

The City Council of the City of Charlotte, North Carolina convened for an Action Review on Monday, September 11, 2023, at 5:15 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Vi Lyles presiding. Councilmembers present were Dimple Ajmera, Tariq Bokhari, Ed Driggs, Lawana Mayfield, Victoria Watlington, and Braxton Winston II.

**ABSENT:** Councilmember Malcolm Graham and Renee Johnson.

**ABSENT UNTIL NOTED:** Councilmember Danté Anderson, James Mitchell and Marjorie Molina.

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**Mayor Lyles** said good afternoon, everyone. This is September 11, 2023. All of us know the significance of that date, will always be with us. So, I know Councilmember Driggs will have the invocation and will address that, but I think we all need to acknowledge it at this moment in time and understand what happened and recall where we were when it happened and be grateful for the changes that have occurred that have kept it from happening again. So, I want to call the run of show for our consent and action review. Call the meeting to order.

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## ACTION REVIEW

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

**Mayor Lyles** said alright. We have consent items on our agenda, items 12 through 29. We have a note from Ms. Mayfield for separate votes on several items. So, if you would take note of the following ones for a separate vote. Ms. Mayfield, track me to make sure I've included all. Item 19, Item 20, Item 21, Item 22, Items 24, 28 and 29 will have a separate vote.

**Marie Harris, Strategy and Budget** said yes ma'am. Just to clarify, number 19 was a speaker in the chamber.

Mayor Lyles said we have a speaker on Item 19. So, we'll do that one in the chamber. I think that Ms. Mayfield has been working with Ms. Harris on a series of questions. So, I'll let Ms. Mayfield address those items for the separate vote.

**Councilmember Mayfield** said thank you Madam Mayor. Marie, if we start with number 20, this is year three of our internship program for the youth. I sent you a question as far as what is our starting intern pay since we do have in here that these are paid internships. Mainly, is the pay comparable to some of our corporate partners and what does that internship pay?

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### ITEM NO. 20: YEAR THREE OF INTERNSHIP PROGRAM FOR YOUTH

**Marie Harris, Strategy and Budget** said This is for juniors in high school. So, the starting pay throughout the program, so it's short, like it's over the summer or a semester type deal. It's a fellowship of \$15 an hour.

**Councilmember Mayfield** said thank you. That's good information to know. I wanted clarification of that.

Motion was made by Councilmember Mayfield, seconded by Councilmember Driggs, and carried unanimously to (A) Authorize the City Manager to negotiate and execute a contract with Road to Hire in the amount of \$991,754 for provision of the Pathways program for students' internships and summer bridge experiences, and (B) Authorize the City Manager to amend the contract consistent with the purpose for which the contract was approved.

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**ITEM NO. 21: PUBLIC AUCTION FOR DISPOSAL OF SURPLUS EQUIPMENT**

**Councilmember Mayfield** said I wanted to get an idea of how much has the City earned on surplus sales since our last Council request for surplus?

**Marie Harris, Strategy and Budget** said thank you. Yes, for this one, this was specific for our on-site auction and the last auction was in April. It gave the City a net of \$831,000 but there's also ongoing online but smaller numbers. So, there's actually additional revenue, but that comes in throughout the year as well as our auction, but our last auction was \$831,000 net the City.

Ms. Mayfield said thank you. That's also good information to know.

Motion was made by Councilmember Mayfield, seconded by Councilmember Winston, and carried unanimously to (A) Adopt a resolution declaring specific vehicles, equipment, and other miscellaneous items as surplus, (B) Authorize said items for sale by public auction on September 16, 2023, and (C) Authorize the City Manager to approve certain administrative and storage fees as may be required from time to time for auction events.

The resolution is recorded in full in Resolution Book 54, at Page(s) 602-609.

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**CONSENT AGENDA**

**IN REM REMEDY**

**ITEM NO. 22: IN REM REMEDY: 940 AILEEN CIRCLE**

**Councilmember Mayfield** said I wanted to get an idea on this. This was really a question for our City Attorney. Mr. Baker, so we charged the residents for the demolition costs that we pay up front for In Rem because this demolition cost, I believe we estimated around \$9,000?

**Patrick Baker, City Attorney** said yes. The demolition cost is added as a lien to the property. So, when the property gets sold or foreclosed upon, that's when we would get our money back.

Ms. Mayfield said thank you for the clarification.

Motion was made by Councilmember Mayfield, seconded by Councilmember Driggs, and carried unanimously to Adopt Ordinance 611-X authorizing the use of In Rem Remedy to demolish and remove the structure at 940 Aileen Circle (Neighborhood Profile Area 116).

The ordinance is recorded in full in Ordinance Book 66, at Page(s) 329.

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**ITEM NO. 24: PROPERTY TRANSACTIONS – BECKWITH MEADOW STORM DRAINAGE IMPROVEMENT PROJECT, PARCEL # 27**

**Councilmember Mayfield** said now this one is the property transaction Beckwith Meadow for the storm drainage improvement project, Parcel Number 27. I'm trying to get an understanding because what we have on here is for 7,200 square feet which is 0.165 of the total parcel area, the 7,200 square feet, but we're asking for an easement of 692 square feet of this. So, I want to know if when staff is looking at a potential condemnation because the property owner is concerned about the amount of compensation, which the compensation for this was \$22,725, my question to Marie is we just recently had property revaluations and that is what your property tax bill is going to be based on for the next four years. This particular parcel and home have a value of \$349,400. Their tax bill previously was \$2,499.46 in 2019. With the new revaluation, that same tax bill is now for 2023 \$2,701.99. All this public record through Mecklenburg County Spatialest. So, I wanted to know if this easement reduces the value of their home because fortunately for me I get everything online, but it did not have any pictures attached. So, I couldn't see exactly where this easement was. So, I want to know if this is going to have an impact with reducing the value of the home and if that's taken into consideration.

**Marie Harris, Strategy and Budget** said yes ma'am. Not for this particular one. They already have a water easement in their backyard, and this is growing that stormwater easement in their backyard and it would still be grass. They can still use it how they use it now. The only impact would be if the City needs to come in and update a project year from now. So, this particular one wasn't, but to your point, if there are some that are impacting the property value, the General Services staff, that's part of the negotiations and they do factor that in. It's not just the value of the portion in those cases.

Ms. Mayfield said thank you for that clarification.

Motion was made by Councilmember Mayfield, seconded by Councilmember Driggs, and carried unanimously to approve a resolution of condemnation of 692 square feet (0.016 acres) Storm Drainage Easement at 1407 Meadow Lane from Brian J. Barnes and Melinda D. Barnes for \$22,725 for Beckwith Meadow Storm Drainage Improvement Project (SDIP), Parcel # 27.

The resolution is recorded in full in Resolution Book 54, at Page(s) 610.

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**ITEM NO. 28: PROPERTY TRANSACTIONS – SHAMROCK DRIVE IMPROVEMENTS, PARCEL # 2**

**Councilmember Anderson arrived at 5:23 p.m.**

**Councilmember Mayfield** said this I definitely have a challenge with. It's basically the same question as the consideration because this particular property, again, that new revaluation has this particular parcel appraised at \$820,400. The 2019 tax bill on this was \$4,574.21. The latest appraisal has this tax bill now increased to \$6,156.77. This one, will the easement reduce the value of the property? Also, I asked for Ms. Harris to provide pictures because we don't have pictures. This one I have a concern about because it's a new build and I feel like you have to have permitting in order to develop and build a home. It seems like there should have been a discussion during that permitting process. When you look at the house that's directly next to it, how the setback is a lot further back. If we were to approve this particular request for this sidewalk addition, that would eat up a good part of this front yard. So, whether they have a child or a small pet, they don't have a front yard to play in anymore. So, I'm

trying to figure out, one, in our process, if there is a rezoning or if there's a permit for a build and if we know that we already have in the system that we're going to be identifying certain easements within a five to seven year window, are we sharing that on the front end? Versus you start development and then we come back and we say we're going to need a portion of this property of which this particular portion is about 127 square feet?

**Marie Harris, Strategy and Budget** said so, yes ma'am. We try to be as transparent as possible. Like you mentioned, seven years out, we would not know the detail level needed, but our plans are public and as soon as they come through the planning phase into development. There wouldn't be that much of a window as you said, but as much as possible, yes we do work with them.

Ms. Mayfield said so, what we have in here noted as far as the property owner's concerns is that the property owner is concerned about the design of the project. Thank you again Ms. Harris for the photos. I can see where there currently is a sidewalk but also, I can see the properties on either side of this particular build. The setback is a lot different. So, a widening of the sidewalk isn't going to impact the house to the left or the right the way it is potentially going to impact this one. This was a question I didn't ask you earlier and I don't know if we have the appropriate staff here to discuss it because this is in my colleague Councilmember Anderson's district, and I didn't have a chance to reach out to her this morning to get her feel on this. I'm concerned about this one. I've asked the question. The easement is considerable, not just the dollar amount with this sidewalk. I will not be supporting this. So, my colleagues can do a motion.

Motion was made by Councilmember Driggs, and seconded by Councilmember Bokhari to adopt a resolution of condemnation of 127 square feet (0.003 acres) Sidewalk Utility Easement and 1,258 square feet (0.029 acres) Temporary Construction Easement at 1520 Shamrock Drive from Shyam B. Patil and Roshni Dubey for \$22,025 for Shamrock Drive Improvements, Parcel # 2.

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

YEAS: Councilmembers Ajmera, Anderson, Bokhari, Driggs, Watlington, and Winston

NAYS: Councilmember Mayfield

The resolution is recorded in full in Resolution Book 54, at Page(s) 611.

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**ITEM NO. 29: PROPERTY TRANSACTIONS – SHAMROCK DRIVE IMPROVEMENTS, PARCEL # 13**

**Councilmember Mayfield** said this one the property has outstanding title issues. So, we want to move forward, but I wanted to get an idea of what is the impact on this particular property for this sewer easement. Councilmember Anderson do you get a copy of the photos for the easements? I didn't get it until earlier today. When we look at the impact of this area, I wanted to get a better idea of what that impact could be on that particular resident and that residential owner.

**Marie Harris, Strategy and Budget** said yes ma'am. Just to clarify. This one, the owner is completely in agreement, but they weren't able to clear the title. So, otherwise this would've been an acquisition. So, there's no concerns outstanding from the property owner. It's a temporary easement for construction and then like 11 square feet more of water easement but it'll be grass. So, they can still utilize that yard the same way they do today.

Ms. Mayfield said so, it'll be grass that we're providing for the easement? They currently have some grass but it's also dirt.

Ms. Harris said no ma'am. Once we go in and make it grass, but we don't maintain it. Then it goes to the homeowner's yard and to your point, yes, homeowners have to mow over their easements, the City doesn't.

Ms. Mayfield said okay. So, once we complete our work, we'll provide the sod to continue but they will be maintaining the property moving forward?

Ms. Harris said correct.

Ms. Mayfield said okay. Thank you.

Motion was made by Councilmember Mayfield, seconded by Councilmember Winston and carried unanimously to adopt a resolution of condemnation of 11 square feet (0.000 acres) Sanitary Sewer Easement and 1,007 square feet (0.023 acres) Temporary Construction Easement at 1709 Shamrock Drive from James T. Wilkes and Alexandra A. Romanovskaya for \$15,425 for Shamrock Drive Improvements, Parcel # 13.

The resolution is recorded in full in Resolution Book 54, at Page(s) 612.

