

The City Council of the City of Charlotte, North Carolina convened for a Strategy Session on Monday, February 5, 2018 at 5:05 p.m. Room 267 of the Charlotte Mecklenburg Government Center with Mayor Vi Lyles presiding. Councilmembers present were Dimple Ajmera, Tariq Bokhari, Larken Egleston, Julie Eiselt, Justin Harlow, LaWana Mayfield, James Mitchell, Matt Newton, Greg Phipps, and Braxton Winston II.

Absent Until Noted: Councilmember Ed Driggs

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Mayor Lyles said before we get started, if I could just take a minute. I know that this is our first official meeting in Charlotte since Black History Month has started. I just wanted to take a couple of minutes to let you know that Black History Week started in 1926, and it was in 1976 Black History became a month. I just thought about some of the places in Charlotte that if you have not visited to understand the significance of contributions by African Americans, Good Samaritan Hospital has a plaque on the side of our football stadium. Tom Hatchett is writing a great article about McCrorey Heights and the surrounding neighborhoods online that you can read about how the communities developed and residents of the community. The George E. Davis House, he is the first African-American professor at Johnson C. Smith. You would just ordinarily think that Johnson C. Smith has always been an HBCU, but we have to remember that it was a school for African-American students, but all of the professors were white. Little Rock AME Zion, the original place that they now call the Cultural Center, just some of those places and I have to say our dual, the Harvey B. Gant Cultural Center downtown. I just want to say we have a lot of great things with Black History Month in Charlotte, and we should go out and commemorate those. The quote by Marcus Garvey, "A people without knowledge of their history, is like a tree without roots," and that is so meaningful, so let's go out and participate in the many activities that we have for African-American History Month here.

The other thing that I wanted to again say is that on February 8-11, 2018 at 5835 Executive Center Drive in District 5, is the NACA four-day home ownership event to become a homeowner with America's best mortgage, modifying unaffordable mortgage so that they become affordable, and it is a free event, and you have no down payment, no closing cost or fees, below market-fixed rate, 30 and 15 year terms. I would really encourage anyone that believes they have the opportunity to buy a house or dreams of buying a house, to attend that event at Executive Center Drive, from counseling to actually achieving the dream of home ownership is the mission of this organization. Tomorrow, there will be a press conference regarding the event, and let's continue to do that. I have asked the Manager particularly to inform our City employees of the event, because we can have a lot of opportunities within our own organization with 8,000 people.

This is our first Strategy Session, and when we started talking about Strategy Sessions many of even the existing returning Councilmembers and the new Councilmembers said, what is this about? Why are we doing this? I really think that this is the opportunity for us to have deeper discussions about the policies that we would want to see in place, policies that we have in place that we may want to talk about, so I hope that this first session will be one that you will feel free to have a really open discussion. We have got two topics that we have scheduled to discuss. The first one is the Council Committee Referrals, going from the prior Council to where we are today, starting off with the idea that we want to shape and be clear on what we are asking our colleagues to do when we have something in Committee. There is just really the need that we would be able to deliver on our products, and I think that just requires focus, so when we talk about the topics today, weight in particularly on what the deliverables are from the Council, and all of these that we are going to talk about today are going to be within the 90-day timeframe. We will get busier and hopefully assess this and see if it works.

The second session is one that we deferred from our Retreat, and that is the overview of the operating and capital budget, and the Manager is going to have the staff and team present that. The final thing in our agenda will be Council discussion of any topics that you want to bring up that relate to our policies and strategies that you want to see go forward or just want to enquire and see where we are. It will be a discussion that we will try to have

and have respectfully but actually try to figure out what we are trying to do. What do we want to accomplish?

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ITEM NO. 1: COMMITTEE REFERRAL

Marcus Jones, City Manager said as the Mayor mentioned earlier, the last time we were together talking about the different referrals to the Committee; we tried to come back; we committed to come back to you today and to talk about those 23 pending items. If you recall, over the course of the period from September 2016 to November 2017, there were almost 100 items that were in Committee. Many of those items were for informational sharing, and a good deal of the work got done in the Committee. One of the issues that the Mayor raised was, is there an opportunity to have more efficiency in the Committees? In other words, in some cases there were some items that had been in Committee for years, and the concept would be that are there some things that we could get into Committee, have a definitive time period so they could come to the full body. So, over the course of the last month, we have been working on those 23 pending items. If we start to dig a little deeper with those 23 pending items, you will find that the recommendation tonight is that of those 23, eight be assigned to the Manager, and I will explain what that means. There are five that are assigned to Committee. There will actually be five plus one new one, then 10 for full Council consideration. Let's start to break that down. The eight assigned to the City Manager, basically we took each of the five Committees, and we thought of those ones that either the work had been complete or it is something that the Manager could bring to the full body or at least document in some type of memo to bring some closure to them.

We will use Community Safety as an example, the medical clinic protest; there was a specific item that was directed to that Committee in the fall that dealt with whether or not we had a safety issue. After working with the Police Chief and having some changes, the Chief was comfortable with those changes that there was not a continued safety issue related to those changes. With that said, in this process, those items referred to the Manager, we would just provide you with a memo or documentation before the next Strategy Session, with each one of these, the same thing, the Red Light Cameras, which was in the TAP Committee. You know in the Environment Committee, those first two items were discussed during the Retreat.

Councilmember Egleston said I have a specific question that relates to a more general process question. The example that you just used, the determination was that there is not a safety issue. If Councilmembers in this specific instance feels there is still an issue there, maybe it isn't safety but maybe it is access or obstruction, or something to that affect. How would we go about revisiting this? That specific example, I do think that there is an issue there. Maybe it is not safety, so what now if the determination is made that it is not a Community Safety Committee issue?

