

The City Council of the City of Charlotte, North Carolina convened for a Proposed Budget Presentation on Monday, May 1, 2023, at 6:03 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Lyles presiding. Councilmembers present were Dimple Ajmera, Tariq Bokhari, Malcolm Graham, Reneé Johnson, LaWana Mayfield, James Mitchell, Victoria Watlington, and Braxton Winston, II.

ABSENT: Councilmember Marjorie Molina.

ABSENT UNTIL NOTED: Councilmembers Danté Anderson and Ed Driggs.

Mayor Lyles said thank you for joining us for probably one of the most important presentations that we will have this year as we get ready to remember or to review the City Manager's recommended budget. So, I want to say good evening and welcome to everyone that's joining us either virtually or in the room today. I want to do this as a reminder for the Council members that the committee reports that you have for today will be provided again on Action Review on May 8, 2023. So, we'll hear from everyone on the committee's work on May 8, 2023. So, you got a few more days to kind of work through some things, but tonight we receive the City Manager's proposed budget presentation which outlines the plan for advancing the strategic priorities adopted by the Council earlier this year in January. This presentation provides an opportunity for our community especially to learn more about the investments planned for our City. Tonight is our introduction, and after tonight we will have a chance to review and ask questions. In fact, on May 8, 2023, we will hold the Budget Public Hearing that's required, where members of our community have the opportunity to provide feedback on the budget. So, if you wish to think about this and have some comments, you may sign up to do so with the clerk's office online or by phone and we encourage you to do that.

Following the Public Hearing, Council then meets on May 11, 2023, for the Budget Adjustments Meeting. During this meeting, the City Council may offer changes and adjustments for further analysis and discussion. Those adjustments that receive at least five votes will move forward for consideration in the Council's Straw Votes Meeting scheduled for May 25, 2023, and then after we get through our straw votes, any proposed adjustments that receive six or more votes during that meeting will advance for inclusion in the Final Budget Ordinance proposed for adoption. This budget is a strategic document. It's where you invest the taxpayers' money. We know that it's an important plan for our employees that delivers services, and we understand that this document is our guidance for the next fiscal year. So, I am looking forward, I want to say thanks to the budget team. I want to say thanks to all of our employees who work on this effort. I know it's deeper than just the budget office, our finance team, but more importantly those people that build this budget from their departments up to the budget and recognizing the hard-working employees that serve our community every day, we want you to know that we really appreciate what you do and that you are truly the best ambassadors for our City.

* * * * *

ITEM NO. 1: CITY MANAGER'S PROPOSED FISCAL YEAR 2024 BUDGET PRESENTATION

Marcus Jones, City Manager said thank you, Mayor, and members of Council. It's good to be in front of you, and I really mean that in the sense that Mayor, you nailed it. There's a lot of work that goes into this policy document. This is an effort not only from my office, but the entire team as well as the community. I think it's really a good way to start with this is to go back to the FY21 budget where we, I believe I was in a room with two other members of my team having a virtual budget presentation and I think, at that time, we thought that this would be behind us in a short period of time. We weren't right. I will tell you, the key message in that FY21 budget was we never stop working, we spent the last four years building a resilient organization that allowed us to manage through COVID. So, we went to FY22, and we actually liked the title so much of the FY21 budget, we just called it, "Volume Two." In that budget, the main message was