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### CONSENT AGENDA

**ITEM NO. 2: CONSENT AGENDA ITEMS 12 THROUGH 29 MAY BE CONSIDERED IN ONE MOTION EXCEPT FOR THOSE ITEMS REMOVED BY A COUNCIL MEMBER. ITEMS ARE REMOVED BY NOTIFYING THE CITY CLERK.**

Motion was made by Councilmember Driggs, seconded by Councilmember Ajmera, and carried unanimously to approve the Consent Agenda as presented with the exception of Item No. 19, Item No. 20, Item No. 21, Item No. 22, Item No. 24, Item No. 28, and Item No. 29 which were all pulled for a separate vote.

The following items were approved:

**Item No. 12: Fire Truck Maintenance Services Cooperative Contracts**

(A) Approve the purchase of fire truck maintenance services from a cooperative contract, (B) Approve a unit price contract with Oshkosh Corporation for the purchase of fire truck maintenance services for a term of three years under Sourcewell contract #113021-OKC-1, (C) Approve a unit price contract with Rev Group, Inc. for the purchase of fire truck maintenance services for a term of three years under Sourcewell contract #113021-RVG-2, and (D) Authorize the City Manager to extend the contract for additional terms as long as the cooperative contract is in effect, at prices and terms that are the same or more favorable than those offered under the cooperative contact.

**Item No. 13: Construct Beatties Ford Sidewalk Phase 1**

Approve a contract in the amount of \$931,937.05 to the lowest responsive bidder Efficient Developments, LLC for the Beatties Ford Road Sidewalk Phase 1 project.

**Summary of Bids**

Efficient Developments, LLC	\$931,937.01
DOT Construction, Inc.	\$1,031,270.90
United of Carolinas, Inc.	\$1,289,817.10
Astron General Contracting Company, Inc.	\$1,570,684.50

**Item No. 14: Electric Vehicle Chargers and Related Services**

(A) Authorize the City Manager to negotiate and execute contracts to provide, implement, and maintain Electric Vehicle Chargers and Related Services with the following companies for an initial term of three years: Atom Power, Inc., and JF Acquisition, LLC, dba JF Petroleum Group, (B) Authorize the City Manager to renew the contracts for up to two, one-year terms with possible price adjustments and to amend the contracts consistent with the purpose for which the contracts were approved, and (C) Authorize the City Manager to purchase such additional software licenses, services, hardware, maintenance, and support as required to maintain the system for as long as the city uses the system.

**Item No. 15: Charlotte Water Research and Learning Services**

(A) Approve a unit price contract with the University of North Carolina at Charlotte for Charlotte Water Research and Learning Services for an initial term of 14 months, and (B) Authorize the City Manager to renew the contract for up to four, one-year terms with possible price adjustments and to amend the contract consistent with the purpose for which the contract was approved.

**Item No. 16: Mallard Creek Wastewater Treatment Plant Centrifuge Maintenance**

(A) Approve a unit price contract with Frazenburg LLC for centrifuges located at the Mallard Creek Wastewater Treatment Plant for an initial term of one year, and (B) Authorize the City Manager to renew the contract for up to three, one-year terms with possible price adjustments and to amend the contract consistent with the purpose for which the contract was approved.

**Item No. 17: Sugar-Based Beverage Reuse for Wastewater Treatment Plants**

(A) Approve unit price contracts with the following companies for sugar-based beverage reuse for wastewater treatment plants for a term of six years: Coca-Cola Bottling Co. Consolidated dba CCBCC Operations, LLC, Independent Beverage Company, LLC, and (B) Authorize the City Manager to amend the contracts consistent with the purpose for which the contracts were approved.

**Item No. 18: Cooperative Purchasing Contract for Paratransit Cutaway Bus Purchase**

(A) Approve the purchase of Paratransit Cutaway Buses, Special Tools/Equipment and Training from cooperative contracts, (B) Approve a contract with Model 1 Commercial for the purchase of paratransit cutaway buses for a term of one year under State of Oklahoma Master Contract #SW0797C, and (C) Authorize the City Manager to extend the contracts for additional terms while the cooperative contract is in effect, at prices and terms that are the same or more favorable than those offered under the cooperative contract.

**PROPERTY TRANSACTIONS**

**Item No. 23: Property Transactions – Beckwith Meadow Storm Drainage Improvement Project, Parcel # 25**

Acquisition of 1,703 square feet (0.012 acres) Storm Drainage Easement, 658 square feet (0.015 acres) Sanitary Sewer Easement and 36 square feet (0.001 acres) Temporary Construction Easement at 1312 Meadow Lane from Cory Slusher for \$23,429 for Beckwith Meadow Storm Drainage Improvement Project (SDIP), Parcel # 25.

**Item No. 25: Property Transactions – CMPD NorthWest Right of Way Acquisition, Parcel # 1**

Acquisition of 3,593 square feet (0.082 acres) Fee Simple, and 1,773 square feet (0.041 acres) Temporary Construction Easement at Northwoods Forest Drive from Northwoods at Coulwood Homeowners Association, Inc. for \$16,795 for CMPD NorthWest Right of Way Acquisition, Parcel # 1.

**Item No. 26: Property Transactions – CMPD NorthWest Right of Way acquisition, Parcel # 3**

Acquisition of 3,590 square feet (0.082 acres) Fee Simple, and 887 square feet (0.020 acres) Temporary Construction Easement at 1548 Mt Holly-Huntersville Road from Jacquelyn Dwelle McGinnis and Lewis Alfred McGinnis for \$10,000 for CMPD NorthWest Right of Way Acquisition, Parcel # 3.

**Item No. 27: Property Transactions – Monroe Road Multiuse Path, Parcel # 20**

Acquisition of 918 square feet (0.021 acres) Sidewalk Utility Easement and 2,571 square feet (0.059 acres) Temporary Construction Easement at 5551 Monroe Road from Steven E. Brattain and Suha Brattain for \$10,925 for Monroe Road Multiuse Path (MUP), Parcel # 20.

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**ITEM NO. 3: ACTION REVIEW AGENDA OVERVIEW**

Mayor Lyles said the first item that we have is under our Housing Trust Fund recommendations.

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**ITEM NO. 4: ACTION REVIEW ITEMS**

Shawn Heath, Housing Director said thank you. Shawn Heath, Housing and Neighborhood Services. A quick refresh on the Housing Trust Fund. I think everybody is familiar with the fund itself. This is our vehicle that we rely on to provide gap funding for affordable housing, the creation and preservation of affordable housing throughout the City. The Housing Trust Fund has been in place since 2002 and since that time, it's been relied upon to support creation and preservation of over 11,000 units. As we've discussed before the reference to gap financing simply means that for any given project, we're looking for an attractive leverage ratio and on average for every dollar that the City puts into a project, we're generally seeing other investors that are bringing about \$7 to the table. So, we're just one piece of the capital stack. On the next two bullets here, this is direct reference to the value proposition that City Council expects to see. First, everything that we do associated with affordable housing investments will come with a long term deed restriction which can vary anywhere for 15 to 99 years depending on the nature of the project. There are also requirements focused on area median income. All of the projects we support will be at 80 percent AMI (Area Median Income) or below. Where it falls within the AMI continuum depends on the nature of the project. As a matter of policy, a number of years ago, City Council established a requirement whereby for multi-family developments, that those include 20 percent of the units devoted to 30 percent AMI and below households. Then of course the funding source for the Housing Trust Fund is through the housing bonds that are put in front of voters through a referendum every other year. Voters have historically been very supportive of the housing bonds.

This is our standard schedule for the summer Housing Trust Fund. RFP (Request for Proposal) released in late June, submissions late July, the briefing this evening and then two weeks from now put in front of you for consideration and approval. On September 21, 2023, you'll receive what we refer to as the HTF (Housing Trust Fund) booklet which will provide you with a project summary for each of the recommended projects along with staff's rationale for the recommendation and some other data points including location scores. One thing we wanted to share with you before we get into the specific recommendations is this is really the first RFP where we're activating on all of the outcomes from the Housing Trust Fund tune up which we completed earlier this year. Some pieces of the Housing Trust Fund tune up were incorporated into the winter RFP but this was really the first opportunity to activate on everything. So, we wanted to highlight a few things here. First, you can see the minimum affordability period for new multi-family construction projects. Now in our RFP we've established a floor of 40 years for those projects and if you recall, in pre-COVID days generally the norm for the new construction multi-family project was 30 years. So, we were pleased with the responses that we received to this RFP. As you'll see in a moment, we're continuing to see some

positive trends associated with developer commitments on affordability and that's as a direct outcome from the Housing Trust Fund tune up.

Second, within the RFP we established a new evaluation criteria and preferences. First there's reference now to cost per unit per year which is simply another way for us to underscore the importance of extended affordability periods. So, all else equal, if we have two projects with cost per unit of \$30,000, we're more interested in ones that have affordability periods of 50, 60, 99 years for instance. So, we're starting to move not necessarily away from the cost per unit metric, but this is a slightly more sophisticated way to bundle together both cost and affordability into a single number. Second, one of the things that we're doing now is as part of the Housing Trust Fund RFP, is we're also requesting developers to provide us with some indication for their willingness to accept federal funds and their willingness to accept federal funds is reflected favorably in our review. So, this is a way for us to take some pressure off of the Housing Trust Fund and with some of the recommendations tonight, you'll see that we've rated together locally sourced Housing Trust Fund dollars along with federal funds such as CDBG (Community Development Block Grants) and HOME (Helping Others Meet Eternity) and HOPWA (Housing Opportunities for Persons With AIDS) would be some examples. Third bullet point here is developer commitments to supportive services or economic mobility investments. Over the last 12 months or so in conversations here with Council, many of you have encouraged us to have more of a horizontal lens as it relates to our housing investments, and this intended to address that sort of feedback. So, what we're asking developers to do is in addition to your funding request and the regular value proposition that you would put in front of us. What are some specific commitments you're willing to make related to supportive services or economic mobility? A number of our development partners are still kind of probing into that area. I will say that Ascent Housing which you're familiar with through a number of our NOAH deals, Naturally Occurring Affordable Housing deals in the past continues to distinguish themselves in this area and we do have one proposal from Ascent Housing tonight where we'll talk specifically about that point.

Number three here, higher MWSBE (Minority, Women, Small Business Enterprise) utilization target. So, in partnership with Steve Coker and the team, we retooled our minimum MWSBE requirements in the Housing Trust Fund RFP. So, for example now for a developer that receives an HTF award of at least \$2 million, the MWSBE minimum target is now 13 percent whereas in the past it was 10 percent. So, pushing for more aggressive participation in that area. Then last, the idea of having a rolling RFP so to speak came through the Housing Trust Fund tune up which is just a recognition that oftentimes with NOAHs they're opportunistic, it's driven my timing in the marketplace. It doesn't always lend itself to the fixed schedule that we have for our traditional RFP. So, we released the rolling RFP in May, so far we've only received one formal response which is reflected in one of the recommendations this evening. The idea there is to just keep that open throughout the year and subject to available funding we'll evaluate proposals. What we like about it is it demonstrates to the market that we have a transparent process, transparent review criteria. So, any member of the community that has great NOAH ideas that are eligible, we encourage them to pursue that. It's available at any point.