Mr. Jones said as the Mayor mentioned earlier, the third item on your agenda tonight helps discern how you would deal with an issue like that.

Again, those eight operational items, you will get some form of documentation from me prior to the next Strategy Meeting showing that those items have either been addressed, or they are ready for some type of communication with the entire body. If we go to the next slide, these are the five pending policy items that are recommended for assignment to Committee. I think that many are aware of Keyo Park West, the tiny homes. That would be in the TAP Committee. The Clean Energy Resolution would be in Environment. Housing and Neighborhood Development, there are two policies that have been discussed, Strategic Housing Plan and the Housing Locational Policy. Economic Development - their incentive policies and then Community Safety, one which has been recommended by the Mayor for referral, which would be Domestic Violence. In terms of Committees, if there is a starting point, the starting point would be these six referrals or recommendations, so what about the remaining 10? There are 10 remaining items that were in Committee. The concept here is that it is recommended for full-Council update and a potential Committee re-referral. In other words, it is just a check in to where the Committee has been.

Councilmember Driggs arrived at 5:17 p.m.

Mr. Jones said we have had a good discussion about the TAP Committee and what gets referred there by a previous Manager's determination. We would like to revisit that concept, but some things were in the TAP Committee, because it was more of a process that may be 16-years old. The Environment and everything has been cleaned out of the queue. The HAND Committee, there is the Displacement Assistance. There was a discussion about that in October, and I am not 100% sure that the Chair believes that all of the work was done, but we will leave that there for a moment for discussion purposes. Community Safety, the queue is cleaned out. In Economic Development, I think that the key with Economic Development is that historically, there have been a number of projects that come to Economic Development. Those projects come to Economic Development for vetting, then they find their way to the full body, so I would say that there are at least two items, Eastland Redevelopment and Amateur Sports that are in Economic Development. We have it on this list right now, but it would be the will of this body of as to how any of those projects that have been in Economic Development, how they would be treated going forward, and I know that there is still work to be done on Eastland and Amateur Sports. With that said Mayor and members of Council, that is how the 23 items that were pending have been divvied up.

Mayor Lyles said the list here, as the Manager presented it, is to actually do what we talked about; information sharing for the Committee, because the real question is if you see this and you hear from the Manager, the question would be what does the Committee need to do with it? That is something that should come from the Council direction. It is easy for me to say let's put something in Committee. It is a lot harder to say, let's put it in Committee, because we need a policy or we need to have an analysis of Economic or regulatory or Community Commitment Letter impact. Those are different questions, and that is the question that we should ask. For example, if we are going to talk about displacement assistance, do we pick it up from what the Green Leaf study said, which is NOAHs and that thing or is it the potential funding for housing and rent subsidies? What is it? To make sure that when the Committee is doing work, they know what the Council's questions are before it goes to committee. Any of these may go to Committee after the Manager presents them, but I would hope with some clarity about what you have as an expectation for the Committee work to be done. Also, to give these a time frame, when they come back, that they still continue to report in every month on what they are doing. So, next month we would have Committee reports, if you could go back to the ones where we have assigned, each Committee Chair or Vice Chair or whoever is going to be here would be giving us an update on the work of the Committees on each of these six items.

Councilmember Mitchell said City Manager, if you do not mind going back to Economic Development. One, we left off that was still in Economic Development and to the veterans, you remember that we did the policy on the Disparity Study before December, then we had to talk about the goals and new changes in the Spring timeframe. Disparity Study is still an item that I think we need to start working on the policy enhancements. Don't want to leave that out at all in the Economic Development. I think that that you captured the other one. There was one that the Mayor kept pushing earlier, so when you mention, City Manager, about combining items, to me we had a different conversation as it relates to incentives then TIG, so are you capturing both? You say combine three pending items.

Mayor Lyles said it is TIG, Infrastructure Grants, the infrastructure moving those in advance as well as the last one, Business Investment Grant. There are three things under, all three of our incentive policies.

Mr. Mitchell said for our new Councilmembers, I think it will be helpful though that we spell those out, so they clearly know that there is a difference. We are talking about three incentive policies under the big umbrella.

Councilmember Driggs said we did vote to adopt the findings of the consultant, so are you talking about looking at what was in that report and seeing what that suggests in terms of changes to our policy?

Mr. Mitchell said right, because you remember we just dealt with the legal aspect, because it was on a sunset and the policy development was going to take place in the spring time.

Councilmember Mayfield said Mr. Manager, can you go to the one regarding Housing and Neighborhood Development? I think what we have on there is the displacement assistance, and I think there is a part of this conversation where a Councilmember will identify a concern or issue in the community and then staff will present here is our recommendation on it. There is this middle piece that I want to make sure that as Council, especially in Committee, because it is in Committee that we have the real conversations and we get to dig deep; it is in Committee that we have the real conversation of what does that look like. I want to make sure that we don't set ourselves or future Councils up in a way where because we ask a question that then triggers for you to come with here is our recommendation to that fix without stopping to really talk through what exactly is our goal. What are we expecting to hear as with this process if it goes back what is the expectation for a follow-up? I think we have a couple of times where some things have moved forward, but I don't know if it has necessarily gone forward with the complete understanding of Council's policy recommendation and how that recommendation was interpreted by staff.

Mayor Lyles said I think the Manager is going to address as he goes through the more detailed outline of what the Committee work is being recommended for our discussion here tonight so that if we are missing something; I think the monthly report back, if you come back and say well we really looked at this, I think that monthly check-in going to help as well.

