, we discuss, but the thing I would emphasize is, if you have a disagreement with a staff member, or you're giving the staff member direction, and demanding you must do this, and the staff member's not comfortable, then the only authority we have over the wishes of staff is through the Manager. I think it's important to understand that. I mean, I talk to assistant managers all the time, it's harmonious, it's fine, it's an everyday work cycle, but if you get to a point where somebody is pushing the staff to go in a direction they don't really think is supported by the majority of Council or is appropriate, or if you have a difference of opinion, then your only recourse as a Council member is to go to the Manager. So, you don't berate the staff, you don't direct the staff or impose, you work with them, but the ultimate authority that we have is through the Manager, and that's just something that in our daily lives we need to be clear about.

Mr. Fox said and valid point. Again, there's something I heard DeAlva talk about, and it was focusing on you as the individual. You're a member of Council, but you're an individual. Treat people like you want to be treated. As staff, just because they report to

the organization and you may disagree with them, doesn't really give you the carte blanche to really belittle the person. Marcus has still got to rehabilitate that person, and make sure that person performs their job. If there's a serious enough issue regarding their performance, you take it to that guy, and that guy has to deal with it, and if he doesn't deal with it, you've got your powers with regard to how you deal with that guy.

Marcus Jones, City Manager said and make sure I clear something up. No, I appreciate the conversation, and the Council knows this, but I want to make sure I say it. One of the reasons how I utilize the assistant city managers is for many of the issues that you've raised, especially around the committee structure. So, those ACMs are talking with the committee chairs, establishing agendas, and executing. So, I don't want anybody who's not familiar with how we operate, to leave the venue thinking that every time we have a discussion, it's solely me. I really rely on that table to get a lot of work done, and I think they do a very good job, with my authority, to have those conversations.

Councilmember Graham said you're absolutely right in the way you described everything, but there's an informal relationship that we have with staff that's built on trust from the Manager's Office, working with the ACMs, and even working with directors, built on trust. Now, we're not going to direct them to do anything, but as we go through our work process, Shawn may get a call from me. I'm not directing him to do anything, other than talking through an issue. He doesn't report to me, but there's an informal relationship there that we work well within the established guidelines for staff. So, anything that [inaudible], then obviously is an ACM, certainly the City Manager. So, I just want to create some flexibility for the Council members, that we're not in a box, and that even goes beyond the administrative staff. For me, that starts with the security person in the booth in the garage. Where there's an informal relationship, who is probably not an employee of the City, but a private vendor saying good morning, how are you doing? Thank you for unlocking the door for me. So, if you do those things in conjunction with staff, you can get a lot done with staff.

Ms. Arnold said just to offer a nuance, if I may. I want to make sure we nuance engagement and working and operating with staff from directing the staff. So, you should be working with the staff on priorities that you have [inaudible] from this time together, that are in motion, that are being implemented, and requires your engagement, and you should be doing that. Please correct me where I may be wrong, and I'm sure I will be, so correct me. So, as it relates to net new directives, you can't say go do a survey, you can't require them to go and hire this team to do engagements, because you want to do this, or you think this should be done. Those kinds of things, I think, are the nuances that may be missing. I think we have to use strong words like this when it comes to law, for all the reasons that you know, but please engage with the staff as you are working through the things. You cannot ask them to do things that have not already been assigned or as a part of a plan. The reasons why we're here is to leave with strategic priorities, so they can go identify bodies of work to accomplish your goals. That is the work of the staff. You say here's the vision, here's where we want to be at the end of the year. They're all here, everybody at that team has somebody that the 9,000 people report to. They're here to understand from your mouth what your vision is. It is their responsibility to implement the vision. They need to implement that vision in conjunction with you, not in the absence of you. So, there is a whole body of work that they will put in motion and actually activate and mobilize 9,000 people that need to continue, that should not be redirected, because you have an opinion about something else that needs to be done. So, that is the nuance we want to talk about.

You also have a set of business routines in an infrastructure to enable the work. You have committee meetings, if I'm not mistaken, tell me if I'm wrong, that then there is working committee meetings where you are to work with the team of employees to get the work done, you have Council members who lead those committees. So, there is a framework in place for you to use the leverage already, for anything that you need to have done as a Council person. Where the rub is, and when we talk about directing the work of the Council, it is when you have an opinion about the fact that something needs to be done differently than what they're actually doing, then that's a Marcus

conversation, that's a committee conversation. That's not a staff conversation, because I would submit that you're likely putting them in a very awkward position, because they're reporting to Marcus, and they have actually directed hundreds of people to follow whatever is on this project plan, and they want you to be happy and to satisfy you. So, if you feel like something needs to be done differently, that is not an ACM or a staff conversation, that is a Marcus conversation, because you are likely going to be wasting a lot of money as well, time and effort. I'm sorry, I just wanted to offer that nuance in terms of working together, collaborating and engaging versus directing.

Ms. Anderson said I'll be very quick. Just as a point of observation. I mean, we started out this morning saying that we wanted to reset and drive home the focus of being a high-functioning Council, but Mr. Fox, what you just went through, I didn't hear alignment in the room as evidenced by the comments. So, I know we're trying to move forward and we're trying to stick to a timeline, but if we really want to get alignment on this, I think we need more time. I'm not sure if it's now or later on in the agenda, tomorrow, but I think we need to get alignment, so then we have full understanding about how we're working and operating, and it's not here. We don't have alignment.

Mr. Fox said I think what's clear, though, you as a policymaker should never direct the staff to do a specific thing. You can't say I want you to open this road in this area, because of my constituents, and I want it done by Tuesday. You can say to Marcus or his direct reports, I would love for you to look into how we can open this road by a certain day, and it's incumbent upon Marcus to figure out, is there a way to do that. At some point, you may want to ask your Manager, what's the best way for you guys to give direction and input to his office, so that you function better.

Councilmember Ajmera said I think this is a very good conversation that we are having for level setting. I agree with Councilmember Anderson that we are not in an alignment here. I think the gap here is not so much day to day, the gap here is nuances. So, what we need from Mr. Jones is, what's the process for nuances? For an example, there was an email that was sent about that article, we never got a response. What is the process to get some of your questions answered that may not fall under day-to-day charge? I think if we can have some sort of process in place, whether it be questions that come from the dais, emails, so that it doesn't just go in a black hole somewhere, calls, texts. I think if we can get some sort of process in place, so that everyone is on the same page. That's all I have, thank you.

Mr. Fox said [inaudible] in agreement. If we can, we'll move on from there. I saw nodding from Marcus who is taking something down and we'll get something back. Okay, rules of procedures. The purpose of these rules is to aid the Mayor, who's your presiding officer, in running effective and efficient meetings. There's that word again, efficient, effective meetings. So, the rules are relying upon parliamentary practices as well. Your rules under rule six deals with the Office of the Mayor, and it then gives the Mayor shall have the following powers, and I don't know if guys are aware of this, the Mayor has the power to rule on motions if they're in or out of order, and including any motion that's [inaudible] offered for obstruction purposes. So, she has the ability to really assess any motion, the quality of the motion, whether the motion is based on ill intent, and to ultimately make a call regarding that and rule on that. She has the ability to determine whether or not a speaker has gone beyond the bounds of reasonableness, and you want her to do that, because many of you will probably be appalled at some of the things that some speakers may say. She has the power to entertain and answer questions of parliamentary procedure, and it says the City Attorney may offer advisory opinions and advice to the Mayor. So, I see the role of the City Attorney as assisting the Mayor, and therefore, assisting the body, in how these rules are implemented, carried out and enforced. Again, I think the important thing for this body, is to make sure that they're applied consistently, because I think with consistency, you garner trust and confidence of the body. She has the ability to call a recess at any time or to adjourn in an emergency, and she votes in the case of tie and some other specifics matters, and she has the ability to veto. So, that's what rule six provides. I have a copy of the rules. I can share them with you guys later.

Also, this is a good one, to establish prompt attendance for noticed meeting times and to establish a quorum. This is me. I'm just interjecting where I shouldn't, but if a meeting starts at 9:00 a.m., it's not 9:01 a.m., it's not 9:20 a.m. You guys are servants of this City, and the citizens who are tuning in to see you at the dais starting meetings, and if it says 9:00 a.m., or if it says 5:00 p.m., that's what Eastern Standard Time is, and we need to work really as a body to honor our citizens with regard to time commitments for [inaudible], and the Mayor can work to do that. The other thing is, these rules are not intended to weaponize you guys to go against another member or the Mayor or something like that. The rules are really just designed to have you as a body operate a meeting in an efficient and effective and in a timely fashion. If I were running your meetings, I would say two hours, two and a half hours, three would be max. You've got to run the meetings efficiently, and that means controlling. If something's been said guys, it doesn't need to be resaid, it's already been recorded. Stephanie makes accurate minutes of what's occurred, and that point of view has been weighed in on.

These are your 28 rules, and you can see they range from regular meetings, special meetings, organization meetings, agenda and agenda procedures, how you get things on your agenda, how you don't, addressing the Council, the Office of the Mayor, we just talked about that rule, Office of the Mayor Pro Tem, presiding officer when the Mayor is active in debate. I haven't seen you do that, but I've had one board do that a number of times. The Mayor has to turn the gavel over to someone that's not engaged in the debate. Action by Council, one motion at a time, and we'll talk about that, substantive motions, adoption of majority vote/debate, we'll talk about that, procedural motions, withdrawal of motion, duty to vote, adoptions of motions, resolutions, ordinances, closed sessions, quorum requirements, and quorum does talk about quorum of the Council and what's required there, closed sessions, quorum of public hearings, minutes, Council committees. Your rules reference Robert's Rules of Order as a fallback, where the rules are not specific with regard to how business is to be transacted. Contacts with City staff, again, that's reiterated in your rules, so it must be important to you that the division is there between the authority of the Council and of the Manager. Communications with citizens, committees, and other parties, nominations for boards, Council contacts with media, and that's who's authorized to talk to the media, and what you represent when you talk to the media. It really advises you just to represent. You're not representing speaking for the body, you're speaking for yourself, if that's the case, and then telephonic and electronic attendance at meetings. The most common ones that we'll talk about are the ones shown here.

Now, let's talk about the quorum rule, and this is just the majority of the actual members of the Council. I know there's been some discussion among you guys about what's a quorum, and it's the actual members of a Council, and the Council is 11 members. If a member leaves the meeting, whether excused or unexcused, that member still is there, is counted for purposes of determining a quorum, and even if they leave, you still have the quorum there. A quorum is required at all public hearings of the Council.

Councilmember Mayfield said actually, this question is really for staff. We have some of the charter language in here for some of the items. Do we have time before this day and a half is over for staff to print out the additional. I would like to get some clarity specifically around number five, as far as community engagement. Number five is addressing Council. I think it will be helpful for us to have all 28. Staff already knows which ones they've printed off for us, so the ones that haven't been printed, so that we can keep them before us to have it in this book. It will be helpful to have the ones that weren't printed, for those to be printed off for us, because there is some clarity that I think will be helpful. Even though we're pulling out some of them, it will be helpful for all of us to have the same information. Thank you.

Mr. Fox said [inaudible] passing out all your rules of procedures that were adopted October 10, 2022. If you need more, I've got more here. Those are your rules that you adopted and you agreed to abide by. I just want to emphasize that over and over again.

Ms. Johnson said I want to piggyback off what Councilwoman Mayfield said. I wrote down statute versus rules. One of the things you said earlier was some things were

statute and some are rules. So, if we're talking about the charter, I wanted to have a copy of the charter also, because you reference rule six. So, if we could get that charter, and also where is it on the computer? When we talk about transparency, it needs to be more accessible, because it's very difficult to find. So, it would be nice if, maybe under our Council page or somewhere, the Council charter was more easily found, that would be great.

Mr. Fox said technically, the charter is a session law or a local act [inaudible], but I thought you guys would have a copy of the charter in your Council books at some point.

Ms. Johnson said yes, but what I was saying, if it were more streamlined, as well as these rules also, it would be nice to have.

Mr. Fox said and what I'm passing out to you are rules of procedure and the ones that I'm going through now. Some of them are referenced, you'll see charter references, only because they're also a component of your charter, or they're extracted from the charter, some are state requirements, but that's what your rules are. Motions. Any member of the Council can make a motion. A motion can only be made one motion at time. Your rules provide that when you have a motion on the floor, that a second motion is out of order while that motion is made. You can't have two substantive motions on the floor at the same time.

Ms. Johnson said while you're talking about Council procedures, where is the rule that says it takes six Council members to get something on the agenda?

Mr. Fox said it's under rule four by the rules of procedure, and you will see the requirement of the process [inaudible] have agreed to with regard to agenda items and how agenda items are placed on your agenda, because for a shorthand statement, it allows the Manager, or the Mayor put an item on your agenda prior to the hearing.

Ms. Johnson said so, number four, agenda procedures, the City Manager shall prepare the agenda. So, does it say that Council members aren't able to put something on the agenda?

Mr. Fox said [inaudible] provides for the member who desires to add an item. He can request the Manager place an item on a future agenda by making such a request at a Council meeting. Unless a Council member or the City Manager objects, the requested item shall be included in a future agenda. So, you are at a Council meeting, and you want an item placed on the agenda, you can request that that item be placed on a future agenda, I think I've seen you do that before, and unless a Council member objects, or the Manager objects, that item will appear on a future agenda. If there's an objection, it goes on to say, the item shall not be included on a future agenda, unless you get a majority vote in favor of including the item on the agenda. That is your rule, and that's what I'm trying to identify. Operationally, how you're going to function as a body to gain efficiency in your work.

Ms. Johnson said so, I don't think that's the way we've been operating, but that's good to know. Thank you.

Ms. Mayfield said so on this particular topic, I think there has been a change, because there was a time where, at the Council meeting, before we actually adjourned, there was space for Council members to basically add new business and ask for the City Manager to, hey, we would like an update on X. That has not consistently happened recently, and I think that's why it's a concern when we have it noted in here, any member of Council may request the City Manager to place an item on a future agenda by making such a request at a Council meeting. There was previously a time, before we said adjourn from any meeting, where we had Council discussion, and that was the time that Council members did raise up concerns for the City Manager, or even in response to a resident coming in to speak on a particular issue. We have not consistently had that space at our meetings. So, that has been the challenge, and for me, if we're going through what are our actual roles and responsibilities, and what is chartered, it is an

additional conversation regarding, how do we get back to opening the space for some of the things that are not happening? Unless we raise our hand and specifically put it in there, there is not on the agenda that Council discussion time that previously was there years ago.

Mr. Fox said I would encourage you to look at the rule above that as well, which also deals with the raising an item that was not on the agenda in discussion, and that does provide that if it was not on the agenda, it may be discussed upon the completion of the agenda, and the Council may not take formal action on that item, because it was a non-agenda item, unless Council members vote to add the matter to the agenda, and I believe that vote needs to be a unanimous vote. Then, it goes on to say, a motion to suspend the rules shall not be in order for the purpose of a motion to suspend the requirement that is unanimous. So, I don't know if that was still addressing some of your concerns over here in consistency, but that does provide for an opportunity at the end of the meeting to have a discussion.

Ms. Ajmera said so, what I hear you say, Mr. Fox, is, let's say if a Council member wants to bring up a nuance that's not on the agenda, they can bring it up at the end of the meeting. Is that correct, to answer Councilmember Mayfield's question?

Mr. Fox said yes, you can bring it up at the end of the meeting, and then you have to read the rest of the rules [inaudible] how it applies.

Ms. Ajmera said so, if it's on the same day, then it has to be unanimous, and otherwise majority for the future agenda?

Mr. Fox said yes, if there is no objection.

Ms. Ajmera said if there is no objection. You can clarify that.

Unknown said [inaudible].

Mr. Fox said no, it's being brought up at a meeting, so it cannot be objected to about adding it to a future agenda.

Unknown said what about if they want to raise something else [inaudible].

Mr. Fox said then, if you wanted to add something to the agenda, you go back to the rules regarding the authority. The City Manager prepares the agenda. The Mayor or City Manager may place an item on the agenda. The Mayor and each member of Council shall receive a copy of the agenda. So, that's the way the agenda is prepared under rule four. Okay, alright then.

Motions, Rule 14:

Rule 14 is pretty intense in terms of spelling out the various motions that you can make, and you'll see a flowchart and you may want to print that flowchart out for you to have at the dais at your meetings in the future. Essentially rule 14 deals with motions, and it's the ability to adjourn, motion to adjourn, motion to recess, those generally are not debatable. To suspend the rules, that's a little bit more complex. It's going to require two-thirds vote in order for the rules to be suspended and to pass. To divide a complex motion, that's generally a motion can be made. Call the previous question is a motion that has come up from time to time with you guys, and this motion is not in order until all your Council members have had the ability to speak where they've indicated the desire to be recognized. So, that motion to call the previous question is not right until there's a motion on the floor, there's a second, there's discussion, everybody who is asked to be recognized has been given the opportunity to speak, then a motion to call the previous question then becomes in order, according to your rules, now. That's how you have applied that rule.

Mr. Driggs said Anthony, can that motion only be made in the members' turn? Like you have to be called upon to speak, or could you just yell, "Call the question?"

Mr. Fox said we're talking about effective and efficient boards. It probably is appropriate to allow that motion to be made when that members' turn comes up in order to keep continuity. The other thing, because if I'm sitting there, I'm going to have to monitor the conduct, and I'm going to have to make sure that anybody who asks to be recognized had the opportunity to be recognized before there's action taken on the calling the previous question. Then, remember, that's a higher standard of vote that's required in order to approve that, that's a two-thirds vote, which based on 11 members is at least seven point something.

Ms. Arnold said [inaudible], if I were to put my organizational development hat on, I have to go back to the agenda and where we left it. I promise you I'm not trying to address any rules, that is not my business, but in the spirit of effective meetings, what I thought I heard was that, and correct me if I'm wrong, I didn't hear anything about a filter in terms of whether or not the item should be a Council discussion versus a committee discussion versus a Manager's discussion. [inaudible]. The question is, is there a filter or litmus test, in terms of the items being raised for agenda? My perspective is, I'm listening. I don't do government, so this is not about a charter or a governance. Can we baseline that, that my context is organizational development? So, as we think about efficiency and effectiveness, my question is, is there a litmus test or some place that says whether or not it's appropriate for the discussion to be in Council or committee or Manager?

Mr. Fox said well, I think you're still dealing with agenda and how you set an agenda. The agenda rises from the Manager and the Mayor, and that's how your agendas are set. So, whether or not it comes out of committee, or comes from the Council as a whole, that's where the initial agenda is established.

Mr. Jones said so, maybe I can be helpful with that question. So, typically when we set the agenda, we start to think about, there are business items, there are policy items, and there are some items that are on consent that are basically already funded in the budget, but because of the dollar amount we have to bring it to Council. I guess, to your point, DeAlva, is two business meetings a month, thousands of transactions that are coming through, whether it's on consent or the business agenda. So, at some point it is, how do you have an effective meeting, and are there other ways to address some of the concerns, whether they get referred to a committee, whether it's just a white paper from the Manager, or things like that? So, if that's what you're asking, there are more vehicles to get some things addressed, as opposed to just an item on the agenda.

Ms. Arnold said yes, we're back into effective, high-performing Councils. If the goal is to map to high-performing Councils, these are the types of conversations we should be having to make sure that we don't leave here with a loophole or a path to longer meetings, when I've heard that people want to shorten meetings, that's all.