This is a format you're accustomed to before and I think over time it's turned into even more of an I-Chart. So, this is a summary of the seven recommended projects and what I'm going to do here is really hit the highlights in the very bottom row and then since there's a one page development summary for each of the recommendations, we'll just jump straight into those and then we can come back to this slide as a bit of a home base at the end if it's helpful. So, first I would say that we have a good mix of different types of projects. We've got some four percent and nine percent LIHTC (Low Income Housing Tax Credit), new construction multi-family. So, that's a mouthful but those are the four at the top. We have one NOAH opportunity, one homeownership opportunity and one supportive housing, transitional housing in particular here. So, it's a good mix of different project types. Going down to the bottom of the slide, you can see that these seven recommendations in total are 730 units. The overall recommended award is about \$17 and a half million. Of that \$17 and a half million, \$13 million would be sourced



from the Housing Trust Fund and \$4.5 million would be sourced from federal sources. You can see here on affordability period; this is an average across all the different project types.

**Councilmember Molina arrived at 5:40 p.m.**

As I mentioned before, there's a little bit of apples and oranges in the average here, but the bottom line here is we're continuing to see positive trends in terms of extending affordability periods in these proposals.

Then finally on the two final columns on the right, we're continuing to see costs, prices moderate. We experienced significant spikes during COVID. I know back in the October, November of last year, there was concern about spending more and more HTF dollars for less and less units. I can't predict the future and we obviously can't control market conditions, but I think with some of the things that we've done with the tune up and some of the experienced development partners that we have stepping forward with some good proposals, we're seeing positive movement in terms of cost per unit and cost per unit per year. So, like I said I'm not trying to rush through this, I just didn't want to spend 30 minutes on this one slide. So, we'll jump into some of the specifics and then come back to this as needed. One last point on this. There's generally about a six-week time period between the time the proposals are submitted and when we come to Council to make our recommendations. I just want to underscore that's really our opportunity to do the vetting on the projects and it's our opportunity to do the negotiations as well. So, we don't just accept the proposals at face value, we are always looking for ways to squeeze more value out of the proposals. We go about this in a way where we're respectful of the other side of the negotiation, but here we were successful in squeezing out about \$3 million from the original ask. So, that's not reflected on here, the original asks, we're just showing you essentially the negotiated outcomes, but wanted you to be aware that we're working hard on your behalf to try and get the best deals possible.

We think it's always helpful to give you a sense for what the AMI mix looks like. So, this would be across all seven recommended projects that we'll discuss tonight. You can see 160 of the total 730 units would be at the 30 percent AMI level which represents 22 percent of the total number of units. You can follow the numbers on the way down there. This looks generally consistent with what we've seen in the past. Of course, it depends on the types of projects underneath of it whether it's homeownership or new multi-family construction of NOAHs and I would remind everybody that for a family of four, and this will change from year to year of course, but for a family of four right now at 30 percent AMI, that would equate to about \$30,000 a year. So, these are easier to remember this year because it just so happens, they align with the percentages. For a family of four, at 80 percent AMI, it just so happens that that would be about \$80,000 a year. So, good AMI mix. A lot of this is obviously heavily influenced by Council direction and policy in terms of what we're seeing at the 30 percent AMI level and below.

So, I will quickly go through each of the recommended projects and then we'll open it up for questions here. So, first is Arrowood Homes, this is a project in District Three. We've got a very experienced developer, the NRP Group. We've done a handful of projects with the NRP Group here locally over the last few years and I believe they have about 800 units that are in various stages of development with City's support. So, in each case what I'm going to do is really just try and drive directly into what are the defining attributes of the project that staff is excited about. Here, number one, it's an opportunity to leverage City-owned land. You can see on the slide that we referenced here in the second row in the financial summary that we've identified the most recent assessed value, appraised value of the City-owned land. Number two, affordability period of 99 years is very noteworthy. Number three, as I've mentioned before, some of the projects we [inaudible] local and federal funds for this particular project, the overall \$5.5 million in gap financing would be a combination of \$2.5 million from the trust fund and \$3 million from federal funding sources. We love the location for this particular project site. It's directly adjacent to the light rail, the Arrowood Station and the project also has a mix of bedrooms, one, two, three and four bedrooms. That's noteworthy. We don't often see

four-bedroom opportunities. The last thing I would mention about this particular project is on the City-owned land piece and just as a reminder that we in the Housing and Neighborhood Services Department don't just pluck City-owned land out of the portfolio and say, "This will be used for affordable housing." This has gone through a multi-year process with Council engagement along the way.

So, back in 2021 in partnership with General Services, a handful of City-owned parcels were identified that were suitable for affordable housing. It's kind of the same exercise that Phil Reiger talked about with Council not that long ago, that they're in the midst of coordinating now with departments like Housing and Economic Development. Well they did one back in 2021. A handful of sights were located, we put those sights out for an RFP and we asked developers for these particular sites, "What are your best ideas for how we can bring affordable housing to life on these locations?" So, on February 7, 2022, I came to Council with recommendations. This was one of them. NRP had proposed 120 affordable units on this particular location, multi-family rental, and as we expected and as I had shared at the time, for many of these City-owned projects we expect them to come back in seeking Housing Trust Fund support at the appropriate time, which is just what this one is doing here. It's just what the Crosland Southeast Project in District Seven did in the last cycle. So, this is all as expected. So, I just wanted to make sure everybody understood that the City-owned land piece was through a defined process and with Council engagement along the way.

Second project, central a little to Concord. This is a District One project. It's about five miles northeast of Uptown. It's pretty close to the District One and District Four boundaries. The Annex Group is an experienced developer, over 1,500 affordable units across the country have been developed during the last decade. There's one fairly recent project that the City has provided support for and is currently under construction in District Four. In terms of the defining attributes for this project that we're most attracted to is first you can see the investment per unit and investment per unit per year are quite attractive as well as once again, an affordability period of 99 years. Once again, we really like the location here. It's about a half mile for light rail. This one is the Old Concord Rail Station in particular. This is a 200-unit project which you can see.

Two important things that I wanted to mention on this project. One is it has not yet received planning approval. So, the developer is in the process of revising the plans in order to accommodate feedback from the Planning team and our hope is that all that can be settled by September 25, 2023, when this would be scheduled for a vote. That may not happen and if that's the case and if Council has an appetite for this project in the RCA (Request for Council Action), we can have it structured as a conditional funding based on them addressing the planning requirements and ultimately receiving the planning approval before any funds are released. So, wanted to make you aware that we're still working through that process. The second thing is I wanted to make you aware, for this particular location, there are currently 17 mobile homes, and these are occupied mobile homes. We've been working very closely with the developer to understand what their intent would be, what their plans would be associated with relocation. The only reason that we're bringing this to you as a recommendation today is because at the staff level, we're comfortable with the plan that they have developed and if I may, because this is kind of a bit of a unique scenario, I wanted to just outline a couple of items related to that relocation plan and then I'll be happy to answer any other questions that you have.

So, the first thing is even though this particular project is not contemplated as a federally funded project, the developer has agreed to voluntarily adhere to HUD (Housing and Urban Development) standards associated with scenarios like this where you have an acquisition and redevelopment that results in a need for relocation. So, the elements of that relocation plan are felt fairly well-outlined in the HUD guidelines. So, it doesn't leave a lot to the imagination and I mean that in a good way. So, the developer will hire a relocation consultant that will go through a process, do a resident needs assessment, one on one interviews and then essentially provide housing navigation and referral services and the developer will also have a budget that's available for relocation assistance. For example, reasonable moving costs would be covered by the developer

in this instance. So, we're comfortable with the plan that they're sketching out. Once again, if Council has an appetite for this particular project, what our intent would be is to establish either in the RCA or in the agreement itself that the developer would be required to complete the relocation plan as a condition of our funding. The last thing I'll mention on that point, because we've grappled with this one over the last couple of weeks certainly, is we can't predict the future. We don't know what would happen if this particular project doesn't go forward but it's not unreasonable to think of a scenario where with this site being on the market that another developer could purchase this location and without City funding do nothing associated with relocation assistance. They could have a very abrupt displacement with zero navigation support services or covering any relocation costs. So, I don't know for certain that would happen, but it's certainly something that could happen, and we've all seen scenarios in the last three years where things have happening very abruptly in the community. So, I like the idea of working with a development partner who's willing to lean into this with us voluntary on the front end to ensure that these households are treated fairly and equitably.

Sycamore Station Two, District One again. So, this project is in East Charlotte close to W.T. Harris and Winterwood Development has a lot of experience in the multi-family rental housing market throughout the south. They've developed over 1,700 units over the past 10 years. Here, the defining attributes, the affordability period and AMI mix and cost per unit were all very attractive to us. You can see with the AMI mix that all of the units are at 60 percent and below and a few of them at 30 percent in order to meet our requirements. So, good leverage ratio here as well is one to 20.

Mount Moriah Seniors, this project is located in Matthews. It's about one mile from the center of town and you may ask, "Matthews?" That's outside of Charlotte. So, the \$825,000 recommended here would be sourced from the HOME program which is administered by HUD. So, once again it's one of our federal funding sources. For the HOME program, the City of Charlotte receives this funding kind of on behalf of a consortium of the City itself, Mecklenburg County and the six towns. Generally speaking, a large share of the HOME funds are deployed in the City of Charlotte just given our size relative to the other entities, but there is an expectation and an understanding that the funds be deployed across the full consortium. Warren Wooten on my team participates in periodic meetings with the consortium partners to identify potential projects that could be pursued outside of the City of Charlotte and this one emerged as a great opportunity.

In terms of the defining attributes that we were attracted to. A very experienced developer with Laurel Street. We've of course done probably a dozen or more projects with Laurel Street over the past 10 years or so. When you look at cost profile, affordability period, and AMI mix, those all look very attractive. For this one, at the AMI 30 percent and below, 20 units actually represents 28 percent of the total number of units which is typically what you'll see for the nine percent LIHTC deals. You're going to see something even better than what we require. We like the fact that this supports a regional approach to housing solutions. One thing that's not mentioned explicitly on the slide is we like the fact that this project is yet again another opportunity to partner with Mecklenburg County. Mecklenburg County has pledged a significant amount of funds in support of this particular project. I would just close this one out by mentioning that the Mayor of Matthews has submitted a letter of support for the project.

**Mayor Lyles** said Mr. Heath, I'd like to know if you'd like to take questions on each slide that you're doing because we have some requests, but also we can wait until the end. What helps you best to address this?

Mr. Heath said so, I'll of course be deferential to your preference. My preference I guess would be since I'm almost done would be to just pop through it and then pause.

Mayor Lyles said okay, we'll do that. Okay, thank you.

Mr. Heath said okay. Kings on Lamar, District One. This one's near the Elizabeth neighborhood. So, this is supportive housing, more specifically it's transitional housing

and the idea here is to rehab two existing buildings. These are the old Kings College buildings. The idea here would be to do rehab on these buildings and then in summer or fall of 2024 establish a transitional housing program for men experiencing homelessness. Roof Above actually leased these buildings back in 2020 and then during COVID they used these facilities for emergency shelters for a period of time. Then in 2021 they purchased the buildings with an intent to develop a plan such as this, which we're presented with here tonight. In terms of the defining attributes that attracted us to the project, you know, Roof Above is of course a very experienced nonprofit partner. They work across the entire continuum in terms of street outreach, emergency shelters, transitional housing, permanent supportive housing. This program is laser focused on men who are employed and/or in vocational training. So, kind of tying back to that reference I made earlier. Our desire to look for those opportunities to do things across the horizontals and not just purely in our housing tower. Like I said, these would be men that are either already employed or in vocational training but experiencing homelessness. The target stay would be about 18 months with supportive services provided during that time period in order to position these men to be better equipped for life sustaining wages and permanent housing. The participants in the program would be required to pay a fee of \$100 per month. So, they would have skin in the game. That fee would be waived during the periods when they're in vocational training which is estimated to be about four to six months, and given the focus on workplace readiness this will be a substance free environment. So, there'd be periodic breathalyzers and drug tests to ensure these individuals are really ready to go into the workforce or if they're in the workforce, to ensure they're ready to sustain that.