Mr. Jones said Ms. Mayfield and I had this conversation about 40-minutes ago, and we get it. There has been a bit of a disconnect in some of the conversations in the Committee, so we believe that if we are able to have a more structured process from staff perspective going into it and it be consistent across Committees that we will get a better outcome, so we totally agree.

Councilmember Ajmera said can you go to the previous slide where you had items for staff review? I'm trying to understand the next step here; okay so those items would be for the next month Strategy Meetings?

Mr. Jones said right; there are a couple of ways to divvy this up; one is that for instance the water/sewer rates review and the stormwater policy review. There was a good presentation during the Retreat, and as we develop the budget, all of the concerns that were raised during the Retreat will be a part of that. That is a good example that there is really nothing left for the Committee to do for those two area, but we haven't closed it all the way out. Also an example would be Red Light Cameras, so staff will provide a recommendation as it relates to Red Light Cameras. We will bring that to the next work session, so there are really two pots one, recommendations coming to the next Strategy Session or a memo from the Manager that is actually saying this is how this was handled during the Committee deliberations.

Ms. Ajmera said just a follow-up to that, so that addresses questions about the next steps but specifically for the first item under Environment water and sewer rates, would that be potentially for discussion or be some sort of budget process when you propose the budget?

Mr. Jones said absolutely.

Councilmember Phipps said given TAP as an example, it looks it is six items, one of which will be handled by Committee, three by the full Council and two by the Manager. Would you say then that these six – will this be our work pertaining to the TAP for the next 90-days or a year?

Mayor Lyles said 90-days.

Mr. Phipps said so then do we know what is in the queue for the rest of the year?

Mayor Lyles said I think all the items that are under full Council discussion could be in the queue, or it depends on how the Council feels about it. If the Council says we are ready to go then we are ready, otherwise they would say we are not ready; why not and ask it to go to Committee.

Mr. Phipps said so those three items that is in TAP that would have the potential to be referred to the TAP Committee?

Mayor Lyles said yes.

Mr. Driggs said the Amateur Sports – it says combined from three pending items; I think we had heard one thing about a possible investment in a facility for \$40 million, but is that what that is or are there a couple other dimensions?

Mr. Jones said there are a few items that are related to Amateur Sports, so instead of listing them out we just basically said Amateur Sports is an item that is still a project that is related to the Economic Development Committee.

Mr. Driggs said right, but the capital investment that was contemplated from hospitality funds for a facility is one of those, is that right? That is in the pipeline that we've seen for the hospitality funds, \$40 something million?

Mr. Jones said yes.

Mayor Lyles said let me see if I can say that another way. The Council has a policy that we would like to encourage Amateur Sports Facilities in our City, and there have been several potential ideas that have come forward, and I don't know that we've ever closed them out, so I think the idea is to bring all those back, so everybody knows what they are and then decide where they go next. Whether it is we understand, thank you, or we need to send it to a Committee to work, so it is the idea that our policy is to attract Amateur Sports and all of these are potential ways to do it. Am I saying that fairly?

Mr. Jones said that is right.

Mr. Phipps said Charlotte Walks for example; I think that is where the current Sidewalk Ordinance Amendments are. Didn't we vote on that to defer it to the Transportation and Planning Committee back in October or November, so with that being the case are we saying it is going to be like six months before we revisit that?

Mayor Lyles said no, I don't think it has to take that long to revisit that, but I think it depends on how the Manager can present what the question is. Right now we just have the requests from the sidewalk portion of it, but I think it is to implement the entire thing, what is the regulatory economic community impact for all of that for him to come back with a recommendation around that and then if we don't agree with it we can take it to Committee.

Mr. Jones said Mr. Phipps, Charlotte Walks have been in and out of that Committee, so at some point before the re-referral in the fall, it came out of the Committee. This is one of those examples that if tonight the body said that there needs to be some more work in Committee then that is an option. Based on what we are trying to do here is what would that question be and if that means that the body says okay, Marcus go back, look at the minutes see what was intended for this re-referral so that everybody can be in agreement of what the question is, we would do that.

Mayor Lyles said it would also help I think with some of the newly elected members understanding what we are trying to accomplish too and being clear on it.

Mr. Mitchell said Mr. Manager go back to the one you are responsible for and the CIAA Special Permitting. That is time sensitive since the Tournament will begin February 26, 2018. I do know Councilmember Eiselt, Chair of Community Safety and me in Economic Development, we have both tried to separate those items to push that as fast as we could,

so would Council have to vote on something before February 26, 2018 or you will handle it and then give us a memo on the resolution?

Mr. Jones said I will ask Debra to help me out a little bit, because Debra was staff to the Committee; my understanding is all the work that was related to the Community Safety Committee was done and then everything got moved to ED, so ED was holding any issues related the CIAA. My understanding is through the Committee process there are some things that are going to be put in place that do not require a vote of the body. Is that correct Debra?

Debra Campbell, Assistant City Manager said yes.

Mayor Lyles said I think it might be helpful Mr. Jones if we could just see some of the sheets the way that we are going to handle the work so that Council could see how the deferrals are defined and to see how it works.