that we never stopped working, we maintained reserves, we provided core services with no layoffs. Then the budget that we are under right now, the concept was stronger together and really coming out of COVID and that key message, was with this budget was built on an intentional plan through the pandemics supporting our employees, specifically our hourly employees, and one of the key messages at the bottom is really the Charlotte Business Journal. What I will tell you is that a couple of weeks ago, I took members of the team up to New York, into Boston, to talk to investors, to make sure that Charlotte's still a good investment because there would be a number of bonds that we're issuing over the course of the next year or so. Some of the questions that we asked them are, "What do you look for in terms of good investments?" Well, they said we don't like cities that go into their reserves. We don't like cities that use one time revenue for ongoing expenses, and we're very worried about the cities that have taken their COVID Funds and put it in their Budget just to balance it when there will be problems down the road. So, we checked a lot of boxes with them and I want to say it in this way, we appreciate a board having a Council, that understands that sound financial management is the backbone of any organization, and in that article the concept was Charlotte's population growth, it's diversified economy, kept the economy relatively stable during the pandemic, and the actions that were taken by this body, also played a big role in our success. So, what do we have for you tonight? We have a \$3.3 billion budget and that's all funds, so that's about 2.8 percent larger than the current \$3.24 billion budget, and it goes across not just the General Fund, but also through our Enterprise Fund.

So, let's talk a little bit about the General Fund. We've always had a number of principles around the budget. I believe the top principle is to have a structurally balanced budget, and that means ongoing revenue support ongoing services. So, I'm pleased to announce to you tonight that we have a structurally balanced budget again. I also want to tell you that we don't stop with one year. We think about this not just FY24 budget, but the FY25 budget also. So, I want to tell that you that the FY 2025 budget is also structurally balanced, and you'll say, "Well, Marcus, you haven't introduced the FY25 budget." The concept is don't do some things in the upcoming budget that you'll have to pay for in the following budget. In the FY25 budget, we don't make any policy decisions about compensation, but you have a structurally balanced budget, the growth is a little bit over 6 percent, and I'll tell you a little bit about what's in the budget. The other thing that's important is while we don't have a bond year in this budget, we are still maintaining our capital affordability.

I do want to take a couple steps back because it's very important, about how we treat our CIP (Capital Investment Plan) versus how it has been treated in the past. So, we think about these in terms of four bond cycles. If we go all the way back to 2007, there were four bond cycles, and the property tax was raised \$2.67 to support those four-bond cycles. You go back into 2014, the same concept, a new four bond cycle, and the property taxes were raised \$3.17 to support those four bonds. I will tell you that as we started these next four bond cycles, and you'll see FY25, which is going to be the 2024 Bond, and the 2026 Bond, and the 2028 Bond. There were no property tax increases in order to support those bonds and we introduced what we call the Steady State. So, what we do is before we place something in a bond, we try to make sure that we have at least 30 percent design and that's why we had that Advanced Planning Fund. So, maybe this is the last time I'll say this so, that we don't have a cross Charlotte Trail in your budget because we haven't really designed it. So, I feel that we are well positioned in terms of our Capital Investment Plan. Even with that, even with some of the headwinds that we've had, with some of the projects that are in these four bond cycles, we've addressed those in this budget, and you still have \$77 million of remaining capacity, that's unprogrammed over the next three bond cycles. So, it's not just the General Fund, because I showed you that \$3.3 billion budget starting off, we also have our Enterprise Funds. So, we have the Aviation, we have Water, and Stormwater, and we have the CATS (Charlotte Area Transit System). So, it's important to just bring some highlights as it relates to our Enterprise Funds, so, when we start to think about Aviation, 5 percent of the State's Gross Domestic Product is a part of our Aviation Department. It's worth \$32 billion of annual economic impact and it's the fifth busiest in terms of aircraft movement in the world. Water and Stormwater are both triple AAA

rated Enterprise Funds and some of the key takeaways from Water and Stormwater, is keeping that AAA bond rating, but also making investments in our Corridors that sometimes don't show up as we start to just look at the General Funds. Then CATS, it's the state's only light rail system and it moves over 12 million people annually. So, included in this grouping of departments and offerings that we have, we also have the Enterprise Funds.