Ms. Johnson said this is an example. There's some history behind this example. So, when you talk about longer meetings, some Council members will feel just like this example. Council needs more engagement instead of so many presentations. So, when you talk about effective, it's not about the length of the meeting, what are we actually discussing? We may have a two-hour presentation and an hour and a half of City staff. So, when you talk about the agenda, we each represent our constituents, and our constituents expect us to address issues. So, I brought up this issue in 2021, about six members needed to get something on the agenda. It went to committee and never came out. So, this is an important issue, and I know that there are more Council members that feel this way. So, to say this is not an issue, and we don't want to talk about this, and I know you didn't say that exactly, I know, I know, but this one of those issues that we do desire clarification on, and I think we got the clarification that we needed. So, yes, thank you, but I think that that's a challenge in Council wanting to engage and dig deeper on certain issues, when we do run out of time.

Mr. Fox said one of the things to keep in mind is that there's a thing called Council action or board action, and that is when there's a majority vote of this board, that becomes the action of the board. These rules represent board action. There was a vote to adopt these rules that was the majority of the Council, that becomes the action. You may not like the rule, but that's the rule, and all I'm doing is explaining what your rules are. If you don't like the rule, get six or seven votes, and you change it, but that's what we're operating under right now, are the rules as they currently exist, and I'm trying to provide an understanding for you, so we can gain consistency about how we interpret those rules and how they apply to you guys.

Ms. Watlington said what you're saying makes sense, and certainly we appreciate you going through it. I think what I'm hearing is, there's a level of education of the rules, but also we've already said in years past that we would like to make some changes to these rules. We followed the procedures, they went to committee, they never came out. That's separate and apart from what you're presenting today, but I think that speaks to the effectiveness in the high-performance organization. I heard a comment that there's provision in here for us to add items to a future agenda. If there's objection, then we need to know about it at the time that the request is made, and we need to vote. There is no place on the agenda for us to actually do that. So, either our rules need to be updated to be more specific about how that happens or we need to go back and finish the work in committee that needs to come out, because I think it's valuable to understand the rules, but there are some things that we've already said are issues that are not getting addressed, and I think that speaks to the overarching goal of this part of the discussion, is to be more effective.

Mr. Fox said and we're talking about governance, and when you do that, think about how do you make the board better? How do you make the product of this Council better? Engaging in discussion or debate for debate's sake, does that advance the ball? How do we get into your meetings, take action, move to the next action, and better our community? That's what the goal should be.

Mr. Driggs said Anthony, I think we're missing an important point here, frankly. The management of the meeting requires that a person with authority, kind of in the interest of all involved, manage the meeting. Now, we're fortunate to have a Mayor, who is earning her place in Charlotte's history, but her ability to manage our meetings is not what it should be. I just want to say, people say whatever they want for as long as they want, and if somebody tries to abridge that, they say, hey, I can talk, I'm allowed to talk. Under Robert's, if the Mayor goes tap, that's it. So, I just think that one thing that would be helpful would be if we did have stronger management of our meetings, meaning that if somebody has made their point and continues to talk, it is possible for someone else to say, please wrap up, and just keep us on schedule, or if somebody is [inaudible] for a position that clearly does not have the support of any more than one or two other members. So, basically, you're taking up the time of the Council on an issue, which is not actually legitimately up for debate, because you know what the outcome is. I just think we need to be plain about this, because a lot of the difficulty we have is people talking to a camera or a constituency or somehow trying to project an image of themselves, and I'm being very blunt here and I'm not excluding myself, but there needs to be more aggressive, more active management of the meeting, which means that somebody can say, we're going to move on now, bang, or thank you, I think your position is clear, boom, and we just don't have any of that.

Mr. Fox said well, you have rule six that I just explained.

Mr. Driggs said but it's not happening.

Mr. Fox said I talked about the powers of the Mayor under rule six. I will push back a little bit to say, with this group, and you've seen how you performed on the surveys, can one individual control you guys in a way that you operate in accordance to the quorum efficiency and effectiveness? I would submit that's on each of you to respect and honor what your role is, and what the Mayor's role is, or what my role is, is assistant to parliamentarian, you've got to respect that, because I will weigh in, I'm a short-timer, so

I can. I'll weigh in on inappropriate conduct guys, when it happens, but I've got to be relying upon you guys to listen and agree and move on, but if we get into a discussion and debate and an argument, that's not productive to the end game for anybody.

Ms. Watlington said so, I would ask, is there a parking lot [inaudible], because that's the gap, that's the gap [inaudible]?

Ms. Arnold said I do have a parking lot and a set of recommendations, and we don't have to unpack here, but what I'm hearing is that to some point people aren't feeling there's closure, so I put in a meeting so it's on the record kind of thing. So, I think there is some spaces there, and it may be an opportunity, and I don't want to oversimplify it, but again back to the point, because it's very well made and taken, I think it's a matter of process, just from an OD (Organizational Development) standpoint, to make sure that there is the appropriate response in terms of yea, nay box on it. You didn't get the votes or you did get the votes, or this is inappropriate for a meeting, let's have this discussion, some kind of process where there is opportunity for voice, but there's also respect for the rules. Because what I'm hearing is, I don't see an issue with the rule as it stands today; however, I do see just a gap in process that I think that's something that I can help with. So, I leave it there.

Mr. Fox said guys, I'm going to finish up in five minutes, and this is an important discussion. I realize it's a very important discussion. Since the discussion, more work needs to happen around this. You saw the motions. There's the other part of the motion section, and I encourage you to review your own rules of procedure, but if you refer an item to agenda, the member who has that referred has the ability to bring that up in 60 days. Then you have the motion to amend, you can amend motions. You can reconsider. You can substitute motions, and I know that's something that happens from time to time. I'm going to skip through debate. Duty to vote. Now, the duty to vote is a statutory requirement. You have to have a valid reason that's recognized in the log not to participate. Just because you don't like this item, or you don't feel that the Council's doing the right thing, doesn't give you an excuse. The Council needs to be guarded in when it excuses people from voting, because the statutory requirement only allows for people to not vote, not participate, where there's a conflict of interest, which is generally defined as pecuniary or financial interest in an outcome. If you don't have that, guys, you need to participate, carry out the duty that you were elected to do, and vote and record your vote. Otherwise, you should not be excused from voting.

Regarding the adoption of motions or resolution, the Council does that, six affirmative votes, we talked about. Motion to withdrawal, you can withdrawal a closed session. Just briefly there. My job here is to provide you with very sensitive confidential information as it relates to ongoing matters that may be adverse to the organization. When I, or my office, comes and talks with you in closed session, we have the ability to do that because the General Assembly has given us specific authority to go in closed session, executive session, to talk to you about sensitive information that is not to be shared to the public. So, when information that I share with you appears in the public, guess what that does? One, it's a violation of your statutory obligation, your ethical obligation, and your rules of procedure. Secondly, ultimately it compromises what I can tell you as a body when I can't trust that you will keep the confidentiality that your organization is required to keep. So, please, please, keep that in mind, and when we put at the end of a document, confidential attorney/client privilege, not be shared, it is not to be shared. I will tell you when a media person calls you, there is absolutely no requirement under any statutory body for you to call them back. There's no requirement for you to actually have the conversation, because guess what happens? The person calls you and says oh, I heard that this is going on, you think that individual has the information, and therefore, you are additive to the discussion, and you have just provided them confirmation of what was confidential. So, please, please, be careful when you deal with that.

Now, I'm going to provide each of you a copy of this, or you will see the procedural motions that can be made, you'll see the standards that govern this, and it will help you when you deal with issues around the dais. Hopefully, it will. If you want to print that out

and put it in your Council book, then please do so. Here's just a diagram. It was just an example. I'm not going to run through that. These are just some items, it deals with conflict of interest, confidentiality, where you can or cannot participate in voting, that's there. I will also encourage you to look at your ethics code. You guys agreed to the ethics code that you adopted, signed off on. It's required training for board members, new board members, recently or elected board members. It includes some obligations that you agreed to in that ethics code. So, I would encourage you, not to read it weekly, but go back and review it, such that you know the boundaries that you need to operate under as you serve the citizens of our community. Again, this is mandated by state law, you've got it part of your City code, and we'll leave it there. Thank you, guys.

Ms. Arnold said thank you, and I understand that there's some additional questions that we're going to find time to get to. Right now, we are going to break for lunch. What we'll do is, we'll have a quick 20 minutes, and then we'll come back for a working lunch. I think there are two spaces that we're trying to find time for. One is continuing our teamwork, high-performing Council work, and also to revisit any outstanding items around Attorney Fox's information as well. There is one thing that I was going to ask you about at lunch, but I'll mention it now. We do have to find some time for the discussions around team Council work, which is what I've heard resoundingly from the majority of you, that is what you want to focus on. So, we need to make some adjustments to the agenda, potentially. We had one recommendation to nix the budget, then we had other recommendations to not nix the budget. So, I do want to just step in with each of you guys to talk about where we find the time just to make sure we have consensus around agendas, changes to the agenda. Thank you, so just hold on one second. If you could grab your lunch, please, and plan to return in 20 minutes, please.

The meeting was recessed at 12:40 p.m. and reconvened at 1:29 p.m.

Ms. Arnold said we, as I mentioned before, have some adjustments to the agenda. I'd like to introduce you to Sherri Chisholm. Many of you know Sherri, and also Tonya Jameson, from Leading on Opportunity. We're so excited about being 38. Give ourselves a round of applause. Certainly, certainly, certainly due to the great work of this organization, and we're excited to learn more about it, and to hear some insights in terms of how we can continue to build on that success. So, without further ado.

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ITEM NO. 4: THE JOURNEY BEYOND 38: THE CITY AND THE POWER OF POLICIES TO ADVANCE ECONOMIC MOBILITY

Sherri Chisholm, Leading on Opportunity said hi, how are ya'll doing? As DeAlva said, I'm Sherri Chisholm, and I'm joined today with Tonya Jameson, who I think you all know very well. We're really excited to do three things; to update you on Chetty's most recent study and to talk about that progress. Second thing is to talk about where Leading on Opportunity situates in that. The third and most important, is to provide some policy, partnership, and programming recommendations based on the Chetty study, and the data that we've called together in the form of the opportunity compass, which I think ya'll are familiar with.

Before I get started, because I'm meeting some of you all for the first time, I'd just like to give a little bit of background of who I am, so you know who's before you. I am the second Executive Director of Leading on Opportunity, so this work started before me. I moved here in 2020. I tell this story all the time. I'm a native of Detroit, and if you've ever been to Detroit, I call it Alabama with snow, and I say that because my family is from northern Alabama, and moved to Detroit as a part of the Industrial Revolution to work in the Ford Motor Company. So, that's true for many people who left the south to seek better jobs, employment, schooling for their kids, and that really did benefit me. My grandmother was a teacher's aide. My mother retired as an Elementary School Principal, and I spent a big chunk of my career leading urban school districts as a Chief of Staff. Then, two generations later, my husband and I relocated to Charlotte in hopes of the same thing. As much as Detroit had been good to us, it was hit with some hard

violence, corrupt policies, and in particular my family was hit pretty hard with drug abuse, and so we knew we wanted to be elsewhere. So, that brought us to Charlotte in search of our own economic mobility, as everyone in Charlotte deserves. So, that's what grounds me in the work, worked in education, started in corporate, and I'm really proud to do this work with Tonya here in Charlotte. So, that's me, and I'll talk about how that frames our work together. I told you what we were going to talk about, our collective progress. DeAlva said that Leading on Opportunity has been doing this great work. The City of Charlotte and Mecklenburg County have been at it long before Leading on Opportunity was ever thought of, and so we want to make sure to acknowledge the work that ya'll have been putting in, and grateful to be on that journey. We'll talk about how we got to this point, and then finally, I'll hand it to Tonya to talk about the policy recommendation.

So, first I want to start by a quote. For those of you who were here when the 2014 study came out, as I understand for some people it was a huge wake up call. I think for many of you who've been in this work or doing human service work, it was finally folks are listening to what our community has been facing, and sometimes seen as the tale of two cities. Now, fast forward to 2024, Raj Chetty is lifting up Charlotte as an exemplar city, a city that did it correctly, that saw a problem and committed to doing it well, and he continues to lift us up nationally as an example of what it looks like to recognize that you have an economic mobility challenge, and then to come together as a total community with the corporate, nonprofit, and government sectors to make that progress. So, we have lots to be proud of.

So, the journey, just to make sure we're all grounded in the same place. In 2014, Raj Chetty study comes out, which we call locally the Chetty study. It's the Land of Opportunity study. Two significant things happened as a result of that. A taskforce report was written with nearly 100 recommendations for what we would need to do to improve things, ya'll know this. The second foundational thing was a commitment to the work in the form of an initiative based at Foundation For The Carolinas. That is Leading on Opportunities. So, that's the organization that I get the opportunity to lead who's been at it for the past just about 10 years. When I came in in 2020, that organization was in a bit of a pickle, to be honest. The pandemic had hit. We were about four years into the first leadership team, and the Council was looking for someone to revive and create focus for the organization. There were a lot of promises made, well-intentioned promises, not understanding what it would take to get there, and so we had some things to write in terms of our brand representation, as well as getting really clear on what Leading on Opportunity does and does not do, because there was a lot of confusion around that. So, I'll talk about the work that we do now.

Then, now in 2024, we have a new study that tells us that we've made progress. In between that time, Leading on Opportunity came out with what we call the opportunity compass. Chetty's data, bear with me, is always retrospective. So, we take it as a point of reflection in terms of how far we've come. Chetty's initial study looked at individuals born in the 1970s. His second study, which he released last year, looks at children born in 1992, in particular, still in the past, but gives us great information. Leading on Opportunity said that was not enough. We need have some leading indicators of progress. As we're doing the work now, how do we know if we're on the right path, not knowing if Chetty ever will do another study, and if he does one, it's only every 10 years? So, now Leading on Opportunity owns that information and we can share with you what it says. The big information that you all know is that we're no longer 50, which is fantastic. There's a lot baked into this. I mean 38 is certainly not in the top five, but it far supersedes what Chetty [inaudible] could be possible in just 10 years. We've made the most progress of any community that was in that bottom quartile. We also ranked third overall in terms of most improved, so outpacing many other communities in terms of the progress that we made. Then, lastly, it was really important for Chetty to bring this home, and I think so as well. As much as economic mobility increased among people of color, in particular Black Americans, we held stable with white individuals living in Mecklenburg County. This was not the case nationally. Most other places where you saw progress among black individuals, you also saw a decline among white individuals.

That did not happen here. For me, this is a response to it not being a zero-sum game. When you focus on those least enfranchised, everyone improves.

So, a little bit about who Leading on Opportunity is now, and this is actually the first mission and vision the organization has ever had, but it is new to us since we've been on the team. We developed it at the end of last year. I won't read it verbatim for you there, but our hope is that we inspire prosperity and freedom for all individuals in Mecklenburg County, that will continue to be the center of our work. We do this by working directly with institution leaders. So, we see it as our responsibility, not to work those who directly serve individuals, but to work at the institution level. For example, we see it as our responsibility to educate funders on how they give funds to economic mobility, and then also program providers, so that they can do that work more effectively. We don't give out dollars, and we do not provide direct service, and that was something that we had to make sure to clarify to folks, who understandably saw that a bit confusing as we were situated and continue to be as an organization at Foundation For The Carolinas. We are independently funded. All those funds go to the operations of Leading on Opportunity.

So, the four big buckets of work for us are to gather the knowledge and most people see that in terms of data. It also can be in terms of policy, which is how we'll share it with you today. We then hope to inform, equip, and embolden leaders. So, once you have information, what do you do with it? So, we quickly learned, as Leading on Opportunity, that we have to provide some additional support and understanding how to move forward with what the policy and data recommendations are. Advise folks on action. Leading on Opportunity serves very often as a community consultant. So, we come and we provide expertise in the terms of strategy, policy, and data, exactly what we'll do for you today. Then, the last bucket is to sustain the work. So, Leading on Opportunity started with the intention of being around for a generation. We are committed to making that happen and existing far beyond that, if the work calls for it.

Back to Chetty's data. So, like I said, we are no longer 50, we're now 38. So, one of the first questions that I often get is, "How is that so? Who can we credit for this?" It is a community success that we all should celebrate and be very happy about. No one single organization or industry made it happen. It's a three-legged stool, as far as Chetty and our local data team have been able to decipher. First it is our very focused intention on public and private partnerships. This is something that we continue to be applauded for. We get questions about, how do we come together so effectively to get work done? The fact that the corporate community and nonprofit community work hand in hand, helps to funnel dollars, as well as keeps folks focused, and we saw that to be true during the 1980s and 1990s where we saw the majority of this progress being made, and expanding economy. We benefitted from Charlotte being a newer community, quite honestly. I'm from Detroit, as I mentioned. We had our hay day earlier in the 1940s through the 1960s. The fact that we grew so tremendously through the 1980s and 1990s, created economic opportunity for those here and for the children that they had, to thrive in different ways, and also helped us to rebound from the recession, because of our focused approach to public and private partnerships in a way that other communities did not. Then, lastly, our robust nonprofit community. So, one of the aspects of our community that's continued to be lifted up by Chetty, is that we not only provide the services, but provide the navigation support. It's not enough to say that it's out there, but to also have someone who can work hand in hand with you to help you figure out and navigate the system, and that's something that we can see back to the 1990s that Charlotte was doing and continues to do.

So, that is Leading on Opportunity. That's what the Chetty data is telling us at a very high level. Of course, we'll have time for questions afterwards. I'm going to hand it over to Tonya now to specifically talk about the policy implications that I think directly impact the work that ya'll do and advice that ya'll can provide.

Tonya Jameson, Leading on Opportunity said so, one of the things I want to remind us of is that when we were talking about most recent Chetty study, people are saying, how do we improve? Back in 2014, when that first study came out, we were saying, how

could Charlotte be last in economic mobility? Communities were focused on the rankings that Chetty published, but not necessarily how we got there. So, now, when Chetty came out with this newest data, he said, "We're using this data, but we really need to emphasize the importance of communities and policies to improve economic mobility." So, yes, we see the spread, but here are ways that we can really do interventions to improve economic mobility. So, he broke it up into three buckets. The first is to start in childhood, so every extra year of exposure to a better environment during childhood improves outcomes later in life. So, notice he's saying, "Environment." His second bucket is around social communities, not individuals, to promote economic mobility. This is a different way than we've been talking about this typically in the past. Usually, we say, how can we get that person a job? How can we get that person workforce development? How can we make sure this child is ready to go into kindergarten? But what Chetty and the data says is that we really need to be focusing on entire communities. So, when we presented to the Housing and Safety Committee last October 2024, one of the things we shared with them is that the focus that the City has on Corridors of Opportunity are exactly what Chetty and researchers say is how we need to be looking at this problem, looking at how do we improve entire neighborhoods, not just individual families?

The third key to an opportunity economy is to build around social capital. The strongest predictor of differences in economic mobility across neighborhoods is the degree to which low- and high-income people interact and have true authentic relationships. So, this is not just like once a month you get together and you help me on my resume, but it's really building authentic relationships where it's not just me reaching out to you saying, hey, I need a job, can you help me find a job, or I need housing, can you help me find housing? It's also you coming to me saying, hey, I have a good opportunity, I know about this job opportunity that I think you'll be perfect for, and I'm going to help you make those connections to interview for that job. So, it's really authentic relationships that are critical across cultural class divide, that are going to improve economic mobility here.