Mr. Jones said we will go to the slide that has the six referrals, so if we use that as the starting point, and these are all drafts of how the Committee would have a statement of the issue, the date of the referral, a deliverable and an overview of the work plan and you will see in that last box the overview of the work plan and the timing. The timing now would be anything that is referred to the Committee would have reports back but ultimately come to the Council in the May timeframe. Basically, 90-days and if it can be done sooner, it can be done sooner. This is what I believe we struggled with as an organization is that not having the discipline of what we are trying to achieve when something is referred to a Committee. So, the statement of issue right up front and the deliverable as well as work plan, so if we look at the tiny homes, the statement of issue, the Charlotte Zoning Ordinance, no minimum square footage requirement for single family dwelling units as long as the unit is built to state building code standards. That caused a bit of an issue when we started to see the tiny homes pop up. So, the deliverable would be to provide recommendations regarding regulation of tiny houses including economic and regulatory implications. So, you always have an issue; you have a deliverable and then some key steps including definitions, evaluations and determining the public engagement. Lastly, there would be a timing so review the work plan status February, review additional findings and summary options in March with a Committee recommendation in the April/May timeframe.

Mayor Lyles said so there is one of these sheets for every Committee assignment being made, and I don't know if it would be helpful for the Manager to walk through, because I think the real question is of that deliverable is there anything missing that the Council wants to discuss before it goes to Committee? Right now, it is the recommendation regarding the regulation of tiny homes including economic and regulatory implications and issues. Is there anyone on the Council that has a further discussion? I asked that this be passed out, and I had a list of people that wanted to talk. I don't want to skip over it but I just think this helps us a little bit with some guidance on how it could look.

Councilmember Eiselt said Mr. Manager can you go back to the page that has the items recommended to the full Council? If we go through a discussion on any one of those issues; let's say North End Development, and it is clear more work has to be done. If it is not going back to Committee or being referred to Committee will all of that come back in a Strategy Session? Is it always once a month at the Strategy Session is when it will be presented?

Mr. Jones said yes.

Mr. Egleston said these sheets were actually one of the things I was going ask about; this is perfect and is exactly what I was hoping to get on all of these maybe by Committee in advance of that Committee meeting, particularly to the Committee members but I think we would all be interested to see them. So, yes to these and if we could get them on all of the issues that would be great or in some form or fashion. Also, for the benefit of the new Councilmembers is there a way, even in just like an e-mail list with very, very 30,000 foot descriptions we could get the items that were scrubbed when you went from 92 to whatever the number ended up being, just so we could see on the outside chance that

maybe there was one thing on there that we are like. Oh, I'd really like to know more about this and/or bring it back into the fold potentially?

Mr. Jones said yes.

Ms. Mayfield said Manager Jones, is there a way with moving forward with this conversation that we can identify when we overlap? Even looking at Keyo Park West, at the exact time that we are having conversation either in support or challenges with the development, we started that conversation actually in Housing and Neighborhood Development three-years ago with thinking about what if and could tiny homes come before this particular development started, but one of the other conversations that was happening was around capacity with water/sewer issues. As we move forward in Committee for those of us that might not be on some of these other Committees where they are going to dig deep, how are we identifying the overlapping to make sure that we are on the same page so that a conversation regarding housing that is happening in Transportation and Planning, even with the South End Planning, that is still a conversation that is directly tied into Economic Development Committee as well as Housing and Neighborhood Development Committee? How are we identifying our overlapping interest since all these interests are tied together if we step back and look at that 30,000 square view, the holistic approach, all of our Focus Areas are tied in together. How do we insure that we are not moving forward on a project or a discussion or language in the potential policy UDO, however it is moved forward, that is going to cause a negative in a different Committee?

Mr. Jones said as we started to do this analysis one of the questions we had was is it that we are looking at 23 items that are going to be disbursed somehow or are starting from scratch. If you start with the latter, starting from scratch, I believe the Council has this opportunity to actually vet something before it actually gets into a Committee. The third part of the agenda tonight is that process. If something comes you will be able to say wait a second, we've talked about that in ED, or we've talked about that before in TAP.

Mr. Driggs said the Charlotte Walks, is that going back to the proposal on sidewalks that we talked about and did not make a decision on?

Mr. Jones said yes.

Mr. Driggs said on that one for example my feeling was that that sort of came to us as a yes or no, it was put in the context of an earlier general policy that we agreed on for Charlotte Walks, and I wasn't prepared for it really. It did have to me potentially in certain circumstances it put a possible nonsensical implication. I could imagine conditions under which either the policy would be uneconomic or just didn't make sense based on what on was near it. I hope when we have these Committee meetings etc. that staff will be leading a discussion and not saying up or down, yes or no, do you like this and it took them almost the entire duration of the allotted time just to explain it. In my mind there have been a couple of instances like that, so I'm going to be watching with interest. Is there anything else in the Charlotte Walks heading other than just a final decision on the sidewalks proposal?

Mr. Jones said no, this is just related to the sidewalks proposal because that is why it got re-referred, but when we get to the 12th we will have a discussion about infrastructure with the Council, again at the Action Meeting because two weeks later there is going to be a vote, unless something has changed, on something dealing with sidewalks. We are not just going to focus on a sidewalk discussion with you; we are going to focus on an infrastructure discussion in CIP and how dollars are spread alike to have a conversation. We are done with taking 30-minute blocks, talking to you for 28-minutes and give you two-minutes to decide.

Mr. Driggs said the other thing I wanted to point out Mayor is the budget process is going to be a critical time in terms of Ms. Mayfield's comment about what holistically are our priorities, so as we go into that if we can somehow establish a means by which we can all understand how the choices we are making related to, and we started on this we did a

great kind of walk across that showed where the individual policy objectives were and how they were reflected in the budget. I hope in this coming budget process too we will know that if we committed \$100 billion to affordable housing what would that mean and therefore what is it saying about the importance that we assign to public safety for example. There does need to be some framework for understanding individual decisions we make in the context of our broader goals.