So, what are the budget principles? We listened to Council, especially during the January Annual Strategy Meeting. We also listened to our own employees, and we had surveys and meetings in the community. So, in our listening sessions, that occurred in March, more than 300 people attended, either in attendance or viewed it, and we also had a Budget Survey, that had over 1,000 responses. So, through that we came up with these four budget principles which were Focusing on the Council Priorities, Remaining a Well-Managed Government, Investing in our Employees, and Investing in the Residents. So, you'll recall this from the Annual Strategy Meeting back in January. So, we have those four strategic priorities that remained the same, Great Neighborhoods, Safe Communities, Economic Development, and Transportation and Planning. In terms of the key initiatives, the Council had to tweak this year. So, we've had Affordable Housing, we've had the 2040 Plan, the UDO (Unified Development Ordinance), with the SEAP (Strategic Energy Action Plan) being included in that. We've had that Corridors of Opportunity with SAFE (Safety and Accountability for Everyone) Charlotte included in that, but what occurred during the Council Annual Strategy Meeting, we made sure that Arts and Culture, which we are in year three of that initiative, became a subset if you will of HIRE Charlotte, but you also wanted to pull out and lift up Workforce Development. Two additional new initiatives were Small Business and Minority Business Development and the digital divide.

As we go through this presentation today, we'll show hopefully how we begin starting to address some of the additional initiatives that the Council brought up in January. Just talk a little bit about these three key initiatives, the digital divide, Workforce Development, and Small and Minority Business Development. In terms of the digital divide, we've added two positions to help implement the program, which I'll talk a little bit more about later. In terms of Workforce Development, I've added a special assistant to the City Manager's Office for Workforce Development, as well as internally we've staffed up a bit in HR (Human Resources), and then lastly in Small and Minority Business Development, we've added three positions to Charlotte Business Inclusion, as well as lifted it up to establish it as its own office, which you will see in the Budget Book. So, as we start to think about Council priorities, I believe we begin to address when we haven't finalized or locked anything down in terms of having an opportunity for you to have this budget, but we think we're on a good path. So, as we try to remain a well-managed government, everything we do in the City, it's built on that. So, let's talk a little bit about the structure of the organization and some of the things that we're doing.

We've talked a while about horizontal integration, I think it's very important. I think one of the best examples is what we're seeing in terms of Corridors of Opportunities. We've had a number of reorganizations that have allowed us to have some efficiencies, I think one of the best is the consolidation of Water and Stormwater.

Councilmember Driggs arrived at 6:17 p.m.

I know Angela Charles is doing a great job. In terms of managing Capital Projects, I've talked a little bit about the Advanced Planning Program as well as the Steady State Affordability and then Sound Financial Management practices. Again, we did not use any of our reserves during COVID-19, and we haven't had a property tax increase in four years, and we've had 45 consecutive years of triple AAA bond rating. So, what do we do when we start a budget? We always start off with analyzing our accounts. What I will tell you is that it's been increasingly difficult to find savings if you will or efficiencies in this budget. So, over the last five years, not including this budget, those numbers totaled up to be a little bit north of \$36 million of efficiencies that we have found or savings in the budget process. I will tell you there's another \$4.1 million in the budget that we're proposing for each day, but you can see it's getting much more difficult to find

those types of efficiencies or savings in the departments. We discussed at the Budget Workshop, we have some unavoidable costs that we are handling. One of the things that I will point out, when we start to look at that \$2.8 million at the top, some of these are enhancements that we need just to maintain the current levels of service. Well, you say, "Marcus, an enhancement is an enhancement." Slow down a little bit, if what we're saying is that we are not being able to answer as many calls for services as we should, then we're going to need to have additional resources just to maintain the level of service that we had in the previous year. We're also seeing an increase in health care contributions as well as contractional and inflationary headwinds, but we're also managing our resources. I think this is pretty important as we start to identify what are some of the challenges, but also some of the ways we're handling it.