So, what we did was, we looked at 150 strategies and tactics that research and data says improves economic mobility. You can tell by the slide here; we have broken this down by our City committees. We looked and saw that most of the strategies and policies are already being implemented. Basically at least more than 60 percent, we are doing here as a community, and we shared a little bit of this last year, when we talked to the Housing and Safety Committee. We are on the right track to improve economic mobility here. We are doing the right things. This next slide here gives you a bit more of a granular look. It's also in your packets, because I know you all won't be able to see that up there. Moving from left to right, the first column is the overall strategy that we're trying to improve. The next one is the tactic that we're trying to improve. Then, we also show whether or not it's something that we have in the City. So, where it says true/false, that's basically data speak as to whether or not we are doing this in the City. Today's presentation is only going to include what the City of Charlotte is doing, but the updated compass, which will be released later this year, will reflect the efforts for the entire County as well as our municipal bodies and what they're doing too. Now, this is broken down by the overarching strategies like helping residents balance their work/life, and improving strategies to help communities accomplish this. Now, I know several of you all are representing constituents who say, "I don't care if we're 50, I don't care if we're 38, I still can't find an affordable place to live. I still can't find a job," and I get that, and we hear that all the time. I go to enough community meetings, and know that this is still a struggle, but you also have to take a moment for yourselves to say we are moving in the right direction. We are doing the things that strategy and data says, research says, this is how a city improves economic mobility.

Now, on our first slide here, when we start getting into the actual strategies, we combined Housing and Safety Committee with Transportation, Planning and Development, because so much of it overlaps, and we can't look at it separately. So, we broke it up by the goals. So, the overarching goal is around transportation and safety. So, reducing the number of serious injuries and fatalities from traffic crashes. Approving strategy in this, is complete streets and streetscape design. CARPO (Chicago Area

Regional Planning Organization) adopted its complete streets policy back in November of 2024, and the aim is to make streets safer and more comfortable for everyone while placing its emphasis on improving conditions for pedestrians, cyclist, and other non-automobile drivers. Where we have an opportunity is around more and really implementing a tool for the Vision Zero plan that we also have, and one of those tools could be automated speed enforcement cameras. I know it's not the most popular thing, and we had the red light cameras back in late 1990s, early 2000s, but research shows that if you have some kind of automated speed control, it can reduce the number of accidents by 15 to 20 accidents per month, and reduce the number of vehicular fatalities also by about one per month. So, data shows that automated speed enforcement does work. Three-hundred and forty communities throughout the United States have red light cameras, 278 have speed cameras, according to the Insurance Institute of Highway Safety. So, there are a variety of ways that we can implement this. In Portland, they have fixed cameras on high-traffic, high-accident areas. Others have mobile cameras that they move around based on the need, but what's important to know is that North Carolina does not have a law that prevents automated speed cameras, and each municipality can do red-light cameras as well, as we've done in the past. This is something that our Council discussed in 2021, and it could be something that we discuss again.

Now, the other area, when we're talking about housing and safety, is around housing stability and displacement prevention. So, we have this proven tactic around connecting individuals experiencing chronic homelessness with stable, unconditional housing and support services. You'll notice that I marked this, though, around addressing homelessness with an asterisk, because we have A Home For All plan and it has all of the components that researchers say are necessary to improve chronic homelessness. The challenge is we don't necessarily have buy in from key stakeholders on really, truly implementing that in the City. Yet, Chetty and other researchers say that lifting housing stability is a key factor in economic mobility, and A Home For All has the right components that researchers and Chetty say are critical. So, I ask you, what are the things that we're missing? What are the implementation supports that are necessary for us to truly get behind A Home For All and implement it in the City? The other question is also, are we doing the right approach, and if we're not doing the right approach, then what needs to change so that we can make this an effective plan to implement? Also, sticking around the idea of housing stability and displacement prevention, is legal support for tenants facing eviction. That's providing that legal representation for low-income residents who are facing in the eviction process. So, funding is shown to save cities and states money when they provide legal representation to low-income individuals who are facing eviction. A cost benefit analysis in 2022 in South Carolina, found that if they funded legal representation, it would cost \$7.2 million, but it would save the state \$21 million in safety net spending. So, Mecklenburg County's Board of County Commissioners started a pilot program in 2018. The funding for that has grown to \$1 million in Fiscal Year 2024. So, how might the City consider low-term funding for legal representation for people facing eviction? It would also coincide with the City's goal of dedicated funding to meet anti-displacement goals, which were outlined in the 2023 Charlotte Anti-Displacement Strategy Report.

So, for Budget, Governance and Intergovernmental Affairs. So, we have childcare subsidies as a way to make sure childcare is affordable for families to access quality childcare. We have these subsidies, and the subsidy programs increase parent workforce participation and children safety and wellbeing, as well as school readiness. It is already part of the BGIR's (Budget, Governance, and Intergovernmental Relations) advocacy agenda or the City's advocacy agenda, when it comes to the state legislature, so we have that in place. Unfortunately, though, our state legislature has said, they are not going to put any more money into childcare compensation grants. So, the compensation grants that came down as a result of COVID to boost the pay that providers were receiving in order to be able to stay open, state legislature has been giving it money for the last two terms, and said they're no longer going to put any more money into that part of the compensation grants. So, now advocates are trying to figure out, okay, if we're not going to get any more money for childcare providers, so that they can earn a living wage, what can we do so that childcare providers can stay open? So,

they're looking at solutions like building code reform, zoning reform, etc., and this is something that we brought up before the Housing and Safety Committee as well, and BGIR, about what can we be doing on a local municipal level to ease the way, so that childcare providers can open facilities, or if they already have a facility, be able to expand the number of children that they serve?

Then, another area, when it comes to BGIR, is predictable scheduling laws. So, parents with fluctuating and nontraditional schedule, it's a lot of our low-wage workers, it's the people who work in retail, people who work in fast food. They basically face the challenge of finding childcare and being able to find quality childcare. Having predictable scheduling laws increases productivity, increases retention and reduces employee absenteeism. This is something that Family Forward NC advocates for, and has proposed legislation in the past, that employers have to provide 14-day schedules in advance, and then if the schedule changes within a week, they have to provide predictability pay. So, this is something that we can advocate for on a state-wide level, or we can try to push forward as a local law. Philadelphia, which is a blue city and a purple state, and a Dillon Rule state, has scheduling laws in place, whereas we do not.

Then, moving on to our last committee around Jobs and Economic Development. So, the goal of wealth building. Microloans for entrepreneurs is something that's proven to help entrepreneurs, especially low-income entrepreneurs who are trying to start or expand their business. Study results show that participants had the likelihood of not experiencing material hardship, increasing their rates of business ownership, increasing their savings as well. The City and the County have microloan programs. We have ASPIRE Community Capital, and CLT Alliance has microloans as well. So, we are seeing a lot more traction from microloans as a way for wealth building.

Another way, an opportunity that we don't have though, is the Paycheck Plus Program. This is a refundable tax credit for low-income adults who don't have dependent children. This has been studied in both Atlanta and New York, and has proven that it modestly increased employment rates, and reduced severe poverty, and led to an increase in tax filing rates and the use of voluntary income tax assistance sites, such as like community links locally here, who help with tax preparation. Then, these programs also led to an increase in child support payments. So, that would be an area that we could advocate for as well with Paycheck Plus. The other, in the space of Jobs and Economic Development, is around the summer youth program for job placement and support. So, we already have the Mayor's Youth Employment Program, so we are moving in the right direction by implementing that. The other, an opportunity tactic that we could consider doing, is looking into the Senior Community Service Employment Program as well. Now, this is a federal-funded program for people who are age, at least 55 and 125 percent below poverty level. We often hear Councilmember Mayfield say, "What are we doing for the seniors. How are we helping our seniors be able to age in place?" This is a way that we can do this. It is supposed to be administered by Centralina Council of Governments. We're not sure how it works here. We've not been able to find information, but we're still looking into it.

Finally, as we wrap up. When we presented to the Housing Safety Committee last year, one of the things we heard multiple times from that committee, and then in our conversations with some of you all individually is like, it is great that we're moving from 50 to 38, but what is it that we should be doing? So, when we were looking at the data and research, I really thought we were going to see a bunch of stuff just out there that we're not necessarily doing here in Charlotte, but the reality is, we're doing the things that help to improve economic mobility. We have to continue to do those things. Some of the programs, some of the ideas that are out there, we only focused on the proven ideas and strategies. We also have a lot of information on things that are not proven, and if you want to know more about it, you can hit us up, and I'm also going to pass out some materials at the end as well with more details about the slides that we shared here. One thing I want you all to keep in mind, though, is when we talk about economic mobility, we should think about it in the same way we think about economic development. So, we didn't put the money to renovate Panther Stadium and say, oh, we're good to go, we don't need to do any more economic mobility. We didn't put the

money in the River Run District and say, we're good on economic development, we can move on. We have to continuously talk about economic mobility the same way we talk about economic development. With that, we'll open up for questions if we have time.

DeAlva Arnold, Facilitator said yes, we have about five minutes for questions. Thank you so much, that was awesome. We love seeing the detail, and the policy addition was really important, so thank you for doing that. Any questions?

Councilmember Mayfield said two-part, of which you can follow up later, since we only have five minutes. One, I want to know, with the language that's coming from the federal government under this new administration, which will potentially create a number of obstacles, it would be helpful to know how the recommendations that you presented today, how do we actually move forward? The second one is, I'm trying to understand more how it's the City's responsibility to fund the legal advocacy and legal aid? We've had this conversation multiple times. We know A Home For All, that has come up multiple times, but I'm trying to understand, if our core is police, fire, sanitation and economic development, how we identify a line item, when we already have residents who are financially strained with taxes and everything else, that we are supposed to do this? Again, that's much longer than five minutes, so I'll gladly take a followup on it.

Ms. Arnold said is this an item you'd like to have in the parking lot?

Ms. Mayfield said it can go in there.

Ms. Arnold said thank you, and follow up on. Okay, thank you. Fund legal action?

Ms. Mayfield said legal aid.

Ms. Arnold said legal aid, okay, thank you.

Councilmember Anderson said first, thank you for the presentation and updated information. I was really excited to see this information come out a few months ago, so thank you for the double click on it. A couple points. One is for the legal representation and assistance with eviction. I actually just had a meeting with residents of First Ward this weekend, and we talked about this very topic. The City does have resources to assist community members in our Community Relations Department, as far as understanding the tenant/landlord relationship, navigating leases, NDOs (Non-Disclosure Order), things of that nature, and we had legal aid there, they were there to represent and a part of the presentation, but what I found is that there's a gap in awareness. Many of these residents, and we had nearly 30 of them, that live in low-income housing with assistance, had no idea even the resources that the Ccity has. So, I think the awareness education piece is critical, and I think if we can focus on that, it'll probably move the needle. So, I will definitely advocate for that.

The second piece is, and as you mentioned, I know it's a little bit controversial with the red light cameras, but we have a variety of different high-injury networks throughout the City, where we have seen accidents, vehicular accidents, pedestrian, and those on bikes. It would be interesting to have a pilot program using some mobile red light cameras on some of our highest high-injury network areas to see if that has an impact on outcomes. Thank you.

Ms. Jameson said yes, definitely, because basically people don't want to pay those fines, and so the studies have shown that it reduces the speed when you have these automated speed control cameras out there. You publicize it as well, and people know.

Councilmember Driggs said so, in case you aren't impressed that we went from 50 to 38, it's worth noting that number 49 went to 50, a very large southeastern city. I wanted to mention, I talked to Dr. Chetty when he was here, just a quick observation, his emphasis on neighborhood and the social environment around children growing up, almost more emphasis on that at the expense of the parental, the earlier focus on

parental. What I came away with, and I'm just going to pose this question and not attempt to discuss it, but what does it mean for us? What exactly was he talking about? Was he talking about improving the least advantaged neighborhoods? Was he talking about creating greater dispersion and a greater mix of people? So, I think, as far as our policy is concerned, acting on his findings and recommendations, more clarity around that would be helpful. Thank you.

Councilmember Mitchell said thank you, Tonya, thank you for the presentation. Can you go back to one slide, especially the timeline?

Ms. Jameson said the OG timeline that we did at the very beginning?

Mr. Mitchell said yes, please. So, one thing I think this Council, we owe ourselves a bit of gratitude, I just want to remind us that UNC (University of North Carolina) Charlotte, we took a step in 2021 to make workforce development a priority for this Council. Then, more importantly, we directed the City Manager to go out and hire the best workforce development in this nation, and Danielle Frazier.

Mr. Driggs said we did.

Mr. Mitchell said we did. So, I think is a prime example, when DeAlva was talking about when we work collectively together and we stay focused on a mission, what we can accomplish. One thing I would like to make a recommendation is, is to what Ms. Jameson mentioned, that economic development and economic mobility should be hand in hand, and I do think that Mayor, I would like if we can refer some of the items to committee, so we can continue to have a more policy discussion of how we accomplish that. Thank you.

Councilmember Johnson said thank you for the presentation. This is great news for all of us. I wanted to know, was the scope of your organization just to look at local policies within the County?

Ms. Jameson said primarily right now we looked at local policies, partially because it's a capacity issue and we're really just beginning. So, the first three years that Sherri talked about that our team has been together, it's been really just putting ourselves together and figuring out how to get embedded in the community. Now we're focused on moving out into the municipalities and having conversations with them. So, we'll be having similar presentations coming up in the Davidson town, and as well as in Pineville too. So, to find out which of the policies that are broken down by their interest areas, which of the policies that they have, and then recommendations for them. So, we'll be doing the same thing for the towns as we get out there more.

Ms. Chisholm said and also just to clarify, when Leading on Opportunity was started, it was with the intention of focusing on Mecklenburg County. So, that's where our focus is.

Ms. Johnson said well, because that's where the study was. Mecklenburg County was 50 out of 50, but I think about the state laws that hinder us from making more progress, such as minimum wage or inclusionary zoning. Even the legislation for maybe eviction expungement, that's a barrier as well. So, I just wondered how these laws or these factors were considered.

Ms. Chisholm said sure, I'll start and then Tonya can certainly add. I think given this is our first opportunity to come before the City Council in this way, we wanted to provide information that one, highlights, what ya'll are already doing, and then two, answers the question, what more could we be doing? Tonya's work as a leader on policy falls within the local context, so how do we help our local governments work more effectively, and then also partnering with more rural communities around how we can better advocate at the state. So, there is certainly local policy that needs to be handled as well as at the state-wide level, and we'd be happy to come back and talk about that, but given the allotment we had, we focused here.

Ms. Johnson said okay, thank you, and then last, Councilmember Mitchell asked for a referral to a committee, you mentioned the red light cameras, you mentioned them several times. I don't know if this Council has discussed that at committee. Is that something that we could?

Ms. Jameson said 2021 was the last time City Council discussed it.

Ms. Johnson said right, so I think I was on the committee then. So, is that something that can be referred to committee, that discussion, Mayor? To take a look at the red light cameras? Again, since it hasn't been discussed since 2021?

Mayor Lyles said right. I think that we can have discussion on it, and I hate to be the person that's always got too much history, but one of the issues was that any money that we do from the red lights goes to the school system. Malcolm and I know the history of this, and we thought red light cameras were great, but the problem was the distribution of the funds, so when people got those fines and everything, they all went to the school system, and we were not able to work out an agreement with them. So, one of the things that I'm writing now is, how do we have this discussion with the County and the school system? Times are different, so we need to figure out if that's something that we can do, and I'm glad to be able to suggest that we have this conversation.

Ms. Jameson said and Mayor, I could also send you all a link, because there was a case last year that actually addressed that particular question. So, I'll dig that up for you as well.

Anthony Fox, Interim City Attorney said if I can add just on that point. The City of Greenville, North Carolina, had a plan where they tweaked their red light camera program to make it such that the school board reimbursed them for the school crossing guards and things like that. It was challenged, they ultimately were successful. So, they may be some nuances now on how you structure those, but the [inaudible] decision said that anything received as a result of a fine or a penalty, the proceeds of which had to go to the school system, and that discouraged municipalities from keeping those funds, and therefore, it tortured the programs.

Mayor Lyles said [inaudible], and so we can do that.

Ms. Arnold said I wonder if this is an opportunity to look across the organization for other opportunities too. I'm going to point to Vision Zero, which I know may have some opportunity or interest in that, in terms of from a safety standpoint. Don't kill me about a Vision Zero budget, okay? Just as an example, this may be an opportunity to look across the organization for other ways to accomplish the task.

Marcus Jones, City Manager said and so, and can I just add, and I don't know how things have changed over the last few years. So, I don't want the conversation just to be about money and where the money ended up. One of the questions and we'll revisit it is, how effective were red light cameras when it came to preventing accidents. In other words, instead of seeing that the crashes like I guess to your side door, or you're getting more crashes where people were hitting you in the back. So, I would like the folks who actually do this, in terms of transportation, see if it's as successful in terms of what we're trying to achieve around Vision Zero.

Ms. Jameson said and I would just add in too. I know we're kind of talking about red light cameras, because that's something we did in the past, but automated speed cameras are different, and so, could that be more impactful as well?

Ms. Chisholm said I also wanted to come back and address Councilmember Driggs' question around Chetty's recommendations. I think that in the past when we thought about economic mobility, certainly before Tonya and I were on the team, we saw the child as the center of change. What Chetty has lifted up, which I think many of us have always known, is the child can very rarely be successful without the parent being successful. So, when we think about what strategies we implement or fund, it definitely

needs to be from a two-generation approach, so how are we supporting the parents such that they're creating an environment where the child can thrive at their best? What Chetty's data lifts up, is the sooner the parent is in an environment where they can thrive, that is reflected onto the child. So, that's the biggest takeaway. We certainly can provide more information, but making sure that we serve the parent and the child. You can't do the two separately.

Ms. Arnold said very good, thank you so much.

Councilmember Brown said I just want to ask about the four counties that were used in the Chetty study, and how you get your data? Then if there's any discrepancies in the data, or is it actually factual data that you're sharing with us?

Ms. Chisholm said can you repeat your question, please?

Ms. Brown said my question is, when you originally did the study, I know how people amplify Chetty and say that it's exemplary and it's really good, but is the data factual on the four counties that you used to do this study?

Ms. Chisholm said I'm not familiar with the four counties that you're referring to.

Ms. Brown said right, so where's the data coming from, is what I'm asking?

Ms. Chisholm said the data for the 2024 study is Mecklenburg County, and our compass data, the data that Leading on Opportunity provides, is Mecklenburg County data.

Ms. Brown said okay, so all of it's from Mecklenburg County. We didn't go outside to get any other data to compare?

Ms. Chisholm said no, our data's all publically available Mecklenburg County data. So, we cull it together from the City, the County, higher education institutions, but it's all verified publically available data that we just simplified and pulled together in one place.

Ms. Brown said okay, where can we find it at? It's on the Leading on Opportunity website, leadingonopportunity.com/opportunitycompass. We can certainly provide the information to whomever so you can access it.

Ms. Brown said yes, I would like to have that information. Then, the question is, so the data is solid, there's no discrepancies.

Ms. Chisholm said yes, 100 percent.

Ms. Brown said okay, that's all the questions that I had.

Ms. Chisholm said and we'd be happy to talk you through it in more detail. The difference between Chetty's data and our data too, if you have more questions about that, I'd be happy to answer them for you.