Mayor Lyles said I wanted to follow-up to that Mr. Driggs; I think that between our Retreat, this work, all of the briefings we've been having for the last nine weeks, has taken a little bit of time to get a handle on this and the Budget Committee should be on this list the next time, because we need to clearly state timeline, what is being reviewed and how the outcomes. Even though we do budget in a Committee, it always comes back to this group as a whole in a Workshop, but I think that it needs to be listed up here with all of the items and what is going on in Committee.

Mr. Driggs said what needs to be listed?

Mayor Lyles said just like we have the Committees up there, I think the Budget Committee should be listed so that you and Mr. Phipps can give a report on what is going on in that Committee as well. I think these discussions are really key to informing everybody of what you see as working and what is challenging us. I hope the Committees will come back, not with just hey, we are doing great, but really coming back and saying specifically. I won't pick on Keyo particularly, but it says we are going to define tiny houses as this, is there any feedback on how tiny houses are? We've looked at restrictions and what other best practices are if we are going to have diverse housing choices. I would hope that you will not just do a drive-by. This is really like stop and talk and say what you have presented and what you have learned and see what other Councilmembers can add to it. I don't think it works without that really candied discussion.

Mr. Driggs said the Budget Committee itself has the responsibility for sort of the integrity of our budget process and looking at what is proposed, but any time a decision comes up that actually comes up it actually goes beyond budget. We need to either talk to another Committee or bring it back for full Council. The Budget Committee is not going to be sitting there saying let's put some more money over here or something like that, so certainly that is my goal in my role as Vice Chair of that Committee is to maintain that separation between the full Council decisions and then the way in which that gets incorporated into our budget.

Mayor Lyles said the Manager has a significant portion of accountability for that as well.

Mr. Driggs said definitely, he gets blamed if it is not good.

Mr. Mitchell said City Manager, I think there is a program going on now, and I do think we need to put that in our queue, and that is our PIECE Program, because as we get closer to the budget I can't remember their funding if it was one year or two years, but I think we all benefit as part of our Community Letter about creating jobs, and we need to talk about how we are going to fund the next phase as well as have some policy discussion about what is the next industry we want to include part of PIECE.

Mayor Lyles said I think the Manager should come back with a report on it and their recommendations and then we can question it as a whole or go to Committee.

Ms. Ajmera said speaking of the budget discussion, it is also items would have budget implications, so if it gets incorporated into the budget that would be proposed by the City Manager, would that still be discussed at the budget meeting?

Mayor Lyles said yes, anything that is incorporated by the Manager is up for discussion by the Council.

Mayor Lyles said with regards to Clean Energy, has everybody had a chance to look at the deliverables under Clean Energy which is recommend a definition and direction for the City

relative to the 100% clean energy and once agreed upon, talk about what can be incorporated as actually making that happen?

Mr. Driggs said this was brought up rather suddenly out of the blue right at the of the last term and Council did not actually formerly agree that 100% clean energy was a goal. I would like for us to look at this more generally in terms of what should our goal be for clean energy, no question that something being a target but whether it is economically wise to have out there the idea that we are going to reach 100% would in my mind be subject to further research.

Mayor Lyles said what you state for the deliverable instead of direction to relative to 100% clean energy?

Mr. Driggs said I'm just thinking in terms of a process for expanding our clean energy use and determining whether 100% is a goal. We haven't made that decision and it could actually be economically very onerous, because it was proposed to be imposed on the private sector as well as on the City.

Mr. Egleston said from my understanding of the process, obviously everything in this folder is the stuff up here on the screen that is going back to Committee. Is it incumbent on the full Council tonight to unpack these and discuss them, or is this supposed to go back to Committee for the Committee to determine what those goals should be and then bring it back to the full Council?

Mayor Lyles said it is incumbent that if this deliverable is not what you expect or how you would define it with what Mr. Driggs has said, he has kind of led some leeway to think through that, but you can say that so the Committee works on the right thing. I think what Mr. Driggs was saying is that it says relative to 100% clean energy. That is the discussion but yes, what are your expectations that this Committee would do?

Mr. Egleston said so, we are more clearly defining the objective before we give it back to the Committee to work with.

Mayor Lyles said yes.

Ms. Ajmera said under the statement of issue, that might clarify Mr. Driggs' question about what is manageable and what is achievable scope for our City. I think that might answer your question, and that would be part of the discussion we will have in the Committee.

Mr. Driggs said I'm just making the procedural observation that 100% clean energy is not a goal that Council has adopted and therefore we should be talking in terms of what we should do about clean energy. What goal is realistic for us? It could come back to the same place, but this sort of presupposes that we have already established 100% goal, and it talks about how we get there. I'm saying let's explore whether that is the goal or not.

Mayor Lyles said I think the question would be would we be comfortable taking out the 100% relative to clean energy. These are draft statements, so these have to belong to us; they don't belong to the Manager anymore. I think Mr. Driggs you are saying take out the 100%.

Mr. Driggs said for now, if we come back to that fine, but it is not now.

Mayor Lyles said I'll come back to that and we will check in on that after we continue.

Councilmember Bokhari said I agree with Mr. Driggs and say let's not pigeon hole the Committee. Let's have a statement that leaves them open to come back with something, not defend something or approve or disapprove it. I think that is a good approach.

Councilmember Winston said I was going to echo what Ms. Ajmera said, but I was going to look in the actual deliverable, and my reading of it says recommend a direction relative to 100% clean energy and that could be 100%; that could be 95%. That could be 50%, so I

don't think we are married to this idea that we have to be and get to 100% with the way this is written.