So, once again, this is the one supportive housing request that we have in this particular mix and we're excited about it in terms of the cost profile and affordability period. You can see the AMI mix on here as well. Okay, we have one homeownership opportunity which is here. This is a DreamKey project in District One in the Druid Hills neighborhood. This will be 14 units, seven duets. You can see a picture here. So, these seven duets will be on scattered sites in Druid Hills. The defining attribute that was the most interest to us is if you look at the sales price range in the financial summary, we know there's a severe shortage of affordable housing. We know in particular there's a shortage of for sale housing at the sub \$300,000 level. So, this is a model that can help in a small way but in a meaningful way, move us in the direction of providing more access for individuals at the 60 and 80 percent AMI level. As an aside I would mention that through some conversations with Councilmember Watlington, we've discussed the idea of having part of our January Committee meeting devoted to homeownership models because I think I mentioned before that the value proposition for the multi-family stuff that we do, I think is pretty straightforward, but for the homeownership models, whether it be DreamKey or Habitat or Westside Community Land Trust, they're more complicated when you get under the hood. I'm still learning a lot about it and we think it'd be a great opportunity to talk about the different models in a Committee setting and spend as much time as the Committee is interested in to really understand what I think in all cases is what we're trying to do and what our partners are trying to do, is to balance affordability with economic mobility. The affordability piece is pretty intuitive. We want to have homes that are at affordable levels for low income buyers and we'd like to keep that particular home affordable for low income buyers for a long period of time, but the balancing act is for individuals that are low income that are moving into that house, we also want them to benefit from homeownership and we want them to benefit from having the opportunity to harvest the equity in that particular residence.

So, all of these homeownership models kind of find different ways to balance the homeownership and economic mobility equation and in Committee in January 2024 we're going to ask Warren Wooten on my team to spend some time going through those and talking about some of the pros and cons in hopes of getting some feedback from Committee if there's a strong point of view on kind of where on that continuum City Council would like us to be. So, once again this is 14 units in all and the 60 to 80 percent AMI level.

The last one is Swan Run. This is the more naturally occurable affordable housing opportunity and you can see here funds recommended are \$2.4 million with an

affordability period of 20 years and I would say quickly, first of all the location for this. So, in District Seven. It's a little bit north of the arboretum. It's off Providence Road but you wouldn't see it unless you really wanted to see it because it's not right on the main road but it's tucked away in between Pineville-Matthews and Ray Road. I run by this place all the time and Swan Meadow Lane or Swan's Run, it's about a three-quarter mile stretch and it's a very diverse area where there's single family, there's multi-family, there's townhomes. So, I love the diversity on the street and the defining attributes for this particular project. So, it's 92 units as I mentioned before. The project was built in the 1970s it's a mix of one, two and three bedrooms and always looking for opportunities in District Seven to activate on affordable housing. This has the normal AMI mix from Ascent Housing which is very attractive. We have 30 percent of the units devoted to 30 percent AMI. As we've talked about before with NOAHs it's really a twofold value proposition. One is we're getting the deed restriction for 20 years, but the other is we're also minimizing the risk of displacement for the existing residents here in this location. The cost per unit for this particular NOAH, if you look here on the upper right of \$26,000-ish is about 10 percent lower than the cost per unit for the last two NOAH deals that Council approved. You'll recall Charlotte Woods and Peppertree were both very large NOAHs, 266 and 292 units respectively. So, we like where this one lands kind of on that cost profile.

Then last as I alluded to before, Ascent Housing has really done a lot around economic mobility in supportive service because they have this community health worker model in partnership with Atrium in place in their NOAH communities. So, what we love about this is there's a community health worker actually assigned to a community there and they're embedded in that community, and they're providing some mix on site programming, one on one counseling and referral navigation and it's focused on a range of barriers. So, it could be health care, it could be childcare, it could be education workforce development, that sort of thing. So, like I said before, not only are they doing this, but they're developing a sustainable model to keep doing it.

In terms of the Housing Trust Fund balance, I will just mention that if the seven projects this evening were approved in two weeks, the balance would go from roughly \$22 million today to about \$9 million. We can talk more about that if you're interested at the end. Then I did want to make you aware. There is one project that was not recommended for funding here. It's West Boulevard Flats in District Three. We think the project has merit, no doubt, but just in evaluation as we were comparing and contrasting across opportunities, there were other ones that we felt at this particular time were most attractive. It also weighed heavily on us that the funding request for this particular project, you can see in the upper right corner, is about \$7 and a half million and given what I showed you on the previous slide, that would really stretch resources so thin that the Housing Trust Fund would for all intents and purposes be closed until the next bond. So, we felt like this one was just a bridge too far at this time. That's not to say they wouldn't come back at a future round and maybe with a slightly revised proposal that we would take a closer look at for sure.

Moving forward, September 25, 2023, is when this would be put on for a vote. This is always a fairly extended time period. So, decisions Council made two years ago around affordable housing projects are just now coming online today for example. So, the financial closings are generally within about three to six months of Council approval and then construction units for these particular seven projects would be brought online anywhere from 2024, 2025 to early 2026 depending on the nature of the project. So, City Manager Jones and Mayor Lyles, with that I'll stop there and answer any questions.

**Councilmember Watlington** said my question is quick. If you could go back to the slide you were on when we talked about whether or not to have questions. Thank you. I just wanted to understand this one. I heard your discussion around why it's before the City of Charlotte. I'm just curious if the town of Matthews, outside of that consortium that mentioned, is there any formal action that they need to take?

Mr. Heath said so, the site is zoned appropriately and I'm not aware that there's any additional action that would be necessary other than cobbling together the financing

plan and you can see here with the leverage ratio, this would be a rather small part of the overall financing.

**Councilmember Anderson** said Shawn I heard District One a ton, which is great and as you were talking, I was just sort of doing some back of the envelope calculations. So, of the 822 units you are recommending that we bring online, 446 of them will be in District One and that's roughly 54 percent of the entire base and of the total seven projects four of them are in District One, which is great. I like to see the mix and the balance here. I just have a couple of questions for you. For the Aveline Legacy Duets, the affordability period is the lowest of all of the projects. Can you speak a little about that because I'm very interested in, as you mentioned Dr. Watlington, speaking about homeowners being able to unlock the benefit of homeownership. So, can you speak about why that is so low, the lowest of the portfolio?

Mr. Heath said yes I will. One very quick detail I would mention. From cycle to cycle, sometimes we'll see, and maybe not necessarily to this degree, but District Three I can recall in the past has had a lot of projects in a particular cycle or District Four. We did actually internally run some analysis recently where we have a little heat map that shows dots for every City-supported affordable housing project since 2002. There's a reasonably good dispersion across Districts One through Five and then District Six and Seven not as much given the cost of land in those areas, but I did just want to acknowledge that it's something we're sensitive to. Then more direct to your question. So, as I mentioned before, with this particular slide, sometimes there's a little bit of an apples and oranges dynamic here because I wouldn't necessarily compare homeownership to new multi-family construction other than the fact that they're both activating on affordable housing goals. With new multi-family construction whereas we have a 40-year minimum requirement now. With homeownership, the minimum requirement is 15 years and that's historically what we've seen for many of our homeownership investments through the Housing Trust Fund over the last five years.

As I mentioned before, it's a balancing act between wanting to have as long an affordability period as possible but at the same time not undercutting the ability of the homeowner to extract value from that home through equity like everyone else would do, but for the deed restriction placed on this house. So, that's a long-winded way of saying that I would suggest that for homeownership, 15 isn't low. It certainly looks low compared to these other ones, but there's a little bit of an apples and oranges dynamic. What I'm looking forward to in January 2024 is really doing some comparison and some contrasting and maybe even talking about pros and cons to the extent possible because if you think about the Housing Support Grants, where we have the Westside Community Land Trust and some of the things that they're trying to advance around homeownership, affordability and perpetuity, I think it'd be great to get under the hood on that and really understand what does that look like for the City and for the homeowner, compared to a scenario like this where we're looking at 15 years affordability?

I would also mention that we didn't want to overly complicate the slide, but in addition to the 15-year affordability restriction, for year 16 through 30 there will also be a right of first refusal associated with this, whereby the City could step in, buy the house at market value and then turn it back in and kind of recycle it back into the community at an affordable level. So, in a way you could say it's really like a 30-year requirement.

Ms. Anderson said got it. Thank you for that.

Mr. Heath said sure.

Ms. Anderson said then of the seven projects that are up on the board, you mentioned we have displacement occurring for 17 residents at the Central at Old Concord site. Do any of the other projects have displacement at all?

Mr. Heath said they do not.

Ms. Anderson said okay. Then can you just speak a little bit about the community engagement for those 17 residents that reside in those mobile homes?

Mr. Heath said yes. Thank you very much for that question. So, for any project submissions that come to us through the Housing Trust Fund RFP, we require community engagement and it's very specific. Any residents that live within a certain radius of the site, any homeowners' associations that are within a certain radius of the site and we require that that community engagement be done in advance of the scheduled date for the Council's vote. So, many of these have already done their community engagement for this particular project. In conversations with the developer, we've indicated that we need the community engagement done no later than September 20, 2023 because when we provide information to Council and the HTF booklet on September 21, 2023 either in that booklet or as a supplemental we want to be able to shine a light on the nature of community feedback that's received at that session so you have that information in front of you in advance of the vote.

Ms. Anderson said excellent. Okay, I just wanted to make sure that it's clear that those 17 families who live there will have plenty of time to engage in the project that's coming aboard. Then lastly, I just wanted to lift up Ascent and their involvement in the Swan Run project that's within District Seven. Ascent is a great NOAH partner for us and they were at the helm of the Charlotte Woods, another District One project and Peppertree and now Swan Run and 30 percent of those units will be for 30 percent AMI and below. They have some of the lowest rents in the entire market and this property has actually been potentially sold twice to be demolished and have luxury apartments built on that site. So, this is yet another opportunity for us to protect nearly 100 units for affordable housing in District Seven which has been a struggle for us to historically do. So, I just want to thank Ascent for their partnership and what we're doing with your team Shawn. Thank you.

Mayor Lyles said thank you Ms. Anderson. I want to add to Ms. Anderson's questions about the Aveline information. When we work with Habitat and we fund them, they have a policy around how they utilize homeownership as well. So, I'd like for us to at least survey our partners so that we stay in sync. Not necessarily completely in sync but at least understand what other people are doing in these models around homeownership that have been successful. So, if we could just do a little bit of work before the Committee begins that discussion that would be great. Alright.

**Councilmember Winston** said thank you. I'll be quick. I think that extra column City cost per unit per year, while it might turn it into more of an eye test, I think that's very helpful. It illuminates it. Honestly it even goes even further monthly kind of subsidy, and it just illuminates it a lot more versus the cost per unit. That just brings clarity even to me. Quick question about the competitive nine percent proposal.

Mr. Heath said I don't believe that one's been awarded yet, but I'm looking at Warren for confirmation.

Mr. Winston said okay. Thank you.

Councilmember Ajmera said a couple of questions Shawn. Great presentation. Appreciate the work that you, Warren and your entire team is doing. If you'd go back to the slide where we have Arrowood Homes, slide number eight. Where you have City-owned land valued at \$1.3 million, is that already factored into the investment per unit cost?