So, I talked a little about the identified reductions in efficiencies which is in that middle block about \$4.1 million, but we also had inflation boosted revenue sources. So, what do I mean by that? So, when we start to think about our investments, when we have this inflation, when we have the rates that go up, it actually has a positive impact on us. In terms of ABC (Alcoholic Beverage Control) Revenue, when you start to see the inflationary impact on ABC products and the consumption of those, we also get to see a bump in the revenue. Then lastly, and I think maybe most important, what we try to do is make sure that the General Fund has the resources that it needs to provide the level of service that we're trying to provide. What we also did, we took a look at PAYGO (Pay-As-You-Go) and as we started to look at PAYGO, we said there are some opportunities for us to channel some of that money back to the General Fund to help support our operations and that was worth about \$3.8 million. Where I don't see it as a problem, is because as we start to think about FY24, and the current fiscal year we'll end with a surplus and some of that surplus goes to PAYGO. As we start to think about FY25 and beyond, the concept is are we doing the bare minimum that we need to do in PAYGO in order to support programs. So, there may be some things that we've done in the past, like having \$8, \$10 million for the Corridors of Opportunity. That won't be the case in FY25 and beyond unless we see something that's different in terms of the revenue that's coming in.

So, just that's not insignificant to have that little bit of a change in terms of PAYGO to the General Fund, but we wanted to make sure that the General Fund was as strong as it could be. So, as we remain this well-managed government, it's important to check these three areas, and to make sure that we're on the right track. So, I want to start off with investing in our employees. We have a diverse workforce on so many levels and maybe one that a lot of individuals don't focus on is that it's almost as if we have three different workforces in terms of what we have with our hourly workers, that do a lot in operations right. So, we also have our salaried workers and think about your accountants or think about it that way. Then we have public safety in terms of police and fire, and not everybody can have the same type of schedule. Not everyone has the same type of pay plan. So, we try to be intentional as we begin to address the concerns of our employees. So, if we go back to the beginning of the current budget, the FY23 Budget, we started to see some changes in our vacancies in different areas and what became alarming what we saw is this significant increase in vacancies in our hourly employees from 7.1 percent in calendar year 2021 to almost double, 13.5 percent in calendar year 2022. We saw that uptick and we were very intentional about our hourly employees in this current budget. So, what did we do in the current budget? We did more than pay, because we talked to our employees, and it wasn't just compensation, it was also upward mobility. What could they do in terms of training? How can they have opportunities within our organization? So, one of the things that we did is that we had tuition prepayment through Central Piedmont. So, it's one thing to be able to be reimbursed when you take a class, but if you don't have the money in your account to begin with, you don't attend the class and there's no reimbursement to be had. So, what we did is we basically said, we'll pay it up front, right. You trust the employees, because you want to have opportunities for your employees, and we have some good new stories. We also set aside \$2 million for employee home ownership, and I will tell you since that time, it's even expanded. We started off with up to \$30,000 as it related to employee assistance, but even if you live in the Corridors, there's an opportunity, there's a plug, up to \$80,000 to help you move into a home. So, those are the types of

things that we're trying to do for our employees. What's also important is that we have flexible work schedules, especially for those salaried employees, and there was a 2 percent retention bonus and that was through the ARPA (American Rescue Plan Act) Funds. So, as we focused on our hourly employees in 2023, we did some things that were different.

So, a typical compensation increase was 3 percent, but it was 1.5 percent merit, and 1.5 percent COLA (Cost of Living Adjustment). So, you could find yourself as an hourly employee getting the first uptick in compensation in, let's say, December and that could only be worth 1.5 percent and when an employee showed basically showed me that, that was worth about \$0.25 on his paycheck, we had to think about very differently about how we compensate our hourly workers. So, what we did is in the current budget, 8 percent increase, and we did something different. It's 4 percent in July and 4 percent in January. So, that is the feedback that we've gotten from that has been tremendous. We don't talk about this enough, but last year the minimum hourly pay was \$20 an hour working for the City of Charlotte, and we also had some additional incentives, like shift differential. Thank you, Mayor Pro Tem, and 2.5 percent for that as well as 2.5 percent for jobs that required a CDL (Commercial Driver's License). So, let's build on that, for FY24, as we talk about our hourly employees, we have in the budget a 6 percent increase, which will be 3 percent in July, 3 percent in January, which is twice as much as a typical increase, and that would be about 14 percent over this two-year period. So, as we start to go into FY24, we have a different pressure and we've talked about this a little bit during the Budget Workshop. So, we've seen some improvements in terms of vacancies rates with salaried employees from double digits going down to 9 percent and from hourly going from 13.5 percent to 11, but we've seen something totally different in public safety, specifically police.