Ms. Brown said alright, thanks.

Ms. Chisholm said and so I know that was the last question. I just want to say thank you all so much for having us. We are very grateful to have the opportunity. Marcus and Danielle are represented on Leading on Opportunity's Council, and we're so thankful to have ya'lls leadership. So, have a good one.

Ms. Arnold said thank you so much. Okay, we're going to move back to our governance discussion. We tried to provide some structure for the discussion by asking for parking lot items and items that you wanted to continue discussion or question for. Thank you. So, I'm going to read the questions or the points for discussion here. Clarification around the CAO's role in economic development negotiations, legal advisor or

negotiator, and then to accompany that, Council's role in economic development negotiations, deal points or contract approval.

Governance Roles & Responsibilities:

Mr. Fox said the legal office's role in economic development is to assist and get you to the finish line on an economic development project that you have determined to be important for the future of the City. With regard to the roles, though, I think the roles of the Council with regard to economic development issues is really set out by the authority in which you can go into closed session to talk about economic development matters. It gives you the City authority to go into closed session to discuss matters relating to the location and expansion of industries or other businesses in the area served by the public body, including agreement on tentative lists of economic development incentives that may be offered by the public body in negotiations.

So, you're going into closed session to discuss the economic development matter, the location and expansion of industry or other businesses to the area you serve within the City of Charlotte. You can, while in there, extract agreement on what kind of incentives you intend, or are comfortable with offering, as a part of that economic development goal. So, in terms of negotiations, you set the structure and the framework for what that economic development package looks like. Now, how does that really work? You're probably going to be advised by a consultant or your business leader on the opportunity, and you will, at that point, have some indication of what the ask might be. There are individuals that do this professionally that represent companies that are looking to move to certain communities, and in order for your community to be a recipient of that company, they have to have, or are looking for, certain things that they can get to make the move attractive to them. In North Carolina, you have a body of economic development incentives that are available to local governments, the tax increment financing, the job legislation, that you will work with the state on some things like that, but that becomes the process under which the economic development discussion is framed. From that, you give direction on those incentives that you are comfortable with, probably being advised by your Manager and your staff, your professionals, on that. Then, at that point, it goes and is then negotiated. Our office would be there to assist in the negotiations. Our office would be there in terms of helping to make sure they fall within the parameters that you are authorized to do, so under the state law, and our office would be there to actually paper the deal when and if appropriate.

Ms. Mayfield said clarification on this point, Mr. Fox. Your office is there at the beginning of the conversation or at the end, because one of the challenges that I encountered was hearing, "Well, Council approved language," but then when it was time for the details to be negotiated through the Attorney's Office, that there will be pushback from that particular partner, "Well, that's not what Council said we had to do." So, for your interpretation, should the Attorney's Office be a part of those conversations when there are negotiations being made, or after Council has moved forward with a general idea, since we are not in the room, nor is it our role, to be negotiating the fine points?

Mr. Fox said I wasn't speaking with reference to a particular project that may have come before this Council in the past. I was talking about the structure and the framework, how these matters typically take place. I'm a firm believer, will always be a believer, that the City Attorney's Office and the Manager's Office and the Clerk work for you, and we have to make sure that your goal, your vision, your policy direction is implemented. So, I believe our office works in concert with the Manager's Office to achieve the goals that need to be achieved.

Ms. Arnold said thank you. Any further follow up on that point? Okay. The next point of clarification is really about the rule about recusing yourself from voting, and the point was to make some differentiation between recusal versus excused, and what's required by state law.

Mr. Fox said yes, remember I said voting is a statutory requirement that mandates that if you're present, unless you have a financial pecuniary interest by which you can be excused, then you have to participate. That seems to be the framework under which the statute sets out the ability to be recused and not participate.

Mr. Driggs said so, I'd like to clarify, because I've looked at this. The state law says you may not vote if you have a financial conflict or if your family does. It's all spelled out. That's a recusal. So, you recuse yourself when that applies. If it doesn't apply, but you don't want to vote, because you're concerned about the appearance of impropriety, because of some board connection, then you can ask the Council, may I be excused because I feel that that appearance or that it would be unseemly for me to vote? So, I think it's important for us to know that difference, because there's no Council vote. If you have a financial conflict, you may not vote.

Mr. Fox said right. Now, I will tell you, though, the statute says that, and otherwise the interpretation has been, if it's not either of those being met, then the duty is on you to vote. It doesn't really speak to the issue of, oh it's an appearance of conflict and I'd like to be excused. Now, in practice, does that happen? Yes. The number of [inaudible] I've been before that is done as a matter, of course, but if you read the statute specifically, that's the way it has been interpreted.

Mr. Driggs said we actually adopted a policy that said, if you're not sure you must speak to the City Attorney.

Mr. Fox said okay.

Ms. Arnold said very good, thank you. The next point is about the change to the Council charter, and the fact that if we request a change to the charter, it requires General Assembly approval.

Mr. Fox said okay, as I mentioned, the charter is a local act. A local act is an act of the General Assembly, the legislation from which you get all your powers. In order to change something that's mandated by the charter, it requires that the General Assembly has to approve that. Therefore, you have to submit a session law change to amend your charter to include a certain provision or certain change. Now, you've seen where the legislature has changed and given through delegation, the ability to your cities to change certain things, like what is it, the change if you want to go for district representation, or something like that, a form of government, they'll let you change that. Otherwise, if it's specifically spelled out in the charter, that's equivalent to being spelled out in the general statute, and that is something that is mandated by the General Assembly, for which if you want relief from it, you need to get an amendment to your charter to do so. The issue came up earlier about your rules of procedure. Some of those have references to the charter, because it carries forth a charter provision, but a lot of those are rules that you have adopted that are not charter based. So, when they're not charter based, they can be amended and changed without going to your General Assembly.

Ms. Brown said [inaudible]. I wanted to go back to [inaudible]. Do we have a policy if we're in doubt, or is that something that we're working on?

Mr. Fox said yes, I heard you. It's whether or not we have a policy, and I believe the policy is that, when in doubt you come and see the City Attorney, and the Office opines on the appropriateness of the recusal or not.

Ms. Brown said okay, so solely the Attorney makes that decision?

Mr. Fox said the Office makes the [inaudible], yes.

Ms. Brown said so, the Office would be you and your staff?

Mr. Fox said yes.

pti:pk

Ms. Brown said [inaudible].

Mr. Fox said well, I've got about 38 people that can help decide the issue.

Ms. Brown said [inaudible].

Mr. Fox said let me tell you how that works for me in the Office. If the question that comes up is whether or not you or someone seeks to have their participation on the Council be recused, if it's not clearly a financial or pecuniary interest, that is you're not gaining a benefit by whatever the action is from a financial perspective. Then, you come to our Office and say, is this sufficient enough for us to be recused? Is it a conflict for which I can ask the board to be excused from participating? That will come to me. I may talk to Lena, may talk to Jessica. We may then corral others in the Office. We'll look at, has this issue been decided through current case law or another case where some board member in Podunk County had the same issue, and then we'll give you an opinion on whether or not we think it's appropriate or not to be recused.

Ms. Brown said from there, City Council votes?

Mr. Fox said right, and you may raise the question, I've consulted with the City Attorney on, and asked for a recusal, and I'll turn it over to the City Attorney to tell you what his opinion is.

Ms. Brown said alright, thank you.

Mr. Fox said okay, you're welcome.

Ms. Arnold said thank you for that follow-up question. The next is about clarification on transparency versus closed session.

Mr. Fox said if I understand that, I think the question is, is there a conflict between our founding fathers giving us the ability to go into closed session and to keep things confidential, based upon this current environment of transparency and openness? There is no conflict there. The General Assembly did not say, "Oh, you can keep this confidential, but if you need to be transparent, you disclose it." No, they thought it was important enough, because of the interest that they're looking out for, when there's an ability to impose confidentiality on a matter to keep it confidential. For instance, I'll give you, it's not an obvious one. So, you have a personnel matter, and you go into closed session to talk about maybe discipline or some action against an employee, but you think that your district or community representatives are saying, this guy's being wronged or this woman's being wronged, I need to shine light on that. The statute has informed you that that's a personnel privacy matter that protects that employee's personal interest, and it's not for you to share that, because guess what it does? It harms that individual and their expectation of privacy, and how they are evaluated or assessed by the organization. So, yes, the community may say, I want you to be transparent, but that doesn't trump. It doesn't get above your obligation to keep it confidential, your oath, as well as your compliance with your ethics provision, as well as your compliance with state law.

Ms. Arnold said very good. What is the Council's expectation for the number of Council meetings, and the time when to start and when should it conclude?

Mr. Fox said that's for you guys to decide what your expectations are. All I know is, I'll put my citizen hat on. Your meeting says a Zoning Committee meeting starts at 5:00 p.m. I'm sitting there at home tuning into your Zoning Committee meeting that's supposed to start at 5:00 p.m., and 6:00 p.m. comes, 6:30 p.m. comes, and you're not there. That's the expectation I have as a citizen about what your time means. Now, granted, there are some times, because of our office, you're in a closed session before that, which delays it, but I think the obligation for you and the oath of office that you have taken, is to encourage and to display conduct, that means consistent with what the public is being notified of and meet your obligations.

Mr. Driggs said could I just add to that? We have latitude to schedule meetings. Our obligation is to notify the public at least 48 hours in advance and publish the agenda, but occasionally we have had announcements where we were going to have a meeting that wasn't previously scheduled. As long as that announcement is timely, we do have scope, and the Mayor has scope, to schedule meetings of the Council, that prior notification requirement, and then when the agenda is published, that means that that meeting we'll talk about those things, and not other things.

Mr. Fox said I'll tell you what one person told me, and this is by analogy. I represented a community, and that community only had Council meetings once a month. I had where I had to be, is was an event I needed to go to, and I missed the Council meeting, and the person who wasn't the Mayor, but one of the elected officials says, "Mr. Fox, we only ask that you give 12 days a year to this engagement, and we expect you to give 12 days." So, you guys have an annual meeting calendar. On that calendar contains all your meetings, and I'm trying to upload it to mine now, but that tells you what your obligation is, and it tells the time period and everything, so no more needs to be said about that.

Ms. Arnold said did that get to the spirit and intent of the question? I'm not sure where it came from. Any other clarification or update needed?

Mr. Mitchell said can I add one, because I think this has been a sore spot for a lot of Council members when it's about closed session. City Attorney, I guess for me, is there a recourse of action that we can take if James Mitchell violates closed session information three times in a row, or twice in a row? Do we have a course of action? Because I think it's been very frustrating to us when information is leaked out and puts us in a disadvantage. Then we want to know how can we prevent this in the future? From your department is there a course of action that we can implement?

Mr. Fox said well, first of all, think of it this way. Think of the closed session is a pledge that you give to the City, but you also give to each other. You're there pledging that, we're carrying on the work of this \$4 billion company in the best way we know how, and so, therefore, we're going to honor, we're going to respect the rules and how we provide this service. The statute, the 160A-168, which is a personnel privacy provision, does make it a misdemeanor to violate that provision. That means the disclosure of confidential personnel information that is otherwise to be protected in the employees' best interest consistent with the statute. The provision under the open meetings provision, that gives you the ability to go into closed session, again, is a statutory requirement the violation of which may expose you to some type of misdemeanor, but if it is, it's a very low-grade misdemeanor. In terms of civil exposure, the case hasn't been developed around what type of civil remedy does exist for a violation, but I would suggest that there could be a very plausible civil action related to a personnel privacy violation, especially when it's knowing and intentional.

Ms. Johnson said I also have a question about closed sessions. I know the personnel issues. I mean I guess that would be, by law, necessary or reasonable, but the ED (Economic Development) meetings, are those statutorily required to be in closed sessions, because that's where we get into this whole transparency? Like, we'll discuss something and then when it comes to the agenda, it's hurry up and make these decisions. So, that's where a challenge is. What is required for closed sessions, and where is there latitude for closed sessions in economic development?

Mr. Fox said okay, think about this, economic development is where a company that wants to marry you, they want to come to Charlotte and be a part of Charlotte. In order for that to happen, for them to disclose to you, there are certain proformas, financial information or why they need certain incentives, which the statute gives the ability for them to designate certain things trade secrets, which is another protection that's afforded under the statute, but that's an environment that's sensitive. It's very confidential in the private sector. Even Tracy can talk about it, they have code names for these things, because they're fearful that the information will get out. They're also fearful that there will be a market advantage for someone if that information is breached,

or that there's an investment opportunity for someone if the information is shared publically. So, I would implore you to really think about economic development is very, very sensitive, and it's very important for you guys to honor that confidentiality in those types of environments, because what will happen if you don't? If you don't, the reputation will get out that the City of Charlotte is not a good and honest broker in the economic development arena, and opportunities will stop coming to you, and people will go across the border for opportunities, because they know they can get deals there, that the elected officials there will keep their mouths shut until the deal is finalized, and then they will close the deal. Remember too, economic development, the statute says it's confidential, but it's confidential until the deal is closed. So, in terms of anyone's interest with transparency, after it's signed and the deal is closed, then the opportunity for transparency may become available. I say may, only because there still could be some trade secret information that is incorporated into that transaction, that regardless after it closes, it still shouldn't be disclosed, because it shows to their competitors how they make widgets at what price and what ingredients, and you can't share that regardless.

Ms. Johnson said thank you.

Mr. Fox said okay, thanks.

Ms. Arnold said thank you. The next is for discussion, ability to input from Council perspective around procedures and rules, and this is based on a table discussion, and then concerns raised about being in a meeting where input, hard conversations and discussions aren't allowed.

Mr. Fox said okay. As I said, when I put the rules of procedures up, I said those are your rules. You've adopted those. You have the ability to revisit those, but I believe that some of those you have revisited in the past and they got nowhere. I challenge you. If you take the opportunity to try to amend them, and it goes nowhere, that's when I say you've got to honor board action and you've got to move on. You can't keep bringing up the same things over and over again, when if you don't get six votes, it's not action of this board, and you need to move on.

Ms. Johnson said so, I think we had a practical example today, when we talked about red light cameras, and that was discussed in 2021. When I raised my hand, the Mayor and Manager gave some input of what's happened historically and how it had been handled, but as a Council member asking for it to be discussed among Council, that's where a decision was made whether or not it would go on the agenda. Just [inaudible]. Our question is, when we bring these things up, how will it be processed? Will it go on the agenda or will it be discussed between the Mayor and the Manager to say, well, historically this has happened, and I'll work this out, and I'll talk to the school, and I'll do this, or will it go to committee for us to uncover those issues?

Ms. Arnold said I can speak specifically to that example, because in the example of the red light recommendation for policy, there are number of subject matter experts, there's a body of data that is available to guide that decision, and I don't think it rests on this board. So, that particular conversation needs to go back to the experts to determine the feasibility of that, and then move it through the proper channels. So, that's why I recommended that there be follow-up, not necessarily follow up from the Council.

Ms. Johnson said [inaudible].

Ms. Arnold said right, but in this instance, it seemed like it needed to go there first to give you the proper information to come back. Does that make sense?

Mr. Fox said the other potential answer is that, you're a Council member, you're one-eleventh of the Council. Is there a way for you to talk to your colleagues to get support for an idea? If you get support for the idea from your colleagues, guess what happens? It gets an audience, and I will tell you, you guys need to do better at talking to each other. You need to do better at talking to each other and then building alliances to make stuff happen.

Ms. Arnold said I agree with that, and just a matter of process, we will get back to high-performing Councils, which for example, the ability for input from Council, number of meetings, that's a discussion point that should be feasible among this team, and we're going to create a space for that. In this very moment, we're just going to close out the technical piece. Does that make sense? Not that it should never be discussed again, because we're going to get back to high-performing Councils, you're going to get back to strengths and weaknesses. At this point, we just want to close out on the technical aspect of what is legal and what is not legal. Does that make sense? Thank you. I think this is parking lot, which is just a repository for all of the staff policy-imposed documents, and we've got a long list of parking lot that we'll review at the end of the retreat.

Unknown [inaudible] said [inaudible].

Ms. Arnold said oh yes, we have a document here. We're going to review it as a team, yes. Okay, can we take a five-minute break and come back in five minutes? Thank you.

The meeting was recessed at 2:40 p.m. and reconvened at 3:00 p.m.

High-Performing Councils:

Ms. Arnold said if you could go ahead and make sure that you confirm your spokesperson for your team. We're going back to strengths and opportunities now. We've had a lot of great discussion, and there's still opportunity to continue some of the discussion that we've had before. There's probably some discussion for an opportunity to bring forward some discussion that we haven't had yet, that needs to be had. I understand that there's a lot of passion in the room, and I appreciate everybody getting along, but it will be good to respect the agenda, so that we can move. So, what I'd like for you to do now, if you could please make sure that you choose your spokesperson for your strengths and your opportunities for the work that you did before, we're going to go back to that work. There were a lot of questions that were raised during the technical session that we had with City Attorney Fox, and there's probably still some things in the ground to be discussed. At the end of the day, we need commitment when we leave here, around how we're going to work together as a team more collaboratively, transparently, and all the other things that are here that represent a high-performing Council.

The reason why we wanted to spend some time on governance, because it is the foundation that operates this team, and so you need to understand the rules and the law, not necessarily so that you can work around them, so that you can understand them and abide by them. If there's an opportunity and there's enough passion in the room to want to change them, there is a process for that, but there literally is a process and a space for things as it relates to how this team is governed. So, now that we have that, that really establishes a foundation for conduct and for your business. The pieces that are subjective, are the pieces that require you to lean in, in terms of how you're going to govern yourselves as an individual member of a team, and that's what we want to get back to. We started with the strategic vision, it was specifically open, on purpose, it almost to the word aligned with those responsibilities or key attributes of a high-performing Council, same words that we chose. So, I asked you to look at your strengths and opportunities in teams, and I want to hear from the team around that. I appreciate the passion around really wanting to have this time for yourself, because we have the time. We're going to get to the budget discussion, because we heard that we didn't want it pulled off and we're going to respect that time, but this is now your time until the end of the day, until your budget discussion, until your closed session. So, we have a couple of hours to really work through some things, and I'm going to say shame on you if you don't. We made adjustments that the time would be made available for you.

So, we're going to point to process. We're going to always point back to you. You may remember, I think on the first session, maybe the second, I may have given you some square yoga mats, where I asked you to focus on your mats. This session is really about listening to understand on how to engage better. It builds on last year and all the

learnings you took from last year around your [inaudible], which was specifically around your preferences for engaging in work in a workplace setting, we're building on all of that. May I have your attention, please. I'm going to ask you to respect the room and the time. I know that every single one of you has asked for time specifically to lean in together as a team. There'll be breaks that are available for you. Just respect the time and put your voice in the room if there's something to be said. So, we'll ask for Team one to begin with your report out on your strengths and your opportunities. As we report out on those, we want to hear from everybody in the room. So, they'll ground the conversation on what came out from that table, from that team. We want to hear from everybody in the room, because here's where you need to be. So, clicking forward, we'll start on page 11.

Ms. Mayfield said Team one is not ready [inaudible].

Team two:

Ms. Anderson said okay, so Team two, just for clarity, we have number one, shared vision and strategic alignment. In our discussions earlier, our strength was, we feel like we do a good job of clearly defining strategy and setting a tone, and we had some discussion around, do we lean on staff too heavily to do a lot of that heavy lifting for us? However, all that being said, we do feel like we do a good job of understanding what our strategic pillars and focal points are and setting the tone to achieve those. From an opportunity perspective, we quite frankly feel that clearly defined strategy often gets overshadowed, the good work often gets overshadowed by noise.