Mr. Heath said yes and last year with a few of these scenarios, I recall members of Council being clear with me that when we're presenting these that we needed to show an all in reflection of the value the City's providing. So, yes it does.

Ms. Ajmera said yes, that's great. I had requested that so we are comparing apples to apples here. Two, to follow up on Ms. Anderson's question earlier about affordability period for Aveline Legacy in Druid Hills, from what I recall, when we have Habitat for

Humanity to the Mayor's point, was it 30 years affordability period that we had approved for homeownership opportunities?

Mr. Heath said I recall at a recent cycle there may have been one Habitat project and one DreamKey project. We've seen 15 and 30 years from different partners, but as I mentioned before some of it is just we're still struggling at the best way to present this because with the right of first refusal, arguably I could put 30 years on here with an asterisk to better explain what the 30 years really means.

Ms. Ajmera said so, there's a lot to untangle here because certainly homeownership is very different than some of these rental opportunities. I understand when you shared how you want residents to harvest the equity that they will build over the 15 years. So, my question is let's say if we have a 30-year affordability period does that stay with the same resident, or would we have given another resident an opportunity at homeownership? Because when we're out in the community, the question we often get asked is, "Hey, I've been on the waiting list for far too long," and we have over 30,000 people on our waiting list and that waiting list continues to increase year over year as home values go up, interest rates are going up. I'm trying to figure out a way where we continue to allow homeowners an opportunity to build equity, but at the same time we are trying to create opportunities for new residents and trying to really address the long waiting list that we have. How do we balance that? I look forward to having that conversation in January 2024, but I think it would help for me to understand how does this really work and where does the homeownership transition where we can allow the next resident to have a shot at homeownership?

Mr. Heath said I agree and in fact I think in January 2024 one of the things we want to do is actually look at specific scenarios. You know, a homeowner buys it in year one and what if they sell in year 10 or in year 20? What are the implications for the homeowner? What restrictions are there in terms of the house being resold to an affordable homeowner or not? So, to kind of go through it on a scenario by scenario basis.

Ms. Ajmera said yes, I think that will help me understand where we should land on affordability period when it comes to homeownership. That's all I have. Thank you.

**Councilmember Mayfield** said thank you for this presentation, Mr. Heath. I have a couple of questions for you. One, I want to go back. Recently I've had conversations with both single family and commercial developers. Part of the challenge that I'm hearing is on our end, the fees that we have in development and there's not necessarily a tier system as far as if you're building a duet versus the fees that are identified for sewer and water if you're building a six-to-eight-bedroom home. So, when we're allocating funds for a development is that taking into consideration the fees that we have on developments or are we working with our partners to help create a more affordable product?

Mr. Heath said I probably can't give a full answer to that question. It's the sort of thing I'll need to touch base with members of my team and follow up with you on, but at least for the gap financing scenarios, to the extent that we are providing Housing Trust Fund dollars to a project, that means that their sources and uses of funds match up on a one for one basis. So, it's enabling them to address all costs. Hard costs, soft costs, everything. Developer fees would just be one component of that. I'll get back with you with a more thorough answer because I don't really have anything additional.

Ms. Mayfield said so, I think that will be helpful in that January conversation to actually look at what are all of our developmental fees that have been identified through the most recent plan adopted by Council and seeing where we have more opportunity there, if it is our fees that's causing some of the additional financial cost. Also, with any of these NOAHs, do you know if any of these NOAH addresses have ever previously received funding? I remember a number of years ago we had a challenge where the apartment complex would be sold, whether it's sold to a family member or to a cousin, the name changed, the address doesn't, the people receiving the funding doesn't but



we still had challenges in those developments. So, are any of these NOAHs any addresses that previously have received funding from the City? Because I know one of them was built in the 1970s.

Mr. Heath said so, the NOAH project that's presented tonight has never received City funding through the trust fund.

Ms. Mayfield said not just through the trust fund, period?

Mr. Heath said period, yes.

Ms. Mayfield said that's what I want to clarify. Also, a follow up on the questions my colleagues asked for the Central at Old Concord. That's where we're potentially going to be relocating. You said the current individuals live in trailers. Are those rental trailer homes?

Mr. Heath said yes, they are. They're all rentals.

Ms. Mayfield said so, I think what I heard or maybe it's just what I wanted to hear because we hear what we want to hear, is an opportunity where we know historically with these wait lists, each development creates their own waitlist. Mr. Wooten and I had plenty of conversations over the years about this idea of a master waitlist because you have people that have been out there five, seven years and you have residents who move into the City three months, six months and they're already in a brand-new development. Do you know if there's an opportunity since this particular developer has committed to a relocation plan as well as relocation assistance to either identifying housing within since they have a total of 200 units for the individuals there, versus the idea of we'll relocate you somewhere else if they're building something new?

Mr. Heath said it's possible but I think it's too soon to say and it's one reason why I'm glad that one of the first steps in the process is to do the one on one interviews because really a lot of it boils down to, what are the individual needs and desires of a particular household, and with the navigation referral consultant by their side trying to evaluate, what are the best options for that particular household? Whether it's staying in a mobile park scenario in a different location or moving to another form of affordable housing.

Ms. Mayfield said so, we know it can be two to five years for a development to be completed. I think we have an opportunity if we're really going to assist residents that are being relocated, then we have projects that we have approved within the last three to five years that are just coming out the ground now. That are just getting ready to open up. While they're creating their own waitlist, I think the City has an opportunity on the front end to be more proactive because we already have all their information, the individuals that through our approvals are being displaced, to get them in direct communication with some of these new developments that are going to have their ribbon cuttings or already have started moving people in within the next two to six months versus waiting for a project that's two plus years down the line. We already have some projects that are coming out the ground. That may be an opportunity for us to be proactive on the front end. I appreciate you breaking down the Matthews property and that the County does have some money. You did not share how much, but I appreciate the fact that this is not just the City looking at HUD funds. When you go to the Kings on Lamar Development as far as our investment for those men that are experiencing homelessness, I'm glad that we're at that place, but of course you know I'm going to have questions for you on Aveline, of which my colleagues have already had a couple. I appreciate the fact that it's ownership and that they are duets. It is still mind blowing to me that you're looking at \$260,000 to \$285,000 for half a home, but that's the place we're in today. What is the language on the front end for how long owner occupancy needs to be? Because one year, two years is not enough. We saw the impact in Brightwalk, we saw when we made investments because you have individuals that know how to target vulnerable community. So, if we don't have language in place for a minimum of say three to five years of owner occupancy of the original owner, one, to keep investors out because if that language is written in the deed you have a less chance of it being an investor. You have less chance of that home being

flipped and you have less chance of someone basically being convinced out of their home. So, someone might offer them \$280,000 or \$300,000 on the house which sounds like a good bit of funds until you need to go somewhere else. We've already seen the impact where we've made investments throughout this City and a number of those residents don't live there today because we didn't put certain language in to not only protect our investment, but to protect our residents that are sometimes vulnerable. So, do you know what the minimum of what language is going to say for owner occupancy?

For the person that when I buy this, when I'm applying for this loan, is the deed going to state minimum owner occupied three years, five years, versus not having any language because we've seen where individuals have received access but then two years later they're not in that home and they're now back in our system needing assistance. Because there's a difference, even when you think of an HOA. How a number of communities have been able to minimize the impact of investors is they've updated their HOA language to say, "This must be owner occupied for a minimum of three, four or five years," and that's kept investors out of it. So, we're not going to tell someone, "You've got to live here for 30 years," but are we saying that owner occupancy, there's a minimum in the deed?

Mr. Heath said Manager Jones and Mayor Lyles, can I invite Mr. Wooten to the microphone to answer the question?

Mayor Lyles said sure. I think Ms. Mayfield's point is accurate. I think that some of the institutions that we've had have gone through this, and Belmont particularly, the Habitat houses were sold. So, that's why I ask we ought to survey people that have got this in place not just in Charlotte, but where other places are that are high growth communities where they're dealing with affordable housing because it is a real question and people need to have clarity. So, Mr. Wooten?

**Warren Wooten, Assistant Director Housing and Neighborhood Services** said yes. Warren Wooten, Housing and Neighborhood Service. Ms. Mayfield, there's two restrictions on the property. There's the initial restriction that goes to the buyer that they sell it to. So, in that language, for 15 years it has to be sold to an owner occupant at or below 80 percent of AMI. There's a second restriction that's going to be recorded against these properties. It is a 30-year restriction. That 30-year restriction is your right of first refusal which means the City can buy it back and it is prohibition to renting the property. So, for 30 years, these properties will be only allowed to be sold to owner occupants and the City will maintain and watch that with our asset management group.

Ms. Mayfield said so, I appreciate the additional part that you just added regarding the properties not being able to be a rental because I guess I missed that part.

Mr. Wooten said correct, for 30 years.

Ms. Mayfield said I apologize Mr. Heath if I missed that part in the beginning because at the end of the day if we have the opportunity to try to protect residents based off what we've seen because we can go into Brightwalk today and see that a number of those homes have flipped hands in a relatively short period of time. That defeats our investment goals to make sure that we're protecting residents and giving them access to the resources to maintain ownership. So, I appreciate that what you're telling me and what we're getting in the minutes is that there is a clear expectation on the front end that these are to be owner occupied and that there is a minimum time period so that we don't see house flipping happening in this particular situation. That was all that I have for you sir. Thank you very much.

**Councilmember Driggs** said Swan Run, I'm grateful that there was some money for District Seven, and it didn't all go to District One. I'm interested though. It looks like there's some sort of low-level structures there. Is this all going to be repurposing existing buildings? There's not expansion or new construction?

Mr. Heath said that's correct. It's all repurposing existing buildings. With the total development cost, there's about \$1.8 million in renovation and the balance of it is the acquisition itself.

Mr. Driggs said right. Are there any other subsidies aside from the \$2.4 million?

Mr. Heath said from any source?

Mr. Driggs said yes.

Mr. Heath said okay. So, the capital stack includes the pursuit of funding from CHOIF, Charlotte Housing Opportunity Investment Fund. LISC (Local Initiatives Support Corporation) has been a great partner with us in the past. This particular project does not include funding from the County. Generally speaking, the City-County collaboration on NOAHs will be for the larger more transformational size kind of NOAHs.

Mr. Driggs said so, do we know how much is coming from CHOIF?

Mr. Heath said I don't have that number off the top of my head, but Mark has shared it with me before.

Mr. Driggs said let me know when you can.

Mr. Heath said okay.

Mr. Driggs said then does this deal have all of the same features as some of our prior transactions with Ascent?

Mr. Heath said it does.

Mr. Driggs said is there a tax angle?

Mr. Heath said it does. It would be modeled in the same fashion as the previous deals, correct.

Mr. Driggs said they also have a provision about special services for the lowest income people there. Is that right? Same deal?

Mr. Heath said yes. The community health worker model will be embedded in this community. That's correct.

Mr. Driggs said okay, thank you.

**Councilmember Bokhari** said just a real quick question. For the homeownership, why not do some little encumbrance on the property and then if they sell after 15 years take out the City subsidy to refill the pot back for the next investment?

Mr. Heath said I'm not sure if that's different than what's contemplated here if there's a scenario beyond year 15 where there's a sale that occurs to a household above 80 percent AMI.

Mr. Bokhari said every 15 years they can sell it at market rate, right?

Mr. Heath said right. Then we have the right of first refusal. So, we can choose to be that buyer or an agent of the City could choose to be that buyer.

Mr. Bokhari said what if they decide to sell it for two times the value that you don't agree with?