While fire has been hovering around 0 percent in terms of vacancies, we've seen this uptick in police, closer to 13 percent. So, we've previously worked with police and fire on a multiyear plan in order to make sure we attract and retain. I think here the key takeaways, from police, what we did is reduce the number of years to get to top pay. Police officers all now have 5 percent steps. As a budget-saving mechanism a decade or so ago, some of those steps got reduced to 2.5 percent. We added two senior police officer steps to allow for increases for top out and, in fire, we reduced the number of years to top pay, and we also made some additional contributions to their 401(k) to match what police was doing. The results, that third box, top pay increase for police officers by 14 percent and firefighters by 15 percent, and that's with a four-year degree and we also had a commitment to continue working on that.

So, here's our big challenge, and I would go back all the way to the early 1990s, there are a number of police officers when there was a push in the early 1990s to fund more police officers, those individuals are now approaching 30 years, and they're ready to retire, okay. So what we're seeing, the pressure is going to be not just what we saw in FY22 with 87 sworn retirements, we believe we're peaking this year, estimating it to be 91. The issue is we're not bringing in enough individuals to replace the folks that are retiring. As you can see in this chart, we believe it starts to thin out a little bit in the out years, but right now we're just in the middle of it. So, what are we doing? There's a couple of things that we believe that will help us in this area. We're eliminating a couple of steps in the beginning, so that we can get higher starting pay for our police officers. So, and we learned that we were losing police officers at a critical point, right around that step four, step five. So, two things we're doing in terms of recruitment and retention, one is that we're increasing the starting pay by 10.5 percent, and we're having this consolidated step early on in a police officer's career, so that there is this willingness to stay on for that 10 percent bump.

So, the new starting officer pay with a four-year degree would be almost \$63,000; \$62,911 to be exact. So, let's talk a little bit about top pay. One of the things that we've talked about with police is not just what the top pay is but getting to top pay faster. So, a couple of things that we have in this budget is we are adding two additional SPOs steps, if you will, that allows for the ability to have higher top pay and similarly with the sergeants what we're doing is we're eliminating the first step and adding a new step, so

the top pay for sergeants could also be higher. All done, the new top officer pay would be almost \$100,000; \$99,810, that's with a four-year degree. So, we're trying to get the recruits, we're trying to get the folks who would typically leave after x-years and then the folks who are still with us, to make sure that they have some opportunities to get increased pay. So, what does this mean? It's at least 8 percent for all officers and sergeants, and we will continue to evaluate our progress with CMPD (Charlotte Mecklenburg Police Department) during the FY24, to make sure that we're actually making progress.

Fire, we're also investing in fire. All employees in the fire pay plan will receive between 5.5 percent to 8 percent increase and we're also adding 42 positions. In this concept of growth, and we talked about this in the Budget Workshops, in terms of response times. In order for us to meet these response times, we need to invest in the infrastructure, as it relates to fire. One of the things that we're doing, we're building five stations, at the cost of almost \$80 million over the next five years and that's important. When I first got here in 2016, we were going through a police station master plan, where we built a number of those police stations and now and now it's time to do this as it relates to fire. We're also supporting our salaried employees as I mentioned earlier. We have a 4 percent merit pool for the salaried employees, that's more than the typical 3 percent merit pool, but also, we're going to continue the flexible work schedule. Work/life balance is extremely important, and we have found ourselves to be productive even with these flexible work schedules. Talk a little bit about upward mobility and I will say that listening to the employees is extremely important and here's some of the results of the efforts that we've had around prepaid tuition, some of the training.