Ms. Arnold said noise? Tell me about noise, what do you mean about noise?

Ms. Anderson said okay, so what I mean is, in a meeting like this, we'll leave here toward the end on Wednesday, and we'll feel like we have the clearly defined strategies and the priorities. Then as the year goes by, as the months go by, there's a lot of focus on things that pull the priorities away and new things pop up that might just be individually charged and driven by a particular Council member or two, rather than having our key priorities maintained as our north star throughout the year. Does that make sense?

Ms. Arnold said absolutely does. I just wanted you to clarify for the team, thank you.

Ms. Anderson said okay, and then the other opportunity sort of around that, is around communicating the message properly, and team feel free to jump in if I'm misconstruing what we discussed earlier, but we feel like we can do a better job around messaging and communication. We need to communicate more, and our messaging needs to be more clear.

Ms. Arnold said do you mean messaging with each other or outwardly?

Ms. Anderson said both/and. Okay, our second one is the second one, effective communication. Our conversation we had earlier was, we feel like generally we're fairly harmonious as a body, so that was our strength. That was the best strength we could come up with, as it relates to effective communication, generally harmonious. However, under opportunities, what we feel is that, from time to time, and we'll see these pop up again as the year goes by, that open hostility reflects as a result of chronic issues. So, issues will surface, let's say in February or in April, and due to the fact that they're not being clearly addressed, then it becomes a chronic issue, and that takes away from us effectively communicating as a team, and then you will have consternation and open hostility. Does that make sense?

Ms. Arnold said absolutely.

Ms. Anderson said okay, great, and then the last one was strong leadership and governance culture. To be honest, full transparency, we didn't have a robust

conversation around that one. So, I don't want to lean into that one to represent the team, because we really spent the majority of our time on one and two.

Ms. Arnold said okay, very good.

Ms. Anderson said okay. Team anything else to add? Okay.

Mr. Driggs said so, I would just mention the concept of noise. Noise is, somebody watches our meeting, and they see a succession of statements by different people, and they're like, there's an orchestra and there's supposed to be a conductor, but the instruments are not playing from the same sheet or at the same time. So, I think we could do a better job in discussing issues, obviously being focused on the same issue, instead of a kind of randomness that tends to occur during our meetings, and that's what I mean by noise, is the sense, we have an amazing big picture, we have the mobility, we have the UDO, we have the corridors. We have those things that we're doing, but somebody who watches one of our meetings is having a hard time on occasion recognizing it, because of issues that people bring up, and they're passionate, but what can happen is, the conversation then strays, it goes away from the agenda item. Ideally, an agenda item is a proposal of some kind, it's a decision situation, and you're talking about the criteria for making that decision. What affects your position? I'm for this because, I'm against this because. My own feeling is, and again I'm not excluding myself, but I'm just saying I have a hard time recognizing that conversation taking place, where somebody says, yes, I agree with you, but how about this, and you work together in order to achieve a good outcome through reconciling different points of view.

Ms. Arnold said thank you. What are reactions from what was shared from other Council members, Mayor? Does everybody agree? Any feedback or reaction from table one?

Mayor Lyles said I guess I'm [inaudible] when things get a little bit heated, and people are moving papers and trying to make a decision with others. At one time, we would have agenda review, earlier in the afternoon, and anyone was invited to come, and then I think it just became perhaps more of a burden on the staff to do that. Perhaps we ought to take a look at the idea that, instead of a lot of phone calls going back and forth trying to figure it out or debating it at the dais, that perhaps we need to take, like we do with zoning, 30 minutes, whatever it takes, 20 minutes, and call in, and that way you're not constrained because you have to drive in or whatever, but I think that might be something that I would consider. I don't know if even the Council has noticed I've been sending out a weekly report, what's going on in the office, trying to explain that, and maybe we need some of that kind of information for agendas. What's going to be happening with the agenda, and then have a discussion about it at a specific point in time.

Ms. Arnold said our reactions? We think it's a good idea, not a good idea? Just curious about where the silence is coming from from a conversation that you asked for. So, is it process? Do you want to do something different here? Again, this is your time. So, your own words said you wanted to get to a high-performing Council. So, we have some key attributes to really walk through a process of where the opportunity area is, because the next point is what do we do about it? So, give me some feedback and talk to me of where we are on these things. Is it because this particular one is not the point? Your surveys didn't necessarily say that.

Ms. Mayfield said one of the opportunities that we have yet to realize is, how much we're able to engage with each other. Because a lot of the conversations that happen around the dais is because we're in once a week, and that is the first time, after receiving our packet on Thursday evening, that we're seeing everything that's going to be on the agenda, where we actually have time for the district reps. Hopefully, community knows that they need to be working with district representatives, and then you have the ability to reach out to your colleagues to speak to whatever's coming up in your community. We're not in the office the way we once were, and we have to take into consideration the impact that it is extremely difficult to do this role and go to somebody's

job every day. Your job has the expectation for you to be there and produce whatever you need to produce. Council has meetings, depending on what's going on, at different times of the day, that makes it difficult. So, what I see is, on Monday nights, we're having discussions, that in a previous time we would've had in the office, because you would've had multiple Council members at the office during business hours, and we would have popped into each other's office and had some of these discussions, and we don't have the space for that now. So, Monday nights seem to be the only time where, if we have a question, if we have a concern, I am trying to get out whatever concerns that I have on Monday, because that's the only time I'm going to see everybody.

Ms. Arnold said can you tell me what changed, because Council members have always had jobs, and showed up and came in and talked and worked through, so I'm not sure what changed.

Ms. Mayfield said so, I'm just going to speak as an outsider that was looking in. I served eight years. It was a very different environment. For me, as a citizen looking in, 2019 was very difficult, because those individuals who were elected in 2019, you did not get the chance to do what we previously had done. The nation went through a pandemic. We had online, you had to scramble. A lot of great work was done, but I don't think the opportunity to build the relationships and the connections, they were given that ability. It was a very different environment, because everything was in a virtual space, whereas prior to that, we were in the office, and Ed correct me, and Tariq correct me if I was wrong, we were in the office three to five days a week at some period of time. Even for the people who work full-time, we were still in the office engaging with each other, and I think that's a big difference in what we see now.

Mr. Driggs said and Monday afternoon everybody used to be there, and we were in that tiny little space, and we walked up and down that hall into each other's offices, and we talked it over, what are we doing about this, and how are you going to vote on that? I absolutely agree with you. I think everybody had a much better idea of what was going to happen when the meeting started than we do now.

Ms. Mayfield said and I think that's one of the things that plays out. So, community, when they're watching, they see one version, but they don't necessarily know that we haven't necessarily had the time to come together and give each other an idea of whether we're going to support it or not. We had a conversation about why. So, that conversation wasn't held at the dais. At the dais, it was a yes or no. I also am not a fan of our structure of how consents are done with multiple items. I think that creates a set up where the expectation is you're moving to vote yes. Council has three opportunities, yes, no, deferral. When we don't have those conversations ahead of time, and the first time we're getting together is on Monday, that sum of the learning, the questioning, the conflict that we're seeing [inaudible] we all got one. That's my opinion.

Ms. Arnold said that makes sense. Thank you for the concept. So, it seems like the culture has shifted in terms of this team, but you've lost some of the good things that were happening as it relates to team and maybe trying to compensate for it in inappropriate ways that are affecting your effectiveness and what you're able to accomplish. So, we had a recommendation in terms of the agenda for 30 minutes if that is helpful. It sounds like that might be a little bit closer to what some of the things that you used to do, in terms of at least talking about it before you got there earlier on Mondays and having that time for collaboration. So, you have to be careful for trying to accommodate things that may not need to be accommodated, if that's makes sense, in terms of people have jobs and people serve on Council, and there's still a responsibility that you have the information, that you know the information, that you're prepared to respond. So, to the extent that that is something that is a challenge for this team as a whole, then that is definitely something that needs to be solved for. If it's an individual issue, then there's still something that needs to be solved for. I don't know that you need to move to governance and process to adjust for people being able to be prepared.

Ms. Johnson said I just want to speak as one of the Council members who was a new Council member in 2019. I think Dr. Watlington, and I were the only ones that are here on this current Council that hadn't been on Council before. So, I think there's a difference than what was done before, but it also could've been perceived that the Council was rubberstamping issues, because there wasn't discussion. I mean, we're about the people's business, so I think it's appropriate that the people hear the discussions. One of things that we talked about at the table, it's okay to disagree. We're diverse leaders. We have diverse leadership styles. We don't want group think. So, I think that it's okay, and I was one of the Council members. Ninety days after we were sworn in, we went into COVID restrictions, but we got some incredible work done. So, I also was groomed in knowing the work can be done without the behind the scenes closed door meetings. We still have the ability to talk on the phone, and our Mayor Pro Tem does a nice job calling us on Sundays if there's an agenda item. So, we're still getting the work done, it's just in my opinion, it's different. Now, is there more room for improved decorum? Absolutely, but I still think that there's opportunity for this diverse style, and I would say District Four, which I represent, they trust that they know that they're going hear and I'm going to tell the truth, and all of that. So, I think it's a change, but I for one, think it's okay. We can do it better, but not having these closed doors, and not just saying yes without discussion, and then moving quickly, I see City Council's role as a little different. Thank you.

Ms. Arnold said I want to offer a point of clarification too. Again, I'm going to restate what I think I hear, but it's up to you to correct it, so please chime in. I don't think anyone is saying not to have a discussion and not even to have the discussion on Monday night. I think the point is about being more efficient and effective with the discussion, and being more pointed with the discussion, and to the extent that there may be some discussion, collaboration and engagement that needs to happen outside of the meeting, that those things happen so that you're aligned. So, you may already know, based on it, that you're on two different points, but instead of discussion then on Monday, you can call your Council members and say, "Hey, I think we're thinking about this differently, and we need to get to the same place, tell me more about what you're thinking? Tell me more about why you're voting that way?" Those kinds of things should absolutely happen outside of what happens on Monday night, so that it becomes a more pointed conversation. I think the point is, at that point you already understand why that person is voting a different way than what you're actually voting, but you already understand it. Whether you agree with it or not, you understand it, you can come to a place of respecting it, and more importantly, you can come to a place of moving on. I think that's the point, and I don't want again to restate. So, if I misunderstood anything, please chime up and lean in with that.

Mr. Mitchell said I'm just going to follow up with my colleague, Councilmember Mayfield. I guess, we're about two of the oldest ones, besides Councilmember Graham, and it was a different culture we had, because of the interaction on the 15th floor. I remember Ed and I sitting beside each other, and Ed and I would always bump heads over the CBI (Charlotte Business INClusion) program, but we respected each other's opinion by talking through it. So, I think that's what we're kind of missing. So, when we get to a Council meeting, this is our first time having that interaction, and I think it comes across personal attack on someone's diverse opinion, as Councilmember Johnson said, but it's our first time kind of getting together. The camaraderie we had on the 15th Floor, we got up there around 1:00 p.m., we sat around and laughed, we talked, we went in each other's office, and we had an idea where everybody's perspective. So, it was a conversation on the 15th Floor, and so when we got down to the Council, instead of it being a 15-minute conversation, it was a three-minute conversation.

Ms. Arnold said you had the background.

Mr. Mitchell said we kind of knew where everybody was at, so we have missed that. I tell Dr. Watlington and Councilmember Johnson all the time, they came during a difficult period where we started doing virtual meetings, and we wouldn't communicate. We [inaudible] engagement. I do think that interaction helps us build trust and respect each

other's opinions, and I think some of that is lacking now, the trust, and then we can't respect other's viewpoints if we really don't understand where it's coming from.

Ms. Arnold said thank you. Can I ask really quickly, and I'll come to you, Councilmember Watlington. What's preventing you from doing that now? Picking up the phone, meeting in person, having the conversation? What is preventing that?

Mr. Mitchell said well, I think most of us are working now.

Ms. Arnold said but you've always worked.

Mr. Mitchell said I would agree, but there was one time you only had two members on City Council working, everybody was retired. I think if you look at this current Council, you've got more people working. So, I do think it has an impact on our schedule. We can't get up at 3:00 p.m. like we used to. Some of us are getting there, I blame myself, I'm getting there at 5:30 p.m. instead of 5:00 p.m. Then, I think, and I [inaudible] this, we've got a big trust issue, and I think until we overcome that issue of trust, we'll never be a high-performing Council, and that's why I was saying, the meeting doesn't need to stop here about trust and accountability. There needs to be a quarterly check-in until we get comfortable, and we can trust one another. I think Councilmember Johnson is correct, Mayor Pro Tem used to call us on the phone on Sundays. I think because of trust, I don't think we were honest with her on where our votes were. So, it was frustrating to Danté. Danté's calling, seeing if anybody had any issues, and I'll be the first one to tell you, I don't think I was totally transparent with Danté. So, I apologize. Part of this, we need to be open and honest, that's how we get through this wall. So, Danté calling all of us and Danté didn't have a clue, and when we got to Council, she was like, "Well, I called Councilmember Mitchell, he didn't say there was an issue, and here he is pulling six agenda items." So, I'll be the first one to say, I apologize to my Mayor Pro Tem for not being transparent with you.

Mayor Lyles said oh, give him applause.

Ms. Arnold said thank you so much for that.

Mr. Mitchell said to be fortunate enough to serve this community as long as I have, I have seen a high-performing Council before. Do I think we have the ability? This Council does. We've got some brilliant minds around this table. We've got a great staff. I think for us, we've got to get to the point of trusting one another and making sure we can hold each other accountable. I'm going to continue to beat that drum that we need to trust. So, I'll start off, I apologized to Danté, but want everybody to think individually to your point, how can we bury some of these hatchets that we have, and so we can move forward?

Ms. Arnold said that's right, thank you so much for that. Councilmember Watlington after you finish, I want to come back to the point about burying the hatchet, because this is really important to get some things in the room, and I'll tell you that Anthony and I are joining you guys for dinner tonight to continue the discussion for those of you who want to continue the discussion, so that you can have some conversations. I'm telling you, each one of you are so amazing. You're amazing people, you're strong, you're smart, you're passionate, you care, you're concerned, it's all there. So, I want to just pick up on the point that, because you literally took my closing speech, so thank you, for Wednesday, but it's all there, it's all there, but somehow when you guys get together, it's not working. So, thank you for putting that in the room, because those are the things that we need to be talking about, and that's what this retreat is about, to really get beyond those things, because you're right, you have done a lot, you've accomplished a lot, you've been amazing with dysfunction really. I didn't say it, you said it, not me. So just imagine what you could actually do. I mean, can you imagine what you could actually do and what you would achieve on behalf of the City of Charlotte, your constituents and the region, if you were more collaborative, more trusting, and you were really focused on the issue, and you buried some of the personal gripes.

Ms. Watlington said so, going back farther in the conversation where we were talking about conversation at the dais. I'll be honest with you, I don't think a solution is for me to come in early to listen to you say everything you would've said at the dais, because most of what you're saying I don't want to hear, frankly, because I don't think a lot of it is discussion that each of us needs as input into better policy. I think we're speaking to the audience instead of each other. I think that that is all well and good, but there are other platforms, especially with social media nowadays, whatever, to be able to talk directly to our constituents, if that's what we're trying to do.

Ms. Arnold said I'm sorry, I'm lost a little bit. Are you referring to the agenda review recommendation, or what don't you want to hear?

Ms. Watlington said no, I'm going back to the conversation that we're saying that people are saying things on the dais, because we haven't talked to each other already, but what I'm saying is the things that I'm hearing on the dais that I think is taking up the majority of our time, are not things that I need as input into my decision. So, I think there's a little bit of a difference there, and so I was making the point that there are other avenues for us to speak directly to our constituents, and it doesn't have to be right there from the dais on a particular conversation.

I also think there's something to be said for being prepared, asking questions ahead of time, and getting those answers from staff. I don't personally need to know that you had a conversation with staff a week ago and they answered your question. I'm glad they did, but non-value add for me. So, I think it's the nature of some of the conversations, not just that we haven't talked to each other. I, like Councilmember Johnson, came on at a time where it was a different culture. That said, I don't know if there's a time where I reached out to James and he hasn't picked up the phone or called me back, and we were able to have discussions. Same for many of the people around the dais. So, the reason I'm bringing this up is not to be a contrarian, but I want us to not overemphasize on processes, when for me it's really about the content of the conversations. I think it would be helpful to have a view of what the agenda is going forward. I know we do for a lot of the Manager report kind of things, that way we know if there's a conversation that needs to be had, we can do it well before the day of the vote, because at that point it's frankly too late, in my opinion. I agree with everything you said, James, in terms of the trust piece, and I'm glad that we're talking about it now, so thank you for opening that door, but I think that's probably why we see this disconnect between us, saying that we need time to talk and it being radio silent, because we're talking about process, when I think it's personal in some cases. So, that's the piece that I think we've got to fix, and I don't know that it's necessarily a conversation that's going to happen in a room of dozens of people either. So, there's work to be done, I think, on a person-to-person level.

Ms. Arnold said thank you.

Mr. Fox said DeAlva, I think you should challenge where the opportunities are, and not just identification of the problem, because I think identifying if there's opportunities, then that's where you get to improvement.

Ms. Arnold said yes, so what we're trying to get to also is the opportunities, but also to the root of what is happening, because I think the point is made, is that we're talking about process a lot, but we're trying to use process to solve for root cause issues around that. So, a lot of it comes back to trust, because the reason why I'm asking the questions I'm asking, which is everybody's still working, what changed, because you can pick up the phone, you can come in early, or you could just pick up the phone and talk to people about it, and it's not happening because of your trust issues. It's not happening, I'm going to give your words back to you, because hatchets have not been buried in a number of different things. Does that make sense? So, we can process around in a solution and identify the opportunities, but you still have to address some of the root causes. So, again, Anthony and I will be there today at dinner to have a deeper conversation about some of these things that will just be a little maybe too sensitive at this time, if that's okay.

So, getting back to the opportunities, I think there is an opportunity here. I was actually surprised about this one, because I thought, well, we come here every year to set the priorities, you are set. I want to restate what I think I heard is, although, we have some of the priorities, we also have after we set the priorities, different railroads and paths from different people that try to do that, or other things come up. I think there is a process to do that, to address some of those things that come up, but at the end of the day, we still have to sit behind and stick to our focus areas and the strategic priorities that you've agreed upon as a Council around some of those things.

The other thing that I want to speak to, and I think this might be process, which is Councilmember Mayfield, who is not in this room at this moment, talked about a consent agenda. Unless there's a discussion point there, we can refer it to parking lot. Is there a discussion needed around consent agenda? Oh, you are here, I'm sorry, didn't see you over there. You had mentioned consent agenda earlier, and I said just give me a minute on it, so I wanted to come back.

Ms. Mayfield said I said I can follow up on that. I just wanted to get the actual language, so we have a better understanding, because just as Councilmember Johnson has mentioned, we're trying to see, one, for me, do we have any energy to have a conversation around amending how we do consent? Is the majority of Council still saying yes it should be six, or do we have the ability to have a real conversation today, not what was previously approved, to find out if that still is what's best for us with everything that's going on.

Ms. Watlington said [inaudible] consent agenda or [inaudible]?