Mr. Heath said so, I think under the DreamKey Model, the emphasis is on once you get beyond the 15-year horizon, there is an opportunity for that owner to harvest equity based on whatever market prices are.

Mr. Bokhari said I totally agree. I like that, but what I'm saying is if the City had \$25,000 or \$30,000 or whatever how much in it, if we're going to have a sustainable model, every year if you do that, by the time 15 comes, all of a sudden every year as people sell, that original money, they might sell it for \$100,000 more, \$30,000 comes back to the City. They keep \$70,000 and that money can now be deployed and then you've got a rolling capability.

Mr. Heath said yes and that's the thing I keep to referring to January 2024, but a lot of these models have the shared equity component in it where there's a piece of that equity that the owner takes and then there's a piece that's left behind in the project in order for it to be retained at affordable levels going forward. So, I think that's what you're referring to. It would be like shared equity?

Mr. Bokhari said I'm not trying to make that unit retain affordability overall, I'm trying to figure out sustainable ways to keep the Housing Trust Fund populated over time and if the homeownership one is the most exciting one potentially, where it might go, but you've got to figure out some way to make that funding possible because it's going to cost money.

Mr. Heath said right.

Mr. Bokhari said so, just something to think about.

Mr. Heath said okay. Thank you.

Mayor Lyles said is that in the Committee discussion that you're going to be having Ms. Watlington?

Ms. Watlington said yes.

Mayor Lyles said okay.

Ms. Mayfield said that [INAUDIBLE] would be good Manager.

Mayor Lyles said alright. Mr. Heath, you got all that you need and more. I think that in the Manager's report, we're going to talk about the corridors at that time.

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#### **ITEM NO. 5: CLOSED SESSION**

No closed session occurred.

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

\* \* \* \* \*

The City Council of the City of Charlotte, North Carolina reconvened for a Business Meeting on Monday, September 11, 2023, at 6:36 p.m. p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Vi Lyles presiding. Council members present were Dimple Ajmera, Danté Anderson, Tariq Bokhari, Ed Driggs, Malcolm Graham, Renee Johnson, Lawana Mayfield, James Mitchell, Marjorie Molina, Victoria Watlington, and Braxton Winston II.

**ABSENT:** Councilmember Malcolm Graham and Renee Johnson

**Councilmember Mitchell Arrived at 6:33 p.m.**

**Mayor Lyles** said thank you all that are joining us for the City Council meeting. Those that are in the chamber, those that are watching us streaming online or on the City's YouTube Channel. We want to say welcome. We will begin with our call to order for this meeting. We are going to really address several issues, but let's begin our meeting with introductions of people at the dais.

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**INVOCATION AND PLEDGE**

Councilmember Driggs gave the Invocation and the Pledge of Allegiance to the Flag was led by all.

\* \* \* \* \*

**PUBLIC HEARING**

**ITEM NO. 6: PUBLIC HEARING AND DECISION ON GENERAL OBLIGATION REFUNDING BONDS AND AUTHORIZATION OF GENERAL OBLIGATION BOND ANTICIPATION NOTES**

**Mayor Lyles** declared the hearing open.

There being no speakers, either for, or against, a motion was made by Councilmember Winston, seconded by Councilmember Bokhari and carried unanimously to close the public hearing.

Motion was made by Councilmember Mayfield, seconded by Councilmember Winston, and carried unanimously to (A) Conduct a public hearing regarding the issuance of General Obligation Refunding Bonds not to exceed \$235,000,000 to fund street and neighborhood improvement projects, (B) Adopt the bond order and resolution to provide for the issuance of General Obligation Refunding Bonds not to exceed \$235,000,000, (C) Adopt Budget Ordinance 609-X appropriating \$235,000,000 in bond proceeds to the Municipal Debt Service Fund, (D) Adopt a resolution to authorize a bond anticipation note program for up to \$200,000,000 to be used for projects approved in the 2018 and 2020 referenda, and (E) Authorize City officials to take the necessary actions to complete the financing, including making application to the Local Government Commission.

The ordinance is recorded in full in Ordinance Book 66, at Page(s) 327.

The resolution is recorded in full in Resolution Book 54, at Page(s) 298-341.

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**POLICY**

**ITEM NO. 7: CITY MANAGER'S REPORT**

**Marcus Jones, City Manager** said thank you Mayor and members of Council. I sent out a 30-day memo earlier today. We originally had planned on speaking with you about the digital inclusion during the Manager's report. We believe it makes more sense to have this discussion on October 9, 2023, which actually opens up an opportunity for us to catch up on an item that we had for the action briefing that we didn't have a chance to get to, the Corridors of Opportunity which was in the ED (Economic Development) Committee earlier this month with a plan to have a larger discussion tonight. I know

during that Committee discussion, many of you had questions and were willing to hold off until tonight. So, Mayor, if there aren't any questions, I'd like to invite Monica Holmes down.

**Monica Holmes, Planning** said good evening. How are you guys doing?

**Mayor Lyles** said good evening.

Ms. Holmes said I'm going to give them a second to pull up my presentation and I'll go ahead and get started while that is happening. So, as you know we were in front of Committee last week at the Jobs and Economic Development Committee and you'll see some of the same information, but with more depth to it. So, let's get started. So, tonight I'm going to give you a broad overview, go through where we are in 2023, some Corridors updates, talk through our upcoming initiatives and projects and then next steps and what we will be doing in the coming years.

So, as a reminder, Corridors of Opportunity is in its third year and we have been working through infrastructure projects, public-private partnerships and a variety of programs to about \$72 million of City investment. So, again, as a reminder, if people are not familiar with what the Corridors of Opportunity program is, it supports investment and six under invested historically under invested corridors. The core goals of the program are to foster thriving communities to build lasting legacy and to grow our community equitably. The core of the program is to support existing businesses, residents and community members to grow economically with more opportunity. There are six corridors. West Boulevard, Freedom/Wilkinson, Beatties Ford/Rozzelles Ferry, Sugar Creek and 85, Graham/North Tryon and Central/Albemarle. So, at the beginning of 2023 we came to you and told you a little bit about what our goals were for the year and our goals are really focused around continuing to build partnerships, focusing on implementation in Sugar Creek and Albemarle, getting into project prioritization and completing the playbooks for Graham/North Tryon and Wilkinson/Freedom, and to build a more robust community engagement and communication effort and really get in to the meat of the Corridors' work. So, I'm happy to say that we have been moving forward on all fronts with that work and I'll talk a little bit about these individually as I get through this tonight.

So, as a framework for Corridors, our work and our structure both internally and externally and how we collaborate across departments is focused around the framework for the Charlotte Future 2040 Plan. So, there are 10 goals in that plan. There are six that we call workstreams and themes in Corridors and we collaborate across those. There are three or more City or County departments in each one and we're moving forward with implementation across all six of those. So, you can see here what an example of programs and projects and partnerships in each of those buckets are. So, you'll see things like the Placemaking Projects in West Boulevard and Beatties Ford, which I'll talk about a little bit tonight, transportation projects, our strategic acquisitions, some of the support we're doing for our Spanish language businesses, Safe Biz, our camera pilot program and Corridors Connect and Road to Hire which you just voted on.

So, I really want to recognize some of the great partners externally that are doing this work in partnership with us. So, you'll see actually up here in the audience tonight we have Rusty Mills with LISC and Kathryn Firmin-Sellers with United Way and Tracy Russ with The Foundation for the Carolinas representing that. Wells Fargo, Beyond Open Peace and really our partner in the work. So, the things that the City are not experts at, these are the experts helping us to fill those gaps and to do some of the really human needs work, working on supporting small business with Beyond Open, working to leverage our dollars with LISC and helping us really achieve the bigger goals. So, we call it our big hairy goal. Our team here at the City has set a big goal over the next three years of raising \$100 million both privately and through federal grants in addition to the City's funding. So, we're well on our way with that, but we just want to really thank our partners and the close relationship we have with them to help us reach that bigger broader goal.

So, now I'm just going to quickly go Corridor by Corridor as to where we are. Again, some of these we talked about last week, some we didn't, but you'll hear a little bit deeper into how we are doing the work. So, first North Tryon/North Graham. We finished that playbook in the winter of last year. We are focused on implementing projects and focusing on how we build the employment hub that is North Tryon/North Graham leveraging some of the great projects like Camp North End, some of the great things that we're seeing happen in the North Tryon Corridor and making sure that Corridor is still strong, connecting people to jobs, housing, and that we are not displacing that community. So, a lot of the work we're doing in that Corridor is focused on providing opportunity and connectivity to those existing residents. So, the Freedom and Wilkinson Drive Corridor. We're actually in the middle of a playbook process right now for that Corridor. We welcome people to get involved with that work. We had the kickoff August 24, 2023. There were approximately 65 to 70 people at that kickoff. You can see some of the photos here from that meeting. We're partnering with some local organizations to do some creative engagement as part of the process. We'll be done in the winter with that Corridor playbook and then we'll start working on implementation.

So, in Albemarle Road we finished that playbook in summer of 2022. We quickly moved from the playbook into what we called the roadmap which is really our strategic three year. How we're doing the work. You can see some of those projects starting to take shape now. We have the City property that was sold earlier this year. I just want to point out here that they're other investments we're leveraging in that Corridor like the Umbrella Center, the Peppertree and NOAH Partnership, Prospera which is funded from Corridors of Opportunity which is a small business cohort. It's our first in language program as a City where we've done it in another language to support small business. We have a staying in place pilot community there. We have some exciting work that'll kick off in this winter/spring around what we call the Albemarle Cultural Trail. We have a big investment going on in our sidewalk gaps which I'll show in just a minute and then we've been working with some other partners like the YMCA (You Men's Christian Association) in the area on what their future programming and planning looks like.

So, in West Boulevard I want to focus on the Three Sisters Market and the work that's starting to happen there. We also are working on our parcel, the Strategic Acquisition Parcel, starting to review those proposals and really understanding what that redevelopment will look like. We are going to continue to support the Merchant's Association. Our staff has been participating in their meetings and they are getting ready to kick off a membership drive which is very exciting. They're also participating in what we call the Breaking Barriers to Business Program which is a partnership with Truist and Main Street America. They participated in a legacy project around the intersection of West Boulevard and Remount which we have some great planning work that was the result of that. Then multiple partnerships with place making. You'll see a little bit around those projects when I dive into those.

Then finally, last but definitely not least is the Beatties Ford Road Corridor. That is our first Corridor that we launched with implementation a couple of years ago and it's been really special to see the organic evolution of City-driven work with community support to now community-driven work with City support. So, we are helping Historic West End Partners, Washington Heights, the Alternatives to Violence Team really giving them the staffing and support that they ask for around specific projects and partnerships that they're putting together. So, they are really leading the work and we are just helping along the way where we need to help put those pieces together. So, really great work happening in Beatties Ford and it's interesting to see what the evolution years later looks like.

So, around the strategic acquisitions, there were three City acquired parcels that we had all the requests for proposals due August 31, 2023. We received 10 applications. We had four applications for the Double Oaks site, three applications for the Economy Inn site and three applications for the West Boulevard site. We are currently in review of those. They're all for different uses as you can see here. The Double Oaks site is mixed residential with community input. Again, each of the applications is a little different. We're just starting to get into those. West Boulevard and Remount is more focused on

the commercial side and then the Economy Inn is for sale residential affordable housing. So, with the Economy Inn, if anybody has driven by the Sugar Creek intersection this week, the Economy Inn no longer exists. It has been demolished. We finished up the asbestos abatement towards the beginning of last week. We have really moved quickly and I'm very proud of our City team, the project managers that have taken lead of it to move fast and be responsive to that community.