Mayor Lyles said just for my thinking it through, I think saying 100% or not doesn't constrain or require that of the Committee. I think if it is okay we will just take out the 100% and talk about clean energy, and you come back with what you think we can accomplish and measure as a Committee. There is a standard that you compare it to; 100% might be the standard and this is where you can go.

Mr. Winston said I would object to taking out the 100%, because it does give that kind of benchmark, not that we are adopting it, but if we are saying 100% is a goal, if we take out 100%, we should have another goal to see what we can get to. I think the decision would be to replace 100% with something else.

Mr. Driggs said I don't disagree with that. All I am saying is we haven't made that determination yet. So, this goes back and if the Committee comes back and says 100% is what you shoot for, great but there hasn't been any Council decision related to how we define it or what we should aspire to. This presupposes something that has not been decided.

Ms. Lyles said at the first meeting, when we talk about [inaudible] coming back in March it would need to be define, develop, and agree understanding of this term. That is the very first step for the Committee to undertake.

Mr. Mitchell said but are we clear?

Mayor Lyles said are we clear? Well, I think that we've heard the sentiment of Mr. Driggs and also Mr. Bokhari, and the first sentence says differing levels of understanding of 100% clean energy. Develop an agreed understanding of this term and a manageable and achievable for the City. I think Mr. Driggs is saying he is okay with that as long as everybody understands what it means for the deliverable. I don't think he is saying you have to take it out, but he is saying do the work and know that it has to come back for approval.

Mr. Driggs said I just caution against a formulation that suggest that we had already made a decision we have not already made. That is all.

Mayor Lyles said alright so it can stay in; you know what you are to do.

Ms. Mayfield said basically on the same line, because what I will be concerned about is we receive information in our Council/Manager Memo and then we approve a number of things at one time. Example, January of this year we started a new policy regarding Code Enforcement and how it will be implemented. I don't remember where Committee had a deep conversation about it. It was in our Manager Memo so when we create opportunity where we have it written and the deliverable says that is the recommendation; there is the chance where staff interprets that as this is the direction in which we are moving forward, so I hear the challenge of us not specifically saying yea or nay. This is Council moving forward, and there is that possibility of something falling through the cracks, because it is already happening. To insure that we don't miss a step where Council has the ability to actually discuss it, not only in Committee, but full Council, because the other part is unfortunately our Dinner Briefings are rushed through a lot of times. We might have four or five items on the Dinner Briefing, and we might actually get through three of them on a good night, based on the conversations that we are having. Then something gets approved and we learn about it unfortunately through the impact that may or may not be a positive impact, but the fall back is well you all approved it, and we presented it to you in a Dinner Briefing. I think I'm hearing also that just have the moment to truly talk about it, and if we put anything in writing that writing needs to be clear enough that it states there is a step where it comes back to Council.

Mayor Lyles said I'm going suggest that we recommend definition and direction for the City relative to 100% clean energy comparative to the City's ability to achieve. That comes back in a month as well.

Mayor Lyles said let's go to Housing Locational Policy. We just talked about this at the Retreat, so I hope the staff captured it correctly.

Mr. Egleston said I've been led to believe that the Charlotte Housing Authority already has data similar to this, so maybe it is just a matter of us getting it from them, but I think one of the things I would like to see as a deliverable is some comparative figures that would indicate what percentage do we lose in terms of quantity of units to get the locational policy right. Essentially, like if we were perfect in locating units according to our Housing Locational Policy we could achieve, for the sake of round numbers, 8,000 units, but if we threw out the Housing Locational Policy and just went for where we can get land based on price we could have 14,000 units. I completely made up those numbers but understanding how much we lose in quantity to get the location the way we want it.

Mayor Lyles said I think what you are saying is if we keep the current policy, how many units could be built if we change to one of these other options that we don't know about to also include how many units would be allowed.

Mr. Driggs said I would like to make the same point and if I could just clarify; we want to understand the tradeoffs between the dispersion objective we have and the objective we have to create a certain number of units. As we explore our options, we know that if we target a certain kind of dispersion at a certain investment that is going to result in fewer units, because that is essentially the difficulty here. That is why my District doesn't have more affordable housing, right?

Mr. Egleston said yeah, I think that is pretty spot on just to know what the difference is there in terms of amount of units we can build. Again, it doesn't presuppose a solution or an outcome.

Ms. Mayfield said I'm going to suggest an overlay of that, because there is a conversation regarding if we could just develop where land is more affordable and what that would look like. The challenge we have is in identifying true diverse price point housing is the potential of concentration. That is what we have historically seen, which is one of the biggest challenges, so we have to look at the conversation of location in order to try to see if we are making Charlotte a diverse community where you have differing price points. That is not putting a limit on, say if you are in South Charlotte and whatever that average price of homes are; is there a way for that college graduate, that new worker, that mid-worker, is there a stepping elevation opportunity in this conversation, or are we looking at high property as well as high wealth with this gap in between? It is that gap I think is the biggest challenge that we are having right now as we are seeing development. That is why I keep making this suggestion, even though it is a much longer term and we are into 140 characters or less environment, to get away from saying affordable housing because affordable is such a subjective word and we have affordable; it is just a question of who it is affordable for? If we talk about true diverse price point housing, that is that gap that we are not looking at. If we are looking at the Locational Policy we are looking at how many house can potentially be developed we also have to look at how diverse of a community are we creating, but also when we are looking at that diversity how can we try to have it be as organic as possible to basically give people options.