Ms. Mayfield said under consent, the language that we have, where we stated six needs to be. Is that still a viable number for how we're maneuvering today, or is there potentially an appetite amongst Council to have a conversation to see if maybe that number needs to be reduced, or if the majority still say, hey, six is the number, since we did say, for me at the end, we used to have that space for Council topic or Council discussion, however it was titled. That's where we were able to put something new into the space for either the Manager to give a report on and/or to ask for it to be referred to committee, because we've got language saying that, within this period, it should come to committee. We've had a couple of things that we've talked about, individually or in small group, where there was a referral, but committee hadn't seen it. Well, we now have the language to go back to. So, do we need to have space for us to have an additional conversation? That was my ask.

Unknown said [inaudible].

Mr. Mitchell said I don't mind having a conversation at the end of Council meetings if Council members would like to bring up comments, things they'd like to see. I was told, though, in the past, people were leaving the Council meeting early, and so it was not effective. So, we're going to get a buy in from this Council that is something they would like to do. I think it could be productive if we set up the right guidelines, because one thing we don't want to have, if the Mayor goes around like she usually does, go around to each and every one of us, we don't need to be there a whole hour talking about Council comments. So, I do think there has to be some type of parameters that Ed has three minutes, everybody has three minutes to talk about it, as opposed to it's a free for all, and we're there at 10:30 p.m. at night.

Mr. Driggs said we used to have those topics, and they were kind of a pleasant opportunity to say, this is something that's going on in my district or congratulations to so and so. It wasn't meant to be, or it wasn't in practice, this meaty discussion. Then it got longer and longer, and it involved some people making speeches on issues that were personal to them, but did not have that critical element of majority support. The one thing I would mention is, we don't want to spend a lot of time talking about things where eight or nine people are in agreement one way and a couple of people feel different. We don't want to spend a huge amount of time on those. The value of the consent agenda is that the uncontroversial things can get done more quickly, leaving us

more time to talk about the tougher choices, and I appreciate Dr. Watlington's remark, that conversation should be comments made by us to each other, in order to help to shed light on the issues around the question at hand, and help us to reach a conclusion.

The last thing I'll comment, if you have an idea that you want the Council to take up, you should write it down and you should circulate it and you should promote it. I mean if you remember Beemok, and how hard Malcolm worked. I had to kind of work pretty hard to promote the I-77 thing or whatever. The point is, you can't just go into a meeting and say, hey, why don't we do this? Getting something done by the Council, acted on by the Council, requires groundwork, it requires interaction with Council members, and whipping votes and achieving a majority consensus. Spending huge amounts of time on things that have no prospect of resulting in Council action really, again, it's not respectful to everybody's time. Thank you.

Councilmember Graham said and I'll try to make the point I made earlier today, and I know that we're trying to formalize some things that we're talking about at the end of the meeting to try to get things on the agenda. I think that's possible, plausible, but again, I approach the Mayor, I approach the Manager, on a monthly basis about things that are important to me. Things that I'd like to see the Council get on the agenda. Things that I'd like to see in my district. I do it informally, and he would help me shape it, refine it, and give it to one of the staffers, and I see it maybe a month later in a different form, but I achieved the result I was looking for without trying to fit it into a Council box, if that makes sense. It's the informal stuff that may be of interest to me, but it may not be of interest to seven other of my colleagues. So, I don't want to take up the Council's time to fit a circle into a square, where I can go to the guy who has the authority to put things on the agenda or to help me troubleshoot what I'm trying to get to, to get it done. So, it's just like, for an example, the nonprofit funding that we try to work to really address issues that impact grassroot organizations that we all support. We're going to formalize that now? So, it's a lot harder to get the resources to the people that we were trying to get it to, because we've got this formal process that we now want the Manager to follow. Whereas he had a lot more flexibility to massage what it is that we were trying to get to, to help us solve the problem. So, I don't think we should have less than six people raise their hand if there's something on the agenda, because it assures that there's at least a majority of the Council members willing to take a look at it and possibly vote for it. If there's only three people interested in red light cameras, for an example, I'm not sure it's worth a committee discussion, and we know that going forward. That might be a bad example, but the example I'm trying to say is that there is so much based on my experience that I get done informally. I mean, it's just going up and knocking on the door, and saying helping me solve this problem, or sticking my head in Shawn's door and say, hey Shawn, oh by the way there's a code enforcement issue on Wilkinson and Freedom that I need help with. It's those things that are important, and if there are things that, Mr. Drake had said, that our City priorities that go well beyond those informal [inaudible], then yeah, I make my case to the Manager and/or the Mayor, and sometimes they agree with me and sometimes they don't. I just think that we're missing the point with this Council of the informal relationship that exists to get things done doesn't have to be so structured to a point that it creates artificial hurdles to what you want to get done. I just think sometimes we overthink what we're trying to do and the answer's right at the tip of our nose.

Ms. Arnold said I guess the only thing I would add to that is that essentially is how you get anything done, just working with people. So, whether it be Council or anything else, if you're working on a committee in the community, it would be the same approach. You have to work with people, talk to people, to get the support and some of those things accomplished.

Ms. Mayfield said so, the challenge I have with some of the comments that were made is the fact of the I. I should not be going to help create something that's then going to be presented to full Council for Council to then, more often than not, vote on with very little information. I need to be able to identify those six plus votes, but I should not just be identifying the five people that I think are going to agree with me, just to move something forward. The I has a difficult space in this board that we are on, because we

all say we have one vote, but collectively, it is that magical number of six, but if I know I want to do something very specific, and I just identify the five people that I think that are going to go along with it versus having a broader conversation for all of Council to at least get their comments and to at least have a space for them to be heard, there's a challenge in that. I will also recognize and completely own all of, coming from serving under one capacity and now serving in a different capacity, that there are very different style and leadership changes that have happened. So, trying to maneuver through that, yet, the concern for me is if ultimately we are here at the behest and to the pleasure of residents. Our goal should be to make sure that we are accountable to, and that we should be able to discuss good, bad, or indifferent, whatever's going on, we should be able to share that with our community. It is difficult to do that when I went and made decisions and lobbied the Manager or the Mayor and got something moved forward that my colleagues don't know about. So, there's a challenge in that thought process for me. It might not be a challenge for some of my colleagues. This time that we're having right now, I think, is helping to get more clarity, because at the end of the day, I can't tell you what five of my colleagues' priorities are. I can't tell you what the Mayor's priority is. I can't necessarily tell you what my priority is. We have it on paper, but is that what we're actually working towards when we're out in community in individual conversations versus saying, well, I created this, and the challenge we have is the reality, we've got an election year coming up. So, you're going to hear a lot more I, but I didn't do nothing. I worked alongside of my colleagues to get whatever it is done.

The other piece is, we've got to get to that place where, it's not a direct attack on you Malcolm, I'm saying from I hear.

Mr. Graham said [inaudible].

Ms. Mayfield said no, okay, again, interpretation, because that's why I'm speaking in this I from what I hear. It concerns me to say, I can go and have a conversation with the Mayor or have a conversation with the Manager, because hopefully, we're all meeting with the Manager monthly. Then once we have that conversation, what I worked on isn't necessarily going to pop up on the agenda without there being conversation of it being referred to committee. Yet, we have had chances where things have come before us, and some Council members are, I have never seen this and we're reaching over to each other saying, did you know about this? Did you have a conversation? Is this new? That is what I'm saying is a challenge, and here's the perfect opportunity for us to just get clarity around the expectation, as well as how we communicate with each other and what is our ultimate goal.

Ms. Arnold said very good, thank you.

Mr. Graham said we all meet with the Manager monthly, am I correct? The Mayor's door is open every day of the week. We all have that opportunity. You missed what I said. These are things that may be of interest to me, but may not be of interest to eight or nine people, they're small stuff. Some of the stuff that you guys are trying to get on the agenda, from my perspective, is small stuff that can be worked through a different channel. If there is some big stuff that comes through the Manager's Office on the agenda, we all get a run-up about it, so it's not something that you hadn't seen before. It's part of our work packet that we get on Thursdays whenever we receive it. So, I just think you misunderstood what I said, misinterpreted what I said, but the point is this, I don't back away from the point, because I have no more opportunities to do what I said than anybody else on the Council. The question is, do you take advantage of it? That's the question, and that's just a matter of leadership style, that's a leadership style. I mean, at the end of the day, to get anything done you have to build a coalition. Over the last three years, there's only been at least, on things that really mattered, unanimous decisions of this Council. It surprised the hell out of me we got 11 votes for Beemok. Most of our votes are six, five, seven, four. I mean so you've got to build a coalition to get something done, so I believe in coalition building. I know common interest.

Ms. Arnold said I think the point here is the coalition building needs to extend beyond just what you might want to get through.

pti:pk

Mr. Graham said well, let me stop you there, because not just me, but there are other Council members who want to get to six. I mean, let's just be honest, and when you've got a Council that's nine democrats and two republicans, I'm just saying, the goal is six. So, I know that me and Victoria had a very common interest in corridors. I know Marjorie had a very interest in corridors. Build a coalition and get the votes to get it done. So, it would be in an ideal world that we all are behind every single issue coming before Council, we all say unanimous decision. I told the Manager, the Mayor and others that's just not who we are, and it's okay to agree to disagree and say yes or no, but things that are important to Victoria, or maybe things that are important to Ed, James, you're going to work to get those who have a common interest, those who kind of see it your way. It's called politics. You've got to sell it.

Ms. Arnold said no, so I want to clarify what I'm saying. I'm not saying that you should not do that. I'm not saying that there isn't a person who should do that. I'm actually agreeing with you, because that is how you get things done. What I'm saying is that more people should lean into that in any capacity that they should, and what I think we've identified is that there are trust issues that are preventing that from happening, so we have to go back to root cause. So, whether you're in person or not in person, it doesn't stop you from collaborating and engaging, and that is the essence of the issue. If there are things that should be or should not be on the dais, it doesn't prevent you from having a conversation about anything in terms of what needs to happen there.

Councilmember Bokhari said I would like to make my comment now, if possible. Here's my observation on where we are today. An important topic that we have to figure out, but we are, in my opinion, not solving anything that's going to be taken away from here. It's going to be a series of good conversations and bad conversations that it's done, and we go exactly back to how we were, or something worse. So, here's my proposal for I think how this could work. We operate in one of two ways, either conflict where there's little or big things, and there's something underlying why the thing is happening and we're battling, and that's we use things like the rules and procedures, to go back and forth in a weaponized manner, small and large, to be able to get the thing done we want in conflict, or there's collaboration. We are many examples that we've talked about today, where we actually do come together and collaborate and get stuff done. What I think we need to do is not further do a Council onboarding session to learn, we should all know the procedures, but that isn't the answer. The answer is, we have to come together and figure out a collaboration agreement.

Ms. Arnold said that's what we're mapping to.

Mr. Bokhari said but let me explain to you how this works then. A collaboration agreement is where everyone puts a what, a why and a how of all of their laundry list items. Some things are going to be things very specifically that they want to happen, and some things, like in my case, will be things they don't want to happen. So, examples would be, someone else might say, I want to have a more clear process that isn't hazy and I need six votes to be able to put something on agenda and I don't know how it happens. I might say, I want to shorten the meeting length by having parameters on comments or not having so many pulled consent items, or whatever. The next step after we all put our items there is to come down and put the why. Why am I doing that? Because it may not be clear why somebody feels like their voice isn't being heard, because they're not saying the underlying conflict that has drawn it to that point. I don't think my voice is going to be heard, and therefore, I'm going to make it loud there and still it's not going to happen, because X or Y. The why is very important, because it shows why people are driving, and that's where we have to be honest with each other, and in the how, that is the collaboration agreement, where we say, okay, let's limit this or do this, and that process is where we negotiate an agreement. It doesn't require trust. It requires compliance to the agreement that 11 people and a Mayor went down on.

Ms. Arnold said well, you have a lot of agreements where there is not trust, and I'm sorry to cut you off really quickly, because that is a part of the process today that we wanted to get to, and I want to offer a point of clarification. So, we are going to get to agreement today to address exactly what you said. What we started with was the why.

Why are we there? So, there's opportunity to surface some of these things, so you might be able to close them out when you get to agreement, and there be a place for trust, honesty, and transparency around that. So, I want to make sure that you understand that's a part of the process as you continue, because we do have that built for this day, to end this day, with an agreement in terms of how you engage, you collaborate. If you want to flip the why to address it after you put things on the agreement, or address it now, that's up to you, but we've got one hour left to get through these things. We can pick it up tomorrow, make the adjustments. This is your retreat, whatever you want to do with that, but that is a part of the plan for the day.

Ms. Watlington said yes, I just want to pose two questions for my colleagues. Raise your hand if you feel you're respected by every other member of this Council?

Ms. Arnold said so we have respect, we have trust, thank you.

Ms. Watlington said raise your hand if you feel that you can trust every other member of this Council? If you called them on the phone and said, where do you stand, or what's the issue, do we have an issue, that you would get a real answer? Okay, so I think that we need to probably understand why that is the case, and until we do that, we're going to be stuck.

Ms. Arnold said thank you for putting that in the room.

Ms. Brown said that wasn't for everybody on the Council, but there are a few select, that I honestly feel in my heart that if I call, I can get the right answer out of it, but to your point, we do have a lot of work. With all due respect to everybody, and I'm going to look this way, I'm going to look at you since you're facilitating. When it comes to leadership, there are different styles of leadership, but if I can go back to the year when I started on the Council, I was treated like s h i t. I really was. If didn't have the strength that I had, I would've walked away. So, my point is, you have to be able to endure some things to get to where you need to go, but to at what level? We cannot leave here today with the same mindset that we walked in with, and if we're going to do that, then we can end the meeting right now. We've got to, me, everybody in here, has got to look in their imaginary mirror right now and say, what is it that I can do different on this Council to make the Council better? We all are amazing in our own way. We all bring an extensive amount of knowledge and leadership, but if we're going to move forward and represent the City, the 15th largest city in the nation. Is the nation and the U.S. the same, that's a serious question, in the United States of America?

Ms. Arnold said it is.

Ms. Brown said okay. Can we do something different, positive influence that will rub off. Maybe even just the person that's sitting next to us, and when they get out of line, just that one person, accountability to say, hey, you said you weren't going to that anymore, or can you do it in a different aspect and a different manner, and that's being real. While I value everybody in here, I don't know if everybody in here values me in the same way, and I can truly say that in my heart, because I'm born with it, it's who I am, it's my foundation of where I come from, and everybody's doesn't have that and that's okay, but we all have the ability to change our mindset and rise to the occasion, but are we are willing to really, really do that? That's all I've got to say.

Ms. Arnold said the willingness is the piece. So, we've surfaced a couple of underlying issues. Trust and respect likely might be the two things that are preventing all these other things, and also driving your results. So, thank you for those of who for putting that in the room.

Ms. Anderson said actually, you just took the words right out of my mouth which really happy that Dr. Watlington just brought up that, because to get to the solution and to agree that we're hitting on the right solution, we have to agree on what the root causes are or what the issues are. Otherwise, we're going to arise at different solutions, because we're not in agreement on what the root cause and issues are. So, I love that

we've landed on trust, and we've landed on respect, the lack thereof, but what else? I know you mentioned that we have this group and that group that might go through the other dot points, but I want to get to that, because I want to find out are there other root cause underlying challenges that's preventing us from operating at a high level.

Team one:

Councilmember Molina said hey ya'll, a lively discussion. I'm just going to shift gears for us and we're going to go to the strengths and the teamwork information, and the opportunity. So, Team one, we got roles and responsibilities, we have ethical governance, and we have collaboration and teamwork, that was three, four and five. So, as a group, and I'll kind of tap on them a little bit to help kind of give life to this, but one of the strengths that they said that they felt like we had was our ability to do things with reference to economic mobility. Then, for collaboration and teamwork, I heard that mentioned, we've actually, in some instances, proved that we can be a high-performing team, and we gave many examples of when we've done that. We talked about our ARPA (American Rescue Plan Act) response, the COVID response, and Eastland, especially Eastland. I think the greatest impression of my time here was how well we came together despite our differences and opinions around Eastland, and it was a group effort that we all landed. Then, opportunity. Opportunities was our largest portion of the discussion, obviously. We can see that from the discussion already taking place in the room. A few people at our table expressed that Council oversight is not respected. They said there are decisions being made without transparency and accountability, and they said that we need conversations about closed sessions and procedures. So, we need to, I guess, expand the conversation around how we do closed sessions and why, etc.

I think one of the things that I'd highlight also, based on what we're saying right now as far as collaboration and teamwork, the opportunity, I think what we all said and we agreed on, was that we can agree to disagree. I mean, I think that's the greatest asset that we have. Diversity of thought is actually what will make us stronger, and I think the ability to come to the table, and I think a lot of that will be building trust exercises and building respect exercises, where I can come to my colleague, I realize that my colleague has a different opinion than what I hold, and we don't walk away completely severed as far as our relationship is concerned, because we don't have the exact same opinion, or we didn't arrive at the same answer. We all landed at the fact that the diversity of thought actually makes us a stronger board, and so that's one of the opportunities that we discussed as well.

Ms. Arnold said very good, thank you so much, thank you. What else is added here? Anything to add or clarify here? Thank you, okay, good. Then, team three.

Team three:

Mr. Mitchell said so, this is Team three, and we had six, seven, eight and nine. Trust and accountability was our first one. So, we kind of talked about it as an entire Council, but at that table we talked about issue with Council members, first thing being trust. Moving past our roadblocks. Respecting one another. Without trust we're not sharing and we're not communicating, and that's why I had to apologize to Danté, because I was a prime example of not communicating. Then, we talked about respecting each Council's perspective. Whether we agree or disagree, let's respect each other's opinion. One of my colleagues said it very profound, we are as strong as our weakest link, and I think for us, we have the potential for all of us to trust one another and be held more accountable. Now, staff, this is the one that we're going to address to you all. We do not celebrate our success enough. Even in my one-on-one with the City Manager, I get on him all the time, we do not talk about what we have accomplished. I think for our citizens, they need to hear it, but for this Council, we need to reinforce the policy we create and the success you all generate for our community. I'm going to call out Danielle, because she knows I do this all the time. I was so upset that I found out we were 30 out of 58, and we did not have any balloons, any celebration at Council meeting or anything. Oh, he's not in here. Can someone go get Marcus, please, City

Manager? So, I think it's very important the work we do and the work we do together, that I think we all could be proud of. We do represent the 15th largest city in America, but we need to celebrate more.

The other, adaptability innovation. Because we don't trust one another, we don't share. We don't talk about great ideas among one another, because there's a trust that someone that might steal my idea or someone might share a different perspective, and somehow I think you're not respecting the way I feel. We talked about conflict resolution, opportunities to bring things to a closure so we can move ahead. I'll going to look at the Mayor and Ms. Tiawana, did I miss anything on our three, trust and accountability, results and impact, adaptability innovation and conflict resolution? Oh, there he is. Come here, sir. I want to hug you first.

Mr. Jones said I'll take that. Here it comes.

Mr. Mitchell said no. So, I've said this in our one-on-one and I say it to staff, but I want to say it in front of everyone, we're talking about results and impact. I would like for us to always celebrate our successes more publically, and so the whole City of Charlotte knows the great work staff is doing and what this Council is doing. Alright, easy one? With that said, I'd like to make an announcement. We have a young lady who just got appointed, U.S. Conference of Mayors. She's head of the Workforce Development Council. She's responsible for workforce to the whole United States. Will Ms. Danielle Frazier please stand up and take a bow.