So, we also are focused on opportunity hubs. We had a grant open. It's for our community partners based in Corridors that focus around small businesses, jobs and entrepreneurship. We had an open application for about six weeks. We received 21 applications. We're currently reviewing those and working with our team on figuring out the right partnerships and getting through those applications. It's going to be exciting work. There will be a physical location in each Corridor, and it'll provide us the opportunity to have a home base for other resources too and other partners to work together in each Corridor. So, more to come on those. You will see more about the opportunity hubs as we continue to move them forward.

The Emerging Developer Training Program. You will see that in the coming weeks as well as we move forward with that proposed partnership with LISC and some private partners. This program is focused on building more diversity in our commercial real estate industry and getting developers up and running to really scale from smaller projects to bigger projects. It will be a cohort model and will be able to have mentors that are not just from the Charlotte area but from regional and even nationally. LISC has been working hard on getting private funding into this training program as well as getting extra dollars for projects to get off the ground for recent graduates. So, exciting work there. Quickly, these are some new things I just wanted to showcase that are in work streams outside of just that diverse and resilient economy. So, I want to talk a little bit about some of the creating special places, which these might be smaller projects, but they're very meaningful to the community. We have a project in West Boulevard that we've been working hard with the West Boulevard Neighborhood Group on to do some historic markers and there's a local artist that was actually born and raised in the West Boulevard Corridor who is helping us with these. We've been working closely with NC-DOT (North Carolina Department of Transportation) and they will be completed fairly soon. In the Beatties Ford Corridor, we have a partnership with the library and the Knight Foundation to fund public space in front of the Allegra Westbrooks Library which the library will program. The artist who is working on this project is a Northwest School of the Arts Graduate. Then we also have some enhancements happening at the Beatties Ford and LaSalle intersection in conjunction with historic West End Partners. So, interesting things happening there.

In the North Tryon/North Graham Corridor, we received a \$260,000 grant from the Lowe's Foundation to build a partnership between our urban design team and the urban forestry team to build the Urban Arboretum Trail which they're taking remnant City properties that are really not able to be used for anything else and adding tree canopy to a community that lacks trees. So, there will be three separate properties, and this will be a very quick project and it will have the ribbon cutting later this fall and we will have a lovely public space that people in the community can enjoy while seeing the new trees, very specific species that are special to North Carolina.

So, in the mobility front, we are really focused around prioritizing pedestrians and cyclists who are trying to get to jobs and resources. So, most of our transportation projects in Corridors are focused on safety. These are high injury Corridors, and we are working diligently to leverage federal dollars to make our dollars go further with our transportation project. So, as you can see here, we have been able to win \$16.2 million federal dollars for about \$15 million locally on projects. So, I think we're doing pretty well. This is an example you'll see below on the Albemarle Road Corridor what a project looks like. So, what we are doing is we are taking several projects and making sure that they connect to places where people want to go. So, it's not just what we would call a safe crossing but it's a safe crossing that gets to a sidewalk connection that gets to a new bus stop.



So, again that theme of leveraging our federal dollars. We're also very proud to be a part of the Thriving Communities Program which is a bonus program for federal dollars for the next three years. So, the Corridors of Opportunity program is participating in the Thriving Communities network. We will get special technical assistance and we get bonus points on every grant that we apply for. So, very exciting. We actually have our kickoff this week for this program and LISC and United Way are also our partners in that program. So, we will be doing some community-based work to help identify projects and then go after federal grants to build them.

So, across housing, you just heard a lot about housing from Shawn. So, maybe we need to keep it light on this, but again, you saw some of the projects earlier, but I just want to reiterate that it is very cross collaborative. So, we have some great projects in that recent round of Housing Trust Fund that are in our Corridors. We're working on that Staying In Place pilot with our Housing and Neighborhood Services Team and then we have a couple of strategic acquisitions that we'll be working on at Double Oaks and the Economy Inn that'll provide some housing options. So, getting towards the end here, I just want to talk a little bit about Corridors Connect which is going to be a great opportunity for us all to connect with our Corridors communities. On October 8, 2023, October 15, 2023, and October 22, 2023, it's basically a neighborhood based open streets event where the community is invited to come. There will be food trucks, activities, we're giving community activation grants that are actively open. So, if community groups would like to participate, we will providing \$500 for groups to rent a bounce house, give out popsicles, whatever you think is the appropriate activity for your community. We also can provide information for people who are interested in getting involved. These events are in partnership with the County, Partners For Parks and Public Health. We're very excited about this and again we're just getting the word out there. We'll be doing press later this week. The activities will happen on Sundays from 1:00 p.m. to 5:00 p.m. on those dates. There will be two each weekend. I put the website up here so people could go to [openstreets704.com](https://openstreets704.com) for more information. Here are some fun images of all the things that we hope to see people doing at the Corridors Connect event. Painting the street, chalk, dancing, having a good time.

Then to finish up, I just want to take the time to say what we're looking forward to and what we'll be moving towards in 2024, then I'm going to finish with the last but not least, a success story from our Sugar Creek Corridor. So, as we move forward into 2024, we are focused on continuing to grow. If you'll see that common theme, our private investment and to build our partnerships. We're focusing implementation across all six Corridors. We are working to get those community groups up, running, strengthened so that they're doing the work, which we know they are. We will finish out that prioritizing projects in Wilkinson and Freedom and then again continuing our communications effort. One other thing we're really focusing on in the next coming months too is how we're measuring success with the program. So, I just want to shout out a little bit to United Way as I think we'll be working a little closer together on how we're measuring their program and our program and where there's intersection points so that we really can see what our impact is. So, I think more to come on that front, and I'll be happy to come back with those things as we continue to move forward. Then last, I just want to point out how all these different themed projects, different Corridor work can all work together to really add up to us starting to move the needle towards success.

So, you can see here in the Sugar Creek Corridor those different highlighted things on the map are different projects across all six themes. So, we have a couple placemaking grant recipients in the Corridor doing work in Derita and in the Hidden Valley part of the Sugar Creek Corridor. We have things like street light upgrades, we've been making inroads, building a business association, opportunity hub we know will happen in this Corridor. We just were the recipients of the Raise Grant which we'll be working on. There's strong community partnerships already happening and then we obviously have some of the hotel redevelopment occurring. Really what all that has done has been able to for us to leverage and layer all these things to work towards a safer stronger Sugar Creek Corridor that's done with the community and not to the community. So, I'm really proud of this work. We always have more work to do. I think that you will continue to see the nonprofits working in the Corridor continue to grow and continue to prosper and

continue to be our partners in the work. I also just want to make sure, we talked about this in Committee, but that we recognize the fact that we have invested an estimated \$10 million in the Corridor or scheduled about that much and we've already seen over \$22 million of private investment. We've been able to reduce the hotel rooms through the work and the partnership with people like Heal Charlotte. We have some private interests in the hotel rooms with our investment in the hotels and if you add all that up, it's about a 38 percent reduction. So, great work happening there. The Sugar Creek Business Association has a full seated Board, and we just look to see the work in this Corridor continue to grow. So, I'll end on that positive note and if we have time for any questions, I welcome them.

Mr. Jones said We keep lifting up the Corridors as this horizontal way that we work within the organization. So, very proud of the team and all the work that's going on in all the Corridors. So, thank you.

**Councilmember Ajmera** said I'm absolutely proud of the work, Mr. Jones, that has been done under your leadership. I remember about three to four years ago, we started talking about Corridors of Opportunity, historically under invested areas and this is a bold step of over \$72 million in just three years alone and we are leveraging our funding with private sector and federal and state funding because we're in this together. It's going to take the Federal, State, City working together with the private sector and nonprofit to really move the needle in the right direction. I'm really impressed with the comprehensive approach here where we are focused not just on the housing but jobs. Opportunities for our small businesses who have been part of the Corridors for far too long but has not seen the type of investment before. Really, I love the environment piece and how we are integrating that because there are many parts of our City especially in this Corridors of Opportunity where we don't have tree canopy. So, I love the arboretum trail and hopefully we will continue to expand that while retaining our culture and identity. Every Corridor is unique and it's important that we integrate that as part of our playbook. I'm really impressed with the work Monica that's been done and I hope that we continue to keep the momentum to really invest in these Corridors of Opportunities. Thank you.

**Councilmember Mitchell** said Monica, just two quick takeaways. You can provide this later on. One is you mentioned there was one slide about private investments. So, I'd like to get a copy of all those who are providing grants, at what level they will be providing grants. That's number one. Number two, I'd like to get a copy of the RFPs that are out there on the street just to see what criteria we put in those proposals. Thank you.

**Councilmember Anderson** said Monica, I just want to congratulate your team for the work. We love it when a plan comes together, but you guys have really been doing a lot of heavy lifting and it's evident of course in the Sugar Creek Corridor. I do want to make a comment about the North Tryon/North Graham Corridor. I had the opportunity actually along with the Mayor to attend the grand opening of the Gaston and it's a former Charlotte Housing Authority property, Dillehay Courts that had 36 units that were cinder block walls, no HVAC, (Heating, Ventilation and Air Conditioning) really dilapidated and in that same footprint, they're 144 brand new apartments that are phenomenal. They're gorgeous apartments, one through three bedrooms and still maintaining 36 units for 30 percent AMI and the City helped provide gap funding for that project. Otherwise, it would not have come to fruition. So, it was a great example of something we're doing in the Corridor where we're collaborating with the County and Inlivan to really change a neighborhood and bring it up to 2023 standards. So, I want to lift up that work and everything you're doing in the North Graham Corridor, especially as it relates to the digital divide and career readiness. So, keep up the good work. Congratulations and I'm looking forward to everything that's coming down the pipeline.

**Councilmember Mayfield** said Monica thank you for the presentation and for the opportunity for us to go out and meet with not only some of the business leaders but also community members regarding what is happening in investment. When I look at the Freedom Wilkinson playbook, I'm hoping that as we're moving forward, for full

transparency, you remember I used to have a lot of questions regarding Corridors of Opportunity and the basic ones were, who were the opportunities for? So, you look at Freedom Drive today. So, you look at the eight years when I served as the District Rep and a number of the businesses do not reflect the residents that once lived there. They reflect the residents that live there today which is a different socioeconomic from a community that had homes right off of Freedom Drive in what was once Westwood Apartments which were over 650 lower income apartments. New development came in. You now have a community that was one Regal Heights that is now under historic Camp Greene that have \$700,000 homes in them today. As we're moving forward, I'm hoping we're putting the language in place that is definitely much more targeted to create opportunities because what I would hope is that we learned the lesson that happened with the Good Life at Enderly Park because it took a lot of work to get at least one Black-owned business along the Freedom Drive Corridor and in essence that only Black-owned business was ran out. There was plenty of media attention. People can do their own Google search on it, but that was a major challenge as the former rep of that area to work hard and thinking that our language was going to encourage one type of development and then to see the implementation create something that was very different. So, we can say unintended consequences. The challenge is now we know better. So, the question is, are we going to put the language in place as we move to expand our Corridors of Opportunity and learn the lessons from the initial investments to ensure that the community who currently lives there, not the community of the future, because we have in here that we're going to engage the community business owners and stakeholders in a concise process to identify priorities. Well, the business owners that are there today are not the ones that were there even five years ago.