Councilmember Newton said I think a lot of what we are missing in this conversation and precisely what we toughed on during our Retreat, much to Mr. Egleston's point and Mr. Driggs' point is the concept of upward mobility and promoting opportunity for everyone in our City so we no longer are 50 out of 50. I think that the statistic that was really startling to me during the Retreat was 99 out of 100 of the most densely counties throughout the United States, and I don't see that language inside this charge for a Housing Locational Policy. I would like to see that actually included. We can talk about where the money is going to be spent; we are going to be talking about a proposed bond, maybe even tonight for all I know, but I think it is so very important that as we approach Locational Policy

where we talk about more than just proximity of amenities but also mixed income communities that we also talk about overall promotion of upward mobility and opportunity for the residents of communities that are going to be developed just as much so as for everyone in Charlotte.

Mayor Lyles said help me with the wording Mr. Newton; think about what you would like for it to say, so we can capture what you are saying. If you will try to put that into a form that we say to the Committee this is what we want.

Mr. Newton said I think with statement of issue, the language pertaining to increase development, but I think it is important that we also as we increase development we keep a sense of what that development will be promoting, so at the very tail end of the entirety of the sentence, ensure City policy provides adequate flexibility to increase development of low, moderate, and mixed-income housing in designated areas throughout the City to promote upward mobility and opportunity for all of the citizens of Charlotte. Then maybe even have a third bullet point under Deliverable that also speaks to that promotion of upward mobility and opportunity for all citizens of Charlotte.

Ms. Mayfield said Mr. Newton, if you don't mind for clarification and Mr. Manager, wouldn't that fall into the comment that I made earlier as far as the overlapping, because the piece that was just mentioned falls clearly in economic development and how we are doing development and opportunities of growth when you look at PIECE, when you look at us diversifying who we are seeking to bring into the area. Of course better jobs means options. Wouldn't that fall into that overlapping conversation or would it definitely be a piece if you look at Housing and Neighborhood Development as a whole, because I don't think we really put as much emphasis on the development piece as we should, then this would tie in for us to have more focus on the Neighborhood Development piece.

Mr. Jones said I do believe there is some overlap, but I believe there is something else that is happening right now, and that is many Councilmembers have been working on some of these issues for years, and there are a lot of items that you are just so familiar with, so there are some items, and it doesn't matter whether you've been on Council for two-months or two-years, if you haven't been in this Committee some of these concepts will be new. Another piece of it is that in March everybody is going to come back and talk a little bit about the Committee and things that are going on, so I just want to leave that out there that part of this timeline is that the first Monday in March a similar conversation is going to happen about each one of the six and what else is in there. I just put that out there that I believe there is going to be a point, and I hope the Council doesn't get frustrated that we get to number four and there are so many questions about some items.

Mayor Lyles said I think your point is well taken, and we can sometimes dig into this and I think maybe what I'm hearing is that there are some key steps. Mr. Egleston suggested that comparative option; that is kind of like a data point. Mr. Newton is suggesting that we actually look at this as economic mobility. I'm not sure for all citizens of Charlotte perhaps, but for those that are not exactly, so I'm saying I think upward mobility is something that we have gotten in the context of this, but not necessarily stated, but again I think what you are saying Mr. Jones is that we are hearing and comparing the discussion of what is meaningful. So, we've got to figure out how the Committee Chair hears it as well and understands. I've got to promote upward mobility as a Housing Locational Policy may not be as easily defined as something like compare the options available or maybe a description of how it impacts, especially the information in the report that provides mobility may be a more feasible and come back with that.

Mr. Newton said if I could clarify, to speak to Ms. Mayfield's question, I think what we are talking about in the context of Locational Policy are the existence and the quality of amenities surrounding where development will occur, not necessarily the creation of those amenities, which is what the Economic Development Committee would be working on. I think these things are mutually exclusive and so that is why I think it is appropriate for us to talk about, particularly as it pertains to a Locational Policy, to talk about the promotion of upward mobility, the existence of those amenities, not the creation. That is Economic Development but the existence of those amenities, particularly when those amenities are

already being considered in proximity. Just going one step beyond that to incorporate and if the issue here is definition of upward mobility, I think maybe we leave that to the Committee to define, particularly with the underscored context of the Task Force report.

Councilmember Harlow said just adding to the deliverables and this may or may not already exist, as the Manager said, we've been working on some of these things for some time, and I see this was referred in 2016, but in an outline or a map of our disbursement of your term diverse price point housing, if we can see that I think that helps us, especially some of us newer members to get a better idea of what we are already looking at. Then to Mr. Newton's point, I think he was moving there, and I know we have enough definitions and reports around upward mobility now, but yes access to amenities and health services, transportation, schools, parks, greenways I think in that summary here and I'm not trying to add a deliverable, but in that summary it says summary should include comparison of barriers and opportunities just with that summary giving a bit of idea or what else is near these places?

Mr. Bokhari said just to add a little more specificity to Mr. Egleston and Mr. Driggs' comment, perhaps we add a bullet in the beginning under the first line for Deliverables that says utilize data to quantify the tradeoffs between increasing the number of units compared to dispersing the units into the designated areas, and that way it is just a step in the process and for illustration purposes, if getting the Locational Policy perfect takes us from achieving 34,000 units that we need to 27,000, that is going to be a lot different of a conversation than going from 34,000 to 12,000. Just knowing that and understanding the impact of the crisis on people that need places to sleep now that can't afford their housing versus the upward mobility conversations.

Mayor Lyles said I've got that as utilize data to compare existing current state as well as all options that are recommended for the data around what it would accomplish for available units.

Mr. Bokhari said I will jot it down and e-mail it to you.