Ms. Arnold said that is such a big deal, Danielle, congratulations. I was going to follow up on one thing that Councilmember Mitchell said. Okay, so, there was one thing you said that I want to make sure that we unpack a little bit and get some clarification on from the team, and that was that you said that, in terms of conflict resolution, there was only one thing there, but we've identified a lot of conflicts, so I think that's a point of clarification, just to open up for the flow of the team, but the second thing is, you said what we don't move things to closure and move on. What does that look like and what should it look like?

Mr. Mitchell said that either we need to collectively take a vote and bring closure to that issue, or we need to decide that it's a parking lot, or it's not important to the six of us. I think we have not brought closure to it, so it drags on and on and [inaudible] my good friend, Councilmember Driggs, he will be the first one to show his frustration. So, the more we can bring resolutions to some of the issues, I think we can move forward.

Ms. Brown said yes, I would say to Councilmember Mitchell's point, the harboring of things that happen that are old, you cannot. Then, when we have offended one another, which we all have done, at the dais in order to be able to move forward with intentionality, even if it's something that we need to go to one another and say something to each other about, I think that's something that needs to be done. We cannot leave out of here today and miss the opportunity to try to even just say collectively, we could agree to disagree, but move forward. If I did something to you, and it doesn't have to be out in the room, but it needs to be done, and if not then it lingers, it lingers, and it lingers, and it cripples, and it puts obstacles in the way of being able to do great work that you are talking about. Mr. Fox, you've said it many times before. So, that is one that I put in there, and I think that it is a hurdle that maybe some people can't get over, and if we can't get over that hurdle, then we're not going to be able to do the things that we need to do collectively for this great city that we live in and that we represent.

Ms. Arnold said so I'll say move beyond offenses and seek to connect and align. Anything else to add in terms of conflict resolution? I think in terms of what we decided, they may be a little bit of.

Ms. Brown said one thing before Mr. Driggs respectfully goes, the reason why I don't hold grudges, because there's an expiration date, and we don't know. I was in a conference with the Social Justice Movement, and a young lady went upstairs just to

use the restroom and never came back, and that is real. We operate as if we're going to be here forever, we're not. I just want you to know that in case you need a reminder. I lost a colleague today at American Airlines, and the tragedy outside on the ramp who I knew very well. You go to work. You think you're going to leave, we're at work. It doesn't mean that we're all going to leave. I hope that we do, but just open up your heart a little bit for me. Thank you.

Ms. Arnold said very good, thank you for adding that.

Mr. Driggs said so, I just wanted to talk about the word trust. I don't personally distrust my colleagues most of the time, but I just want to emphasize the difference between not having trust and distrusting, and what I mean by that is, we don't know each other well enough. So, often we are dealing under conditions of just uncertainty about where somebody else stands. Each of us, when asked, so what are you going to say about this, might be wondering, well, what are the others going to say? I haven't heard the whole discussion yet. I don't know what opinions might come out. So, I'm a little wary about committing to a position. That's not the same as distrust, which at times means, I'm afraid if I tell this person something, they're going to use it in a way that I don't like. So, I mean I hear things like transparency and closed door and those issues, and it is, I think, an unfairly negative light. We do the best we can to disclose and to be open. We deal with some issues that don't lend themselves to immediate transparency. I mean, I feel that I'm making an honest effort to serve on those issues in an honorable way, and I believe most of us do that. So, trust is a product of knowing each other better, which again, we get back to what we talked about. We don't spend enough time together, and we don't have that sort of trust that enables you to make an off-color remark or speak unguardedly. We're just being careful, because we're not sure. I don't know how you address that, and maybe I'm just a boy scout here, but I don't feel that we have a problem of hostility or distrust. I think we just don't work together well. Thank you.

Ms. Anderson said thank you, and thank you for sharing your update, Smuggie. I think something that came out of what you said, at least hits the list of trust and respect for me, which is, as I'm looking on page 18 around conflict resolution skills. I think we struggle with that as a body, not all the time. Sometimes we can disagree constructively, but many times we disagree destructively. When we do that, to Ed's point of making an off-color comment or doing some type of nonverbal gesture, I think that then taps into the respect issue that we have, and then it just goes off the rails. So, I don't know if we can add, and I want to hear input, but destructive disagreement is a challenge for us, or if you have a better way to wordsmith that, but I think we could do a better job of disagreeing constructively, and that will protect some of the opportunity to go off the rails as it relates to trust and respect.

Ms. Arnold said I think so. I will add that, thank you. One of the other things that came out today a few times, and also came out in my one-on-ones, is the inability to accept the decision or the vote, and to move beyond. So, whether that be trust or respect or spending time together, those are the three things that I currently have in terms of root causes, not everything that needs to be done, but in terms of root causes. If there is something else that is leaning into that or driving that as a root cause, please surface it at this time as well.

Ms. Johnson said I want to piggyback off what Councilmember Mitchell said, as far as celebrating our successes. I think we need to be intentional about that before the end of this retreat, that we have a list of our successes, because can you imagine the media coverage of today's meeting. We've talked about being dysfunctional and not getting along and not trusting one another, when this Council has done some phenomenal works. I mean, even to say we're watched for entertainment purposes. I mean, there's some things that we have to be careful of, our brand and our reputation. Yes, we're a passionate, strong-willed group, but we've done some phenomenal work, and we do resolve our conflict, because we're here, nobody's walked away. So, we do, we do. So, I think if we could get that, Mr. Jones, by the end of the retreat, and publicize it, some of the things that this Council has accomplished, because we need this conversation. I mean, we've done some phenomenal work. So, I think terms like dysfunctional and

destructive and entertainment purposes, I for one will say I've had reason not to trust people in this room. So, I think that some things are valid. We do have some valid concerns, but it's important that people see us as human, but that we do be recognized for the work that we do, because we all work very, very hard. Thank you.

Ms. Arnold said thank you. Are there any other comments, anything else to add in terms of conflict negotiation? Any other comments about the key attributes of high-performing Councils? Anything else to add in terms of root causes, trust issues, respect, and spending more time together? Okay, very good. So, now, what we want to do is move into getting to agreement and a commitment from this. This is something that we can start today if we're not prepared to finish it today, be able to take it home and think about it, but it is something that we want to ask you to seriously consider. The trust issues, respect issues and more time together are very, very, very personal things. Those are the things that we have to work out in a different setting. Those are some of things that we have to work out one on one. Some of those things we have to work out just by deciding to do things differently on your own, to lean in and engage things differently on our own, and we'll continue some of that work and creating space for that as well. In terms of rules of engagement, as it relates to collaboration, teamwork, decorum, and a number of things that we have here still on our chart for high-performing Councils, that is a baseline for you to start with. What it ends with should be something that you actually own and that's yours. So, what we'd like for you to do is to have a discussion about these at your table, as well with your group. If you want to do it in smaller groups, you can do that as well, and just turn to the person beside you and do one on one, so that we can get to a place where there is an agreement for the Council in terms of how you work together going forward.

The meeting went into group activity.

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ITEM NO. 6: CITY BUDGET LOOK AHEAD

DeAlva Arnold, Facilitator said so, we'll begin our budget conversation now. We do have a closed session at 5:30 p.m. today, and dinner is at 6:15 p.m. So, we'll go to budget now, a closed session at 5:30 p.m., dinner at 6:15 p.m., and then we'll discuss finding time to continue the conversations on tomorrow.

Marcus Jones, City Manager said thank you Mayor and members of Council. We'll have a budget preview for you right now. I know we're limited to 30 minutes, but I want to make sure that this doesn't become the end of the discussion. I think it's important to lay the framework for this before I turn it over to Hannah. To Councilmember Mitchell's point earlier, this Council has really achieved a lot, and I'd put the City of Charlotte up against any city in the country, and when you travel places, they ask about what's happening here in Charlotte, and you're able to say that there's a lot going on. The other things that's important, we've been doing these since I got here at the end of 2016, and sometimes we couldn't even finish the retreat, because of things that were happening back in the City. So, as you have done things like crisis communication plans and things of that nature. Even the issue that happened this morning, we were able to have an opportunity to continue on. I will tell that we've had as few as two slides in a budget presentation, and as many as maybe 40. So, what is different this time is, during the last budget development, you asked me at the end for a zero-based budget, and while we're not presenting a zero-based budget to you today from a technical standpoint. We are literally building this budget from the bottom up showing you everything that's in it. So, you have this City budget guide, that I would hope you would keep with you, even as we go through the budget workshops. What's also important is that when we go to the budget and Intergovernmental Relations Committee on Monday, we're not going to come and say this is what we're going to do for the workshops. We're going to use today, because there may be some things that you'd rather talk about than what we've typically done in the past, and this has really worked.

The other thing I think is important, is that while it's a \$4.2 billion budget, what you will see and what you have in the information in front of you, is really about \$900 million of it. It's something that you have a great deal of control over through property tax and sales tax, but you have a chunk of this budget that are Enterprise Funds that are not driven by taxes that our residents pay, but they're driven by fees, and they run as businesses. Now, I think it's very important that as we begin this building the budget discussion, that we understand what is flexible and what is not. I think it's also important, and I think no one said this yet, but it puts a bow on the discussion earlier, you purchased a railroad this year. You kickstarted something that this region has been struggling with for decades. You took a bond, Housing Trust funded, when I got here it was \$15 million, every two years it's \$100 million. We have a program with workforce development first year out of the box, the E2E program, where we employ high-school graduates, the only of its kind in the country that we know of. So, Councilmember Johnson, there are a lot of great things that are going on, and they're going on because of the decisions that you make around the most important policy document that you put together each year. It's the budget.

I know I'm taking away your time here, Hannah, but trust me. What I don't want to occur is that each year during the budget process, there's this feeling that we are hiding something from you. The folks that are presenting today. We have Ethan, Marie and Hannah, they are on the assembly line building the budget, and they're going to show you how they built it. The last thing I'll say, before I turn it over to Hannah, is that what you'll see is we focus on employees, and I think this has been extremely important. We kept the tax rate low, which I think is extremely important. We've made a bunch of cuts on the expenditure side, important. You took a chance with us on this budget with a tax increase in order to jumpstart some of the programs that we think ultimately the sales tax, the one cent sales tax would help us with, and it's not just what happens on the capital improvement side, when we start to talk about roads and we start to talk about infrastructure, but it also helps us on the operating side, because we're going to show you that there are different levers that we press to make sure that we get the budget balanced.

We're going to talk just a little about a surplus, we did have one. We're going to talk just a little bit about ARPA funds that are still out there. There's a list of things from Care Ring to Big Brothers Big Sisters to the Charlotte Museum of History, Change Please, the Charlotte Water Foundation, Do Greater, Brooklyn Collective, workforce development around the North Carolina Institute and the Carolina Rays. There's so much out there, and nobody's saying decisions need to be made today, but we want to make sure they're done in the proper context. Lastly, what I would say, which is extremely important, is that today was designed to have a discussion about the budget, so that when you go into tomorrow and you have a discussion about mobility, and two of the other important strategic initiatives of the City, MWSBE, as well as what we're doing around workforce development, we can see how all that works together. If this is essentially a \$25 billion program over 30 years for our region, there are so many opportunities to engage our community in the success of what we're doing around mobility.

So, with that said, I think I do have six slides. I'll do it very fast. Okay, so here's the deal, and this is in your material. We talked about this a little bit last year. This is when we talk about what's the value, the value of the services that we provide in the City of Charlotte. When we compare ourselves to our peer governments in North Carolina, by far it's the best value for the service. If you look at the chart, any blue dot is a city with a population of a quarter of a million or more, the white dots are less than that, and Charlotte is clearly the green dot. I think what's also important on the next slide is the number of times that the City Council has raised taxes over the years. If you start to look at this, in the last, I think six years, there's only one tax increase, and when you start to compare this with those other cities, two tax increases for a series of cities, three, four, and even one has had five tax increases.

What's important on the next slide is that, as I mentioned earlier, a lot of what you've done over the course of the last few years has been really around employees, and

we're going to show you how much employees account for the cost of running government. The one box I think is extremely impressive is the last one. As of November 2024, 97 percent of employees made \$50,000 per year or more. Then, I think what's important, we will spend some time in the northeast, the team will, because we are going to issue a great deal of debt. We need to make sure that those investors still believe that Charlotte is a great investment. So, those investors are listening to this Annual Strategy Meeting, and they want to make sure that what we're doing around transportation, what we're doing around neighborhoods, what we're doing around affordable housing, makes sense. What's important, and I think this is maybe the most important slide, is that we have a triple AAA bond rating, and you read the documents, it's really a management triple AAA. It's how we handle our money versus per capita income, or anything like that. The way you manage the City through the budget is why we have a triple AAA bond rating.

So, with that said, I think I have one more. So, you have a number of budget principles, and maybe the most important one is that you have a structurally balanced budget, and that means ongoing revenue is matched with ongoing expenditures. We can't take a one-time surplus and put it into ongoing salaries. Simple things like that is why we have a management triple AAA. We don't do weird things. So, let's get to it. It's a \$4.2 billion budget, and what we tried to do in building this is build it from, not just the General Fund, but also show you those Enterprise Funds, as well as the Capital Investment Funds. While this is typically in a budget book that you approve, we don't really drill down like we're trying to drill down today. Now, we had a couple of side bars before we walked in, knowing that we have 30 minutes, knowing that you had some very important things to do before we got here, and I don't want you to feel that we can't do more of this during the budget workshops between now and April 2025. With that said, Hannah, it's all yours.

Hannah Bromberger, Strategy and Budget said Hannah Bromberger, Assistant Strategy and Budget Director, and Ethan Smith is with me, and so is Marie Harris. So, we're going to start with the General Fund today, and just for a little bit of level setting, the General Fund is our central fund where most of the City's general tax revenue and discretionary resources are pooled. So, the General Fund is the fund that supports many of those core operations of city government, such as providing public safety services and paying our General Fund employees. So, whenever we begin to build the annual budget, we start by evaluating revenue first. What I've included here are our largest revenues in the General Fund. I included anything that was \$40 million and above, and what I also included on the right is a flexibility to adjust locally. So, what that means is, how easy or difficult is it for you as an independent body to adjust those revenue sources? So, whereas property tax and the solid waste fee are easier for you to adjust independently, the others are more difficult, because they may require a partnership with the county, they may require going to the state, so that's there for guidance, and I thought I would get some clapping or a woo hoo by now, but we have in the blue box here that there is no planned property tax increase in FY (Fiscal Year) 2026. Thank you. So, you've seen this slide many times. It shows you how property tax and sales tax, our two largest funding sources in the General Fund, are broken down. They not only go into the General Fund, they also go into the Debt Service Fund, and the PAYGO (Pay As You Go) Fund, which Ethan and Marie will talk a little bit more about later.

So, we're going to talk about sales tax in a little bit, but I want to start by talking about property tax and the mechanics of it, and just do a couple reminders. So, the revenue that the City receives from property tax does not grow annually with inflation. So, what that means is that any change in market value that you might see across the City, does not impact the revenue that the City receives. So, the only thing that increases the property tax that we receive from year to year, is due to new construction. So, that might be construction of a new neighborhood. It might be construction of a new tower in downtown. It may be a renovation where you add on a garage to your home, or it could also be the purchase of a new vehicle, but it is only new construction that leads to new revenue. So, what I've included here is, they're hypothetical numbers, although, they're not that farfetched. The City-wide assessed property evaluation is a rounded version of

about where we are, and then I've included a steady property tax rate, the City revenue that we receive each year, because of a naturally growing City-wide assessed property evaluation, because of new construction, and then the net on the right that we receive additionally each year, only from new construction.

So, as we move to the next slide, I've taken this column on the right that's in blue, and I've applied our actual numbers to it. So, on the left, we have property tax growth year to year, so that's that net new from new construction. For the sake of this exercise, I added sales tax to it, because we've had a few gangbuster years in sales tax, and so it would be a little disingenuous to not show them together. Then, next to it, I have shown our technical and inflationary growth, so essentially that's non-personnel inflation, so our contractual increases that we are required to pay, as well as our compensation increases that have been required in order to attract and retain the right talent.

So, as we look at this graph, this is really a different way to illustrate the same sort of concept. So, what we have here is, the dotted line represents property tax per capita. So, essentially, we just took the property tax that the City receives, and these are actual numbers, we're out of the hypothetical now, and we divided it by the population. So, we understand that not every single person is paying the same property tax, that not every home valuation is the same, but this is a simple way to standardize it and look at trends. Then, what you see in the solid line is we have taken that property tax per capita, and we have adjusted for inflation. So, what you can see is in the those first three fiscal years, when you're looking at the solid line, which is the one that's adjusted for inflation, you see that that new construction, that net new property tax that we receive each year because of construction, you can see that it's keeping pace with inflation, because it's relatively flat. Then, you start to see the effect of the revaluation and the revenue neutral rate, which resets the rate lower, and then you can see on the right where we do a slight uptick again, and that is the effect of the property tax increase that you approved last year. So, but for that property tax increase, we would've continued to have seen a decline. It's the property tax increase that caused that uptick. So, even though the dotted line is increasing [inaudible] the straight net revenue that we receive has increased. When you start to adjust for inflation, really what's you're seeing is the purchasing power of that revenue has decreased. So, then when you start to compare it to public safety, public safety really drives our budget.

Councilmember Ajmera said can you go back to previous slide? So, is the impact of tax increase, it's because of the new construction?

Ms. Bromberger said no, ma'am. The uptick that you see at the very end, between 2024 and 2025, is because of the property tax that you approved in June 2025.

Ms. Ajmera said no, I'm talking about the dotted lines, where you see the impact of tax increase rates.

Ms. Bromberger said oh, yes. So, even that increase there on the dotted line, it's not solely net new construction, it is also combined with the property tax increase from June 2025.

Ms. Ajmera said but if it said revenue neutral, are we collecting the same revenue that we would have collected in previous years?

Ms. Bromberger said yes. Would you mind if I went like two slides further, and we'll look at the revenue neutral?

Ms. Ajmera said yes.

Ms. Bromberger said okay. So, this compares for public safety, per capita spending on public safety. So, essentially what we did is instead of taking all of the property tax revenue that we receive, we took our police and fire budgets and divided it by the population, so that we could see that trend. The dotted line is not adjusted for inflation. The solid line is adjusted for inflation. So, you can see that that per capita spending on

public safety has increased nearly 25 percent since FY2020, but when adjusted for inflation, it's only increased about 2.3 percent. Even that increase is because the property tax that was approved last year, most of that property tax was dedicated to public safety. So, that's why you see a little bit of a disproportionate uptick with the public safety line than you do with the property tax line. So, without that additional action that you took, there is no way that the solid line would be keeping pace with inflation.

So, this is the revenue neutral revaluation part. We're going back to those hypothetical numbers from earlier, so these are not real, but what I have done is I've added a fifth Fiscal Year, because we know that revaluations happen every four years. So, we've shown a revaluation year to show what happens, and what we do is we calculate the revenue neutral rates. So, what that means is, just like any other year, we get to keep the net new revenue from new construction, that stays the same, but otherwise, all we can do is collect the same amount of revenue that we did the previous year. So, what we do is we adjust the property tax rate. In our case, it typically goes down, because we are blessed to be a growing city. There are many places around the country that don't have that luxury, but for us, it typically means we adjust it down. So, you can see in that dotted box we've moved from 0.2741 to 0.2334. So, we adjusted down and are receiving only the same revenue as the prior year, except for new construction. Did that answer your question, Ms. Ajmera? Okay.