Councilmember Anderson arrived at 6:32 p.m.

We've had more than 160 employees have taken advantage of the prepayment at Central Piedmont. I'll just give you a few examples, and this is so encouraging. We've got a CDOT (Charlotte Department of Transportation) Street Crew Member will graduate with their Associates in Applied Science and Information Technology. We have a Utility Technician that will graduate with Associates in Construction Management. We have a Utility Technician in Water that's getting their Associates in Accounting and Finance, okay. So, this is just some very, very good stuff that we're having in terms of our employees. We also launched the ACE (Advance Connect Explore) HUB which centralized all the resources as it relates to Workforce Development and Training. So, it's almost a one-stop shop. We've had 130 of our employees go to Career Coaching to look at opportunities that we have within our system. I do want to just read this quote to you that we had from one of our employees, "Before this I felt demoralized and left out. I wanted something else, but I didn't know what. Now, I feel like I'm moving towards something, and I am supported." Also wanted to thank the Council for supporting those efforts because while salary is important, upward mobility is important to our employees, too. So, we're going to build on this. Our employees are hungry for opportunities. We're going to increase staffing around one-on-one Career Coaching as well as adding apprenticeship roles. What's kind of neat, there's 100 apprentices in the City of Charlotte that have gone through either the Apprenticeship Program or the Career and Training Academy and those 100 folks are still with us. So, I think it's not just having individuals have the training, but also being a part of Team Charlotte. So, I think we're making progress with investing in our employees.

Now let's talk a little bit about investing in our residents. If you go back to the priorities, it's important that we focus on those things that are important to the Council and this community. The way that we used our Federal Funds, I think it's very different than average cities across the country. A lot of those cities took those funds, pumped it back into their operations. What you did was different. You took over \$200 million and put it back into the community. That is two-thirds of all of these Federal Funds that have made their way back into the community and I think one of the keys will be for those remaining funds, how do we invest those? So, in January we had our first Housing and Job Summit, and it centered around the close connection between both of them. One of the things that occurred or is occurring with this current budget, is we set aside

resources, in order to begin to address infrastructure and to reduce displacement. So, a little bit over \$55 million that have been planned for FY23, but also there was an effort to study what's the best way to deploy the remaining funds. So, we have had our pilots, and we've also had a number of policy oversight groups that have looked into how we can best utilize the remaining funds. One thing that's new to us right now to add to that pot of funds is that the Transit Oriented Development Ordinance and the Affordable Housing Development Bonus Program, and the Fee-In-Lieu Option has provided us funds and it's worth a tune of about \$13.4 million. I will say about \$7.4 million is already in our hoppers, right. So, that is something that we're able to use that can help us with affordable housing.

So, where we are right now, we'll continue with this holistic approach that \$55 million is down to about \$21 million, but you have done some amazing things in terms of affordable housing in making sure that there are units available to our residents. When we add the \$4.7 million, that's a little bit over \$25 million and there's still work that's being done as it relates to the NEST (Nuisance Enforcement Strategy) Commission, Equitable Development Commission, as well as the Housing, Safety, and Community Committee. So, resources there, and we're trying to make sure we deploy those in the right way. So, why do I bring that up? So, re-evaluation I know we are deep into this, and I know it's the first time I'm talking about it, but I did want to set the stage. So, at this revenue neutral rate for the City would be 26.04 percent, and that's down from 34.81 percent. We've had the conversation during the workshops, and it's important to just say tonight that at a revenue neutral rate, there is no additional funds for the City to address many of the things that been talking about up until this point. So, before we even get to what the rate is going to be for the City, I do want to mention that, we talked about this in the last Budget Workshop, that we are partnering with the County to support our residents. I'm proposing to put \$4.2 million of ARPA Funds into the Mecklenburg County Homes Program. So, how does this work? It's for homeowners in their home for at least three years and earning less than 80 percent AMI (Area Median Income). It provides assistance of 25 percent of the City's tax bill up to the median home value. It reduces the tax bill directly. While we try to do many good things with Aging In Place, it was a grant program. So, it was difficult for us to administrate it and you pay your taxes and then you could get a check. This is very different that it reduces the bill. I talked to the County Manager, and we'll work in collaboration together with that. So, we're really excited about that.