So, if there's not diversity in those conversations that truly reflect the neighborhoods, I have a concern that we will be opening the door for more transition that what we're already seeing. So, I hope that we can follow up at some point to really look at the impact, and when you look at Tuckaseegee, you look at the investments we put in the roundabout, that took six plus years to get the roundabout there, when we look at who is having opportunities. You look at all of the breweries. There's maybe two Black-owned businesses that are along Tuckaseegee and one of them is on the other side in the Greater Enderly Neighborhood. So, Manager this is really also a thought for you and your team. How can we be much more conscious with the equity framework that my colleagues previously adopted to ensure as we move forward with these conversations we're actually achieving the goals that we're telling the community are our target. Thank you.

**Councilmember Watlington** said I just want to lift up a couple of quick items. The first one is specific to the goals from the Comp 2040 that were called out. I noticed that 10-minute neighborhoods and neighborhood diversity and inclusion weren't specifically included. So, I just wanted to lift up that absolutely our City's Corridors is a vehicle to achieve those goals whether by enabling professional services for instance where people might've had to travel outside of the neighborhood to get dentist or accountant or whoever, if there are ways that we can support those kinds of businesses within the Corridors. Speaking to Councilmember Mayfield's point, I think that certainly contributes to 10-minute neighborhoods without it even having to be an infrastructure type of investment. So, I just want to make sure that we're making that connection as well as the neighborhood diversity and inclusion component, because again, to Ms. Mayfield's point, when we're talking about residents that live there now and even the works that we're doing with anti-displacement and wanting to make sure that residents who have been long term residents can stay even as we welcome in new residents. I think there's a play there for age and income diversity to say the least. So, I just want to make sure that as we think about how important this program is to achieve our goals that we get the full scope.

Then I just wanted to lift up and ask you talk a little bit, I know we're at the very beginning stages of it, but the Corridors' work to date has been very place-based and focused around what we can do within the Corridors and now as each of the Corridors are in flight and our neighborhood quarterbacks are talking to each other, and our partner agencies are working together, we're not getting to that next level of broader

policy type items and talking about how do we not only impact the place but the people in the Corridor. So, I just wanted to provide just a little color on how you think that might look going forward.

Ms. Holmes said so I think again, we are in the early stages of talking through that. I think one key is that our Neighborhood Investment Advisory Committee works really closely together. So, my friends here tonight, we all sit on that together and we really have to understand what each group's role is and how we work together towards our common goal of place and people based economic development and community development, and then what our lanes are and where we might have intersection in those. So, we meet monthly. We can do more to meet more frequently with staff on off topics and I think where we're starting to work through that where appropriate, but I think that's step one, understanding what everybody is doing in aligning ourselves. I'm proud to say we're getting there. Beyond Open is solely focused on Corridors of Opportunity's small business, LISC's work is providing extra impact on the development side and they're going to work with us on the developer training piece. United Way and all their quarterbacks, we're starting to understand what that it. We have work to do, especially in spaces that we as a City don't typically sit in that are very people centered. So, we're just figuring out where do we sit in that conversation versus where our partner sits and then let's understand what each other's role is and how we work together towards the common good. We have great working relationships with quarterback agencies in almost every Corridor, especially ones we're deep in implementation with like Beatties Ford, West Boulevard, Sugar Creek. Just starting to get there with Albemarle. Again, getting further in the North Tryon/North Graham Corridor and Freedom/Wilkinson we're right at the tip of it. So, I've talked to some of those agencies to understand where we are in that relationship spectrum and how we can grow closer to understand roles and who's doing what.

Ms. Watlington said thank you. On that note colleagues, I'd like to request a referral in the form of a policy item to understand what are some of those items. I've got an email in front of me that Freedom Community as one of our main partners has sent over that's already outlined several of the policy items. Some of which as Monica mentioned are within the City and some might show up where we play more of an advocacy role or show up on our legislative agenda, but I'd love to have that conversation within Committee, whether it's ED or Neighborhoods Committee on what those broader policies coming out of our Corridors of Opportunity program may be.

Mayor Lyles said Thank you very much for the update.

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## **BUSINESS**

### **ITEM NO. 8: THREE SISTERS MARKET**

<p>Motion was made by Councilmember Ajmera, seconded by Councilmember Winston, and carried unanimously to (A) Approve the use of \$1,500,000 from the Coronavirus State and Local Fiscal Recovery Fund for the West Boulevard Neighborhood Coalition in support of the development of Three Sisters Market, and (B) Authorize the City Manager, or his designee, to execute, amend and renew contracts as needed to complete this transaction.</p>
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### **ITEM NO. 9: HOUSING SUPPORT GRANTS AND NON-PROFIT CAPACITY BUILDING SUPPORT**

Motion was made by Councilmember Winston, and seconded by Councilmember Anderson to (A) Approve the use of \$6,400,000 from the Coronavirus State and Local Fiscal Recovery Fund for the following nonprofit organizations providing projects and/or programming in support of housing security and stability for low-income residents: Heal Charlotte (\$2,250,000), Freedom Fighting Missionaries (\$2,000,000), West Side Community Land Trust (\$1,750,000), Charlotte Family Housing (\$400,000), (B) Approve the use of \$1,100,000 in Community Development Block Grant funds for Rebuilding Together of Greater Charlotte in support of housing security and stability for low-income residents, (C) Approve the use of \$99,000 from the Coronavirus State and Local Fiscal Recovery Fund for non-profit capacity building services to be provided by Next Stage Consulting, Inc., and (D) Authorize the City Manager to execute, amend and renew contracts as needed to complete these transactions.

**Mayor Lyles** said we have a substitute motion and a second that would approve all of the items with the exception of Freedom Fighting Missionaries which would appear on our next agenda.

**Councilmember Winston** said yes, a word to my colleagues. The issues that we're dealing with are vast and the scale and speed at which we need solutions I fear that sometimes we've already done a lot of good work to get community driven and community guided policy that provides staff the opportunity to come back with good solutions. Sometimes we kick the can down the road and that can slow down our staff or whole organization from getting winds and continuing on to the next one and the next one and the next one and the next one. I know this is only two weeks, but this is something that I've noticed happens often. More often than I would like personally, and we should just be cognizant of that. We, at the government level, this municipal level certainly can only be one small part in this solution to providing that scale, but a lot of folks fall in line when we make very deliberate and strong moves and likewise, other partners that we depend on for scalable solutions to this will kind of hold back when we take our time. So, I understand that there's a few folks in the community that have had some concerns and there's certainly no issue with talking but we can do both at the same time. So, I would just again urge us to continue to push forward wherever we can as fast as we can. As fast as we can go is never going to be fast enough for our constituents out there. Thank you.

Substitute motion was made by Councilmember Molina, and seconded by Councilmember Ajmera to adopt action A, B, C and D but in action A, I would like to request from the Council that we move specifically just one, Freedom Fighting Missionaries for \$2 million to our next business meeting.

**Councilmember Molina** said to my colleague, that point is absolutely not wasted on me, but what I want to lift up and the purpose for my requesting for my colleagues to consider this motion with me is because we actually made the decision in Committee and we're making it with federal funding. So, I do plan to be present, and I do realize that this is a delay. I have talked to Kenny personally and I did share his rebuttal with the whole of Council to show that he is 100 percent onboard. That the community members are 100 percent onboard, and I want to communicate out loud that this isn't a denial, this is just a delay so that we can make sure that there's clarity around what is actually happening. I feel like there's some fear because there's not enough knowledge that's been exchanged. So, I really want to offer the opportunity to have that happen and then offer that to you all so that we can make a decision as a Council on the next business meeting.

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

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**ITEM NO. 10: GRANT FOR ALTERNATIVES TO VIOLENCE PROGRAM**

Motion was made by Councilmember Mayfield, seconded by Councilmember Winston, and carried unanimously to (A) Authorize the City Manager, or his designee, to accept a grant in the amount of \$1,000,000 from the United States Department of Justice to fund the continued implementation of the Alternatives to Violence Program, and (B) Adopt Budget Ordinance 610-X appropriating \$1,000,000 from the United States Department of Justice to the Neighborhood Development Grants Fund.

The ordinance is recorded in full in Ordinance Book 66, at Page(s) 328.

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**ITEM NO. 11: METROPOLITAN PLANNING PROGRAM GRANT MUNICIPAL AGREEMENT**

Motion was made by Councilmember Driggs, seconded by Councilmember Winston, and carried unanimously to (A) Adopt a resolution authorizing the City Manager to negotiate and execute a Municipal Agreement with the North Carolina Department of Transportation to support transit-planning activities for the Charlotte Regional Transportation Planning Organization, (B) Adopt a resolution authorizing the City Manager, or his designee, to execute Interlocal Agreements with Iredell County Area Transportation System and Union County Transportation to support transit-planning activities for the Charlotte Regional Transportation Planning Organization, and (C) Adopt a resolution authorizing the City Manager, or his designee, to execute Interlocal Agreements with Centralina Regional Council, the Town of Indian Trail, the Town of Matthews, the Town of Mooresville, and the Town of Stallings to support transportation planning projects.

The resolution is recorded in full in Resolution Book 54, at Page(s) 342-601.

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**ITEM NO. 19: LYNX RED LINE DESIGN UPDATE**

Motion was made by Councilmember Winston, and seconded by Councilmember Anderson to (A) Approve a contract for up to \$5,000,000 with HDR Engineering, Inc. for planning and design services related to the proposed LYNX Red Line, and (B) Authorize the City Manager to amend the contract consistent with the purpose for which the contract was approved.

**Thomas Ratliff, 3730 Philemon Avenue** said hi, good evening, everyone. My name is T.J. Ratliff. I live in the Sugar Creek NoDa area of Charlotte, District One. If I look familiar it's because I spoke in January 2023 advocating for car-free transportation options. If you recall Mayor, you said you enjoyed my speech and that I should become a lobbyist. Honestly it took me about 15 minutes to realize that was a compliment. Regardless, I'm here today to encourage everyone to support the HDR Engineering contract to design the Red Line. Frankly I don't expect much opposition to this measure due to how early this is in the process. Most procedural items like this would quietly pass without much discussion, but I want to say good job, keep going. When they complete the design, push for completion in reality. I couldn't find the price of the original design from 2009 but I'm sure it wasn't cheap. We don't want to pay another \$5 million in 14 years when this design goes out of date while we wait around for decent rail. I'm here to remind you that people care about this and elections are soon. If you're

nerdy enough to come to City Council on a Monday night, you probably already know that there's a primary election tomorrow. If you didn't like what you heard tonight, you can let them know very directly. Thank you for your time.

**Mayor Lyles** said thank you very much. Appreciate you coming down. There is a primary election tomorrow and I hope that everyone would come out and exercise their right to vote. Your vote is your voice.

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

YEAS: Councilmembers Ajmera, Anderson, Driggs, Mayfield, Mitchell, Molina, Watlington, and Winston

NAYS: Councilmember Bokhari


**Councilmember Mitchell** said Mayor, I just have one announcement if I can. This weekend in Greensboro is a very important day between North Carolina A&T (Agricultural and Technical State University) and North Carolina Central. So, we'd like to thank the folks at North Carolina A&T for hosting us for a great game. Twenty-two thousand people showed up and congratulations to North Carolina Central University for winning the game, 30 to 16. So, we'd like to say thank you. Mayor and Council, thank you for allowing me to make that announcement.

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#### ADJOURNMENT

Motion was made by Councilmember Mayfield, seconded by Councilmember Winston, and carried unanimously to adjourn the meeting.

The meeting was adjourned at 7:30 p.m.

  
Billie Tynes, Deputy City Clerk

Length of Meeting: 2 Hours, 9 Minutes  
Minutes completed: August 9, 2024