So, just to round this out, even with significant growth in market value of properties, we still don't capture that unless there is some additional action taken by City Council to capture that growth. So, to illustrate what that additional action could look like, we've provided a couple of scenarios, and these scenarios are not completely random scenarios. Scenarios like this are codified in some of the state legislation where our peer cities are located. So, some of our peer cities have the benefit of being able to capture market value growth when they do revaluations. Our state legislation stops short of that requirement. All they do is require us to publish a revenue neutral rate, and they don't give any additional guidance about how to capture that additional growth, but it is certainly City Council's discretion to determine if it's appropriate to do so, and if so, what that calculation might be.

Mr. Jones said Hannah, when's the next reval?

Ms. Bromberger said 2028.

Mr. Jones said so, nobody is saying you're going to see this in May 2025, because there's no reval, but this is the time to have a discussion when the next one comes up. Is there something that you'd like to consider to do differently?

Ms. Ajmera said I have a question. So, do other cities in the state have policies around always presenting a scenario where it's revenue neutral?

Ms. Bromberger said yes, presenting revenue neutral is required by the state.

Ms. Ajmera said okay, but you said there's was no additional guidance from the state.

Ms. Bromberger said yes, the state does not provide any additional guidance, and I'm not aware of any other cities in the state of North Carolina that have a policy around capturing growth. We'll certainly look into that, but many of our peer cities operating in other states, do have it either codified in state legislation or policies about mechanisms to capture that growth.

Ms. Ajmera said so, I know we do five-year capital planning as part of our annual budget exercise. I can't see Mr. Jones. So, is this something we should be working towards as part of our annual budget, as we are looking at revaluation in four years from today?

Mr. Jones said yes, so I think it's two Fiscal Years from now, or something like that. So, without trying to make a headline, the question becomes, is there even at the legislative

level, something that helps cities? I don't know, but clearly having a conversation years before you can even do it, I think makes a lot of sense, because then you can tell us, this is dead on arrival, or please explore it a little bit more. Far enough?

Ms. Ajmera said got it, thank you.

Ms. Bromberger said alright, so as we leave property tax behind and talk about sales tax, which is the second largest revenue in the General Fund, you can see that about 71 percent of sales tax revenue goes into the General Fund and it makes up about 17 percent total of the General Fund revenue. So, as always, when we're making projections about sales tax revenue, we're not only looking locally, but also nationally, and even globally about what's happening in the market and what consumers are feeling. Our City Economist, Dr. Ndem Tazifor, is always watching trends and adjusting projections as necessary. Personal savings has decreased, and credit card balances are at an all-time high, which signals some amount of consumer stress, and could lead to slower economic growth in 2025 than in 2024. Sales tax receipts continue to slow from unusually high growth several years ago. We're at about 1.2 percent in receipts to date, and as a reminder, we get sales tax data a quarter in arrears. So, right now, we only have data through October 2024. So, I know we've all moved on with our lives, but think of October 1, 2024, and it was 75 degrees and beautiful, that's all the data we have to date. So, you can see how it's difficult to make current year projections, let alone projections for the next fiscal year, but we're always closely monitoring it. You can start to see the trend here. It slowed during COVID, then it really spiked, and we're leveling out now a little bit.

So, before I turn it over to Ethan to talk about expenditures on the General Fund side, I just want to leave you with this. In the beginning, we talked about which revenues were more flexible and less flexible to adjust locally. Here's a list of all of the ones that are more flexible, meaning it is easier for you as an independent body, with no other bodies giving input, to make adjustments to these specific revenues. So, I'll turn it over to Ethan Smith now.

Ethan Smith, Strategy and Budget said good afternoon, Mayor and City Council. I'm Ethan Smith. I'm your Strategy and Budget Manager, and as a native of western North Carolina, just very grateful that everybody made a point to be here and honored to be a part of it. So, I get to talk about all the cool things we get to do with our General Fund expenditures. General Fund is about 20 percent of the City's \$4.2 billion budget, and 65 percent of the employees. So, no surprise that 73 cents on the dollar, or \$658 million, goes towards personnel expending, and a super majority of that is our public safety folks. These are personnel, heavy operations, 24 hours a day across the 300 square miles of the City of Charlotte. So, they are two out of three positions in the General Fund and a little bit more than that, \$3 out of \$4 that we spend in the General Fund. The other 2,000 positions span across our other 19 General Fund departments. So, the other 27 cents of the General Fund, arguably the hardest \$240 million to try and sum up in one slide, if I had a little more time, but I'll just call out a couple here, specifically our Internal Service Funds. Some of these are big enough to be their own funds, Marie will talk about those, but these are basically payments to ourselves for what we consider to be the essentials of a well-managed government. Things like managing our risk, maintaining our assets from our buildings, our fleet, even landscapes, and things like that. I'll just try and wrap up this slide by saying, there are a lot of demands on these non-personnel dollars, and a lot of pressures, inflationary and otherwise, that leave this to be a very tight part of our budget.

So, put altogether, our expenses and revenues. We, at the end of each year, manage [inaudible] surplus and rest assured as a management AAA. We do manage consistently to a surplus, however, overwhelming majority of that surplus the last few years has been on the revenue side of the equation. A \$20 million revenue surplus certainly is a significant amount of money. When you consider a couple things, the volatility of some of our revenue sources like sales tax and the consequences of overestimating these revenues, and then the tight expenditure budget that we've managed the last few years, we operate within a fairly tight margin of error here. Tighter

still, when you consider that our reserves, at the end of each year when we have expenditure surplus, we're required by policy to send 16 percent of our General Fund growth to reserves. That's been between \$5 and \$10 million the last few years. We have another \$1 to \$5 million the last few years that I will not begin to try and explain to you, other than to say that our accountants tell us that this money needs to be reserved or restricted as fund balance, and we did not become a management AAA by ignoring that kind of expert advice. Then, everything that's left, after those two reserves are satisfied, is available for appropriation the next year, and that's one-time funding. One-time funding is great. We do a lot of things, maintain our assets, do one-time projects, but by and large, most of our General Fund is ongoing expenditures and needs to be funded by ongoing revenues.

Mr. Jones said Ethan, I apologize. You know I'm sitting on the edge of my seat, because I've been in all three of those positions. Can you go back just two slides? Because I think, let's make the point. If I were the budget director, and at the end of FY2024, looked at the expenditures, and it was a half a million, I don't know if I would have survived. I mean this is razor thin on the expenditure side, and that means we've done a lot to reduce cost, and it gets more difficult. I'm sorry, Ethan, I'll leave you alone now.

Mr. Smith said alright. If I had more time, I'd drill into these and give you a sense of what's driving it, but as Hannah indicated, the bulk of our General Fund revenues are property and sales tax, and as she shared, we only get growth from new construction, and property taxes, we're projecting that about 2.2 percent this year. Then, we have some headwinds in sales tax. We are projecting it to be slightly below our FY2025 budget projection, that is followed with some growth, on into FY2026. So, just suffice it to say that as in prior years, our property and sales tax growth is not going to be sufficient to cover our inflationary adjustments. So, just a reminder, each year we propose a budget with a two-year lens. The first year, FY2026 and FY2027, rest assured, will be in the same two-year lens, but it's early days on that. So, for FY2025 and FY2026, as an example, you can see where we have enough in year one to maintain and sustain all the commitments that we made in year two, and that didn't change when City Council made the adjustment to reduce the General Fund property tax rate. You can see that \$1.3 million revenue drop between proposed and adopted, we still start out in FY2026 structurally balanced.

So, our job is to capture all the unavoidable expenses. Just a couple categories, growth and benefits was 73 cents on the General Fund dollar going to personnel, this can be a big expenditure for us. Contractual and inflationary adjustments, we make sure those are covered, and then last year we added 112 new public safety positions. Many of those will not see their first full year of budgeted dollars until FY2026, and that happens for a variety of reasons, whether recruitment schedules, or we need to buy some equipment before we can put the boots on the streets, or we need to wait until they can construct the fire station to activate the fire company, a lot of reasons for this. So, this is where we typically are at this point in the year, the annual retreat. We've [inaudible] for the unavoidable, and we are evaluating scenarios for a pay increase, and how we might fund those. So, these are the FY2026 projected unavoidable increases.

Councilmember Mayfield said if we go back two slides, I just want to reconcile. We say that we'll be structurally balanced without the pay plan, but in the next one we have the contractual inflationary increases, so are we going to go over those numbers? Just ahead, okay, thank you.

Mr. Smith said yes, you're two steps ahead of me. So, here they are, just talked about them. You can see the contractual increases there about 8.4. The next biggest chunk are those employee benefits. It's about \$13 million for healthcare and retiree benefits, that's for existing positions, and then the rest is for the annualization of those last year actions including pay plan and those new positions that we added. All told, \$30.4 million in expenditure growths. Putting that in the context of our base revenue scenario, 30.9, we are at a half million-dollar surplus, which as you can see the projected surplus without a pay plan that we've had at the last few Council retreat presentations, we're

right in line with where we've been. So, with that, I will hand it to Marie to talk about where we go from here.

Marie Harris, Strategy and Budget said so, I have seven minutes, so I'll be extra precise, and I want you to really have a comfort level where we almost always [inaudible] extra do it again, analyze our accounts. We're always analyzing departments that are working with us, we're pushing departments, departments are pushing us. We're not just stagnate and rolling with the budget as is. This is just highlights over the years, but that gets harder and harder to squeeze more juice out of that lemon, but we've gone a long way and we're still working towards it. This represents the graph before, the things we've done, so I won't go over it in detail, but some of the fees, they mentioned previously that you have in your control, such as solid waste and parking, and we do routinely look at our fees for service to make sure we're collecting what we should be from our partners and the ones that use those where appropriate. Also, at the bottom, we always, always look at expenses, want you to know that, and we appreciate during the budget season when you come up with new ideas, and that's great and we'll look at those too, but just don't think that we don't already do that as well.

Then, like Ms. Mayfield mentioned, okay, we're balanced but for salaries, so how do we bridge that gap moving forward? So, internally, we kick off with departments in October. So, we've been actively working with departments since October 2024 to try to work on budget efficiencies, and so much around the team. It's a team approach, like corridors, the new strategic investment areas. How can we capitalize on expertise across the City, and more collaboratively work towards goals without having additional staff and additional resources for everything? Also, redirecting funds to core services, and we'll get in this in another slide, but it's nice to do new and enhanced things, but we always, and I believe Monica will talk to you Wednesday more, there's a lot of KPIs (Key Performance Indicators) or summary report out on dashboards, but each department has a lot of things they monitor to make sure the core services aren't slipping, because it's a balance. We're also looking at AI (Artificial Intelligence), and how we can employ that and make new efficiencies, as Ms. Mayfield brings up a lot and Mr. Bokhari as well, about smart cities and how can we roll that in to 311, get somebody's questions answered quicker, and then also free up the call takers time to really delve into the people that need extra help, and more specific help.

Then, we are anxiously anticipating a one cent revenue sales tax, and that's going to help us so much, and Ms. Jameson, not just for us being able to provide services and provide \$100 million for roads, also the economic impact to the community will be realized. Again, I got a little ahead of myself earlier, but we always are balancing. So, we monitor and we balance. So, we've seen a little bit of concern with call response times, being able to answer 911 calls. So, you've made investments to add more call takers and add civilian positions to help get those numbers back up. So, that's just one example.

Then, we'll go into, real quick, the Capital Fund. So, before I move to the Capital Fund, one of the main takeaways. We've got a \$4.2 billion budget, but only \$828 million is the General Fund, and of that, 73 percent is salaries. It looks like, oh, you've got so much money, you've got billions, but then when you whittle it down to what we actually have flexibility with, it's a lot smaller pool. So, for capital investments, we have the General CIP (Capital Investment Plan), PAYGO, and debt service payments. General bonds are ones that were just approved this fall. The taxpayers, and the reason the taxpayers have to approve those, is because we're leveraging our ability to raise taxes as a default, and Certificates of Participation, we leverage facilities, and that's why those do not, because we're leveraging facilities as collateral. This is a reminder, as Ethan and Hannah touched on, it sounds great. We had \$124 million for capital, yay, but that's flat when that source is from the property tax, and over time that buying power, as you all know things cost more, and still that money stays flat.

We're showing this one just to give you, this was during the budget process last year, and then this one is our new steady state. The steady state, of course, is adjustable, but the steady state is what we're projecting out. So, we have a plan for future years that

always can be adjusted, and that's our redline purchase where we pulled forward some of that capacity in our new steady state, is \$220 million. PAYGO fund, this is cash funded, so we do not have to issue debt and pay interest on these, and these are for one-time payments like buying new fire trucks, or technology purchases, new radios for public safety, that type of thing. This is PAYGO funding. We get property tax, sales tax, interest earnings, and prior-year surplus. Like Ethan said, if we have a little bit extra in revenues, and then we fund the 16 percent reserve, then some of the rest of that can go into the PAYGO account for us to use for one-time purchases. PAYGO funding sources, and this is just to highlight 70 percent are ongoing, and then the 30 percent one-time nature. This is just to highlight your management practices, like the rating agencies and just our financial foundation. You don't fund ongoing things with one-time sources, and this is just to highlight an example of that in progress.

Of course, we've got to mention our crown jewels that are Enterprise Funds, but I just also want you to realize that's \$2.5 billion out of \$4.2 billion, and those are ones that are Enterprise Funds that have their own fees and their own structures, that don't impact the General Fund necessarily. Well, you know, I was going to give you some highlight, CLT is billions of dollars, \$32 billion impact to our community, to the region, CATS (Charlotte Area Transit System) and Water Service five counties, and CATS gets people to work. We're the only light rail in the state. Water, they're regional as well. Stormwater protecting our watersheds and our streams and water surface quality. I had to give them a highlight.

Then, the next two are debt service and special revenue. This is just like the Manager said, we're just trying to get all the puzzle pieces out before you, so you understand all the pieces we work with, but this is one that's not as much flexible. So, we have our tourism funds. We have special grants we get. We have federal grants we get. So, there's special revenues, because you can only use them, you can't use them for whatever you want. We're fortunate with our AAA and our good practices to get a lot of federal funding and a lot of grants. The others are municipal service districts, public safety, communications, and our 911 fees, and they have to be used, there's certain restrictions, and our Internal Service Funds. So, that's kind of what we lovingly call vegetables, it's blah, but it's core and foundational. We have the Healthcare and Risk Management and Fleet Management Fund.

Sorry, I'm way over time. So, the main thing is, the takeaways, this is just the beginning. Wanted to get all the puzzle pieces out for you to see what we work with, but we're going to be working with you collaboratively, and the Manager's going to come up with a proposed budget for you the beginning of May 2025, and then we'll have hopefully budget adoption in June 2025, but thank you, and I don't think we really have much time for questions, but a couple maybe. Thank you.

Mr. Jones said so, thank you team, very, very good. So, again, we had carved out about 90 minutes for a conversation. I know the work you did earlier was so important that we pushed this and compressed it. Again, I'd like feedback, especially at the committee meeting on Monday, about how you would like to take this. Last thing I'll say is that we really tried to put all of the pieces out there for you, so that if there's some adjustments that need to be made, we can think about that. What I'd like to make sure that we're able to do is, if the Council has confidence that we are providing information to you as early as possible, what we need are directional signals over the next few months to make sure that we are capturing what's important to you.

Ms. Arnold said very good.

Ms. Ajmera said I just want to thank the Manager for doing an amazing job with the budget year after year after year. We are the only city with the lowest tax rate in a state of our size, especially during the pandemic, where other cities raised taxes multiple times, we did not. That just shows how well-managed our finances are, and how capable our budget team and our budget staff is. So, kudos to you all. I look forward to having budget discussions in depth. Seeing that, because we are having sales tax discussion, I think it's important to show that there is no property tax increase,

especially in an environment where there is a lot of uncertainty with tariffs and consumer debt increasing all-time high in that environment. I think it's important to show our commitment to our residents that there is no property tax increase while we work on this long-term plan to invest in our infrastructure that is sustainable. Thank you.

Mr. Jones said I would like to just add one more thing, and maybe this got lost in the truncating this a little bit. I know the lawyers came in the room, but this is extremely important. The Council talks a great deal about growth, and we talk a great deal about our lane. I think one of the biggest takeaways today is, we have a public safety budget. I mean, our personnel costs are driven by police and fire. We're a growing city. We're going to have to build more fire stations. We're going to have to have more firefighters. The Chief has already talked about, at some period next year or later, the year after, that he will finally get up to his full number of police officers. There's this concept of, are we going to be 400 police officers short, when you start to compare the number that we should have. So, I say all that to say, absolutely, positively, we haven't planned a property tax increase. I will tell you that as Council asks for more, that will become more challenging. So, growth is real, 117 people to the region a day. There is an impact on our operations that we're going to see over time.

Councilmember Anderson said thank you for that, City Manager, and thank you, Marie, for the presentation. That's a really great way to base our budget, in that it's a public safety budget. I had the opportunity to take the officers for District One out to lunch last week to say a thank you for their commitment to the neighborhoods in District One, but also to listen to their concerns. A few years back, they had an issue with recruitment, and over the last three years, CMPD (Charlotte-Mecklenburg Police Department) has been able to grow that number of new officers coming on board. They've done a great job to build that number, so they feel good about the trend of attracting new officers, but City Manager, to your point, we know that we have, in the future, this point in time where we're going to have a significant number of officers retire or be eligible for retirement all at the same time. As we're thinking about potential expenses in the budget, I think we need to have discussion around retention and recruitment aspects of the benefits of CMPD, in particular. Some of the things that we did years ago, that we've kind of taken down during poor times of the economy, I think it will be even more of an expense as we think about filling these new potential gaps of future retired police officers. So, I say all that to say, we need to spend a good amount of time over the next couple of months thinking about the ways in which we can really focus on ensuring that public safety is ramping up, as it relates to operation in relation to our growing population.

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ITEM NO. 6: COUNCIL DISCUSSION: REFLECTION AND DAY TWO LOOK AHEAD

DeAlva Arnold, Facilitator said very good. If there are no other comments, we want to thank you for your time today, and all of the hard work that you put in. You guys did a lot of work today, so give yourselves a round of applause. More to come, more to come. We're going to move into closed session now, so we'll ask if you're not on the Council, if you would please begin to pack your things and exit, and we'll start again in the morning at 9:00 a.m. Thank you.

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ITEM NO. 7: CLOSED SESSION (AS NECESSARY)

Motion was made by Councilmember Mitchell, seconded by Councilmember Driggs, and carried unanimously to go into closed session pursuant to N.C.G.S. 143-318.11(a)(10) to view recordings released pursuant to N.C.G.S. 132.1.4(a).
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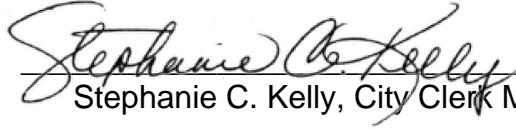
The meeting was recessed at 5:54 to go into closed session.

pti:pk

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ADJOURNMENT

The meeting adjourned at 6:14 p.m. at the conclusion of the closed session.


Stephanie C. Kelly, City Clerk MMC, NCCMC

Length of Meeting: 7 Hours, 24 Minutes
Minutes completed: March 11, 2025