As we start to look at our Corridors and we look at Economic Mobility and Opportunity, we have been very successful in a short period of time with Corridors, but it's not just because of the City, it's also because of our partners. So, when you look forward to the next bond, which has about \$10 million in it associated with Corridors, we have about \$68 million that we have programmed for Corridors, but it's not just us it's some of our partners like the United Way, the Wells Fargo, Fifth Third Bank that's over and above that, that are doing work in Corridors. That's what we've tried to do. We've tried to leverage our resources from our private-sector friends. So, Corridors, we have \$5 million in the proposed budget for Corridors. I mentioned earlier there's \$10 million in the next bond and we're finishing those last couple of playbooks. We would have had an opportunity as we've seen some of the great projects on Beatties Ford Road, some of the great things that are happening on West Boulevard, and now as we implement and as we finish out the last playbooks, I think we'll be in a position with our partners to do a whole lot more in our Corridors of Opportunity.

SAFE Charlotte is very important, that we have investments in this budget for SAFE Charlotte. Our Alternatives to Violence, we have two new sites. We're expanding the CARES (Coronavirus Aid, Relief, and Economic Security) Team. In terms of Atrium Health, we are continuing with their hospital-based Violence Interruption Program. We're one of the few cities in the country that has both an Alternative to Violence and a hospital-based Violence Interruption Program. I put these together because, and this is the story that I don't think we talk about enough, so between what we're doing in policing in SAFE Charlotte and in this community, we've had violent crime down two consecutive years, 2021 violent crime was down 7 percent, 2022 violent crime was down 5 percent, and through the first quarter of this calendar year, violent crime is down

6 percent. We've always learned when it's up, when it's down you don't take total credit for it because it goes up and then all of the sudden somebody says what happened, but this is what's going on and I think it's because it's a community effort and it's not just CMPD, who are doing a great job.

One of the priorities mentioned earlier that got lifted up is dealing with small and minority owned businesses. I just wanted to make sure that we put out there that we have \$1 million associated with CBI (Charlotte Business INCLUSION) as well as three additional positions. We're continuing to fund, AMP Up and Next CLT, which are just two great programs. In terms of HIRE Charlotte, we are continuing to emphasize the Council's recent approval of the Employer Job Seeker Connect Platform, as well as the Career Navigators. Then in terms of the digital divide, we are starting to witness success. The Access Charlotte Program, while it's complete, we have some early great returns from it. When you start to see homeowners without a computer going down by 25 percent, and homes without internet access going down by 16 percent, it's time to double-down on what we're doing with the digital divide. So, we're providing two additional resources there, but it's more than just the digital divide. It's really thinking about Smart Cities and sometimes we have different projects that come up and we just don't have that resource and now having that level of expertise to tackle some of these issues, I think it helps a great deal.

In orientation, we talked a lot about quality of life issues. We talked about boulders, rocks and sand, okay. Some of the quality of life issues are things that we just shouldn't be doing anyway. So, what we've done is we put together a team, that is our Quality of Life team, headed by CDOT, and the Manager's Office is represented, the City Attorney's Office, the Housing and Neighborhood Services, Solid Waste Services, Code and Enforcement, CMPD, and we're trying to find a way to address some of these issues that have become problematic for us. So, we're proposing a four-person Rapid-Response Codes Team, and they will attack truck parking, parking in bike lanes, illegal signage, and litter. We also are going to add another litter crew. It will be our third crew and that comes through the Center for Employment Opportunities. So, we're excited about having this opportunity and then future consideration is just in terms of the fines associated with illegal parking that we will come before you with a proposal to raise those. So, there are increases in our fees to maintain this level of service. You'll see Solid Waste Service, the monthly increase will be about \$0.72. Water, the monthly increase be about \$3.10, and Stormwater, the monthly increase will be about \$0.43. We touched on, I think, most of those at the last Budget Workshop. I will tell you that we're doing all of this with no property tax increase, okay. So, with no property tax increase, Charlotte will be the lowest property tax of the 15 biggest cities in North Carolina, which would be at that 26.04 percent.

Now, here's the discussion, as we went through a lot today or tonight to discuss maintain level of service, as we try to maintain this level of service, it becomes much more difficult, because again it's tough to find these efficiencies in the organization. I think that as we continue on this path, there is the possibility that we could have service level declines, and we don't want that. We do have to make investments, so that, that doesn't occur. So, I think that it was pretty much summarized, the last time we were together in this room. We have aspirational plans like what we're doing with the SEAP. We have aspirational plans like the Strategic Mobility Plan but let me tell you a couple of things that are in that aspirational plan that I'm not sure it should be aspirational, it should be what we do. So, in the Strategic Mobility Plan around safety, it's eliminate transportation-related fatalities and serious injuries. It's also a mode shift with half of the commute trips will be made by means other than single occupancy vehicles through walking, biking, and transit. We have a blueprint for Charlotte's Mobility Investment where I think we have 2,000 projects that are set across all of our districts, right. Then maybe most importantly, at that Housing and Jobs Summit, I don't believe it was a one and done. It shouldn't be a one and done, but one of the things that as we revisit that, it is this unbending commitment to those who live here, leveraging investments for those coming to help ensure all that live here thrive, and then lastly, understanding who the key workers supporting this growth. So, as we do this, I am saying to you I don't know how much longer we can do this without revenue, additional revenue source.

With this re-eval, I thought it would be very difficult to have a conversation about also going up on the tax rate. I do believe this budget is a solid budget. It's structurally balanced. We're taking care of our employees. We're doing things that are important to Council in terms of their priorities. We've worked hard on this budget. It is just, if we need time to have a discussion about more revenue, I would hope that time starts tonight so, that as we look at future budgets, if we're having big, hairy audacious goals, we won't be able to do it with the type of budget that I am putting towards you tonight. So, with that said, I am about, Madam Mayor, to give this to you. You've talked about the next steps. I don't think I have to repeat the next steps. It is the Council's Budget. We will provide you whatever resources you need with that. I am very thankful for Ryan Bergman, Teresa Smith, the entire organization.

Mayor Lyles said Mr. Jones, I want to say thank you for your presentation thorough, but now it is the time for the Council to make these decisions of what goes on. So, first we should be looking forward to the public comment again on May 8, 2023, but there are many ways to contact the City of Charlotte for your comments and the Budget will be on the City's website. The other thing that I think is we know, on May 11, 2023, all of us as individuals on this Council have to then decide what they want to suggest as any change or any focus toward the budget that's different from what the Manager has recommended. So, I believe that the staff is giving us notebooks that weigh about two or three pounds, I'm not sure how many pages are in it. We want to say to that to the staff and the team that put it together, thank you. We know that this has been a tremendous effort and one that we should be really taking very careful consideration. I think the final thing is I heard the Manager challenge us on having a discussion about what we see long-term for the future that we have to do, not just balancing this budget today and over the next several weeks.

ADJOURNMENT

The meeting was adjourned at 6:49 p.m.


Billie Tynes, Deputy City Clerk

Length of Meeting: 46 Minutes
Minutes Completed: May 29, 2024