Mr. Winston said I was just going to agree with Mr. Newton in his assertion that we should add on the end of that sentence related to upward economic mobility for Charlotteans. Just specifically with this Housing Locational Policy, being that it is kind of time sensitive and urgent and that we don't have a lot of time to waste that we know that from past experience whether that be here in Charlotte or throughout places in America, when we just look at putting low to moderate and mixed income housing that it can get siloed, and that is how you get experiences of ghettoization and lack of economic mobility and lack of stuff, but you have cheap housing. Being that we want to remedy this issue and not just remedy the problems of people not being able to have stable homes, but being able to uplift themselves which they have historically not been able to do throughout the centuries of existence in this City, it is imperative that we do that and to go on to Ms. Mayfield's point that we will see that these ideas do intersect throughout Committees and to build these kinds of neighborhoods, they have to be safe. They have to have an area of economic development; they have to be built in environments that are non-toxic, but that actually promote life and they have transportation options, which is why we wouldn't just look for example, of putting high density, low-income affordable housing in certain Districts like District 7 or District 6 where there aren't the same transportation options as in District 1 or 2. Please tell me if I'm wrong Mayor, this is kind of the idea of this shared information that when we are dealing with some of these things in our committees that they can't just stay in these Committees where those intersections do need to happen. We have some type of mechanism or process that allows that communication and therefore work and progress to happen concurrently and not six months after we figure out we need to include somebody else.

Mayor Lyles said I agree with you and the setting is perfect; the discussion this evening has been great.

Mr. Driggs said I just wanted to mention, we have a Locational Policy now right, and it is pretty narrowly focused and has mainly to do with avoiding high concentrations, and if you

look at a map at the eligible areas according to that policy and you look at another map that shows the per acre real estate prices, you see it is almost a perfect block out. I think there is a narrower issue, which is just let's unshackle ourselves, because we had to make votes on a number of occasions to waive the policy in order to let a plan that we thought was socially desirable go ahead. The way you are talking points to a much larger conversation about the importance of housing and the context of other steps we could take, because we saw, it is not just one thing, so I just don't want this Locational Policy thing to spill over into an open ended conversation that doesn't actually fix the small problem, which is the barriers we have. I also want to point out that while we are wanting to achieve greater dispersion, we are also more focused now on lower AMI's and to your point on kind of deciding where the greatest needs are, so we are going to run up against a constraint on our resources, and we are going to have to make some choices which I think gets back to the point you, and I make, be pleased to have a framework. The last comment I would like to make is I would like to see some reference to CMS in here, because clearly if you are looking at the Locational Policy the concentration in the schools and the [inaudible] of segregation we have this is one of the few things we can do about that.

Mr. Newton said it is my understanding that the current Locational Policy focuses almost exclusively on proximity, so we are talking about how close an amenity is to a proposed project with the exception of employment.

Mayor Lyles said you are giving us a lot more credit than we actually have. I think you are referring to some of our tax credit projects that have certain things like that; our Locational Policy is all about proximity to other subsidized and affordable units. I'm going to take a stab at this, and I'm going to ask Mr. Bokhari if he will give me the statement on –

Mr. Newton said if I could finish, I don't want to lose the opportunity to really nail down the particular point, because I think even if it is about proximity, I think it is very important that we also look at surrounding amenities, not just their proximity to Mr. Harlow's point but also to their quality. So, to build upon Mr. Driggs' point and I want to make this clear too, I think that the current Locational Policy doesn't prevent the placement of pockets of poverty, which is what we don't want; I think we can agree upon that. I do think so to build upon Mr. Driggs' point I do think quality is very important, because you could have a close proximity to a school that is at 200% capacity that needs the relief whereas maybe in a different instance there is a school that would be much more appropriate for children to be attending and not place as much stress on the current existing members of the community too. I think it is very important that we talk about not just proximity to amenities but also quality of those amenities being provided.

Mayor Lyles said I want to do two things; one, I want you to know that if you look at the second sheet that is the strategic plan, this has pretty much to do with our Locational Policy, and I would suggest that in the key steps that identifying barriers opportunities of current policies to address the issues of schools, healthcare, park open space, access to food, transportation options, and other amenities would be a way of dealing with that, and I think Mr. Bokhari has another measure that he can tell me what that says and the staff can get it down.

Mr. Bokhari said to utilize data to quantify tradeoffs between increasing the number of units versus dispersing the units into designated areas of the City.

Mayor Lyles said I would like to say that those two things seem to apply there. I think a lot of our conversation has been around the strategic policy that we have coming up next. That is where we actually start talking about the magnitude of the problem, the assessment of existing tools.

Ms. Eiselt said I think they are all really key things that we need to keep in mind in particular around strategy of where we place our diverse price point housing. I also think that we don't want to be too inflexible in the way this is written, because the reason the whole Locational Policy discussion came up was that we did have a project that on the surface looked like we were adding subsidized housing to areas that already had

subsidized housing, when in fact we didn't look at the data that did tell us that what we were adding was raising the average income level of the area. Even though the housing might have been 60% or 65% AMI, the neighborhood that it was in was more 35% to 40% AMI, so I don't want to lock us down to not taking those things into account on a case by case basis. We could add that to the data that we look at.

Mr. Phipps said I think the mobility study that was done already recognizes that a strong component of upward mobility is the availability to have affordable housing. I think that is the first step, so all of the talk about quality amenities that surround it, what are quality amenities? I guess it is in the eye of the beholder, right. I might feel that the South End might have better quality amenities than North East Charlotte. You can look at that Auto Bell Car Wash at the corner of Fairview and whatever that road is; that is a designer Auto Bell right? We've got the traditional Auto Bell, so I don't know, even when you get to a point where you want to develop some property, we just can't pick and choose and say we've got the land. The land is available here but the grocery store is not what we want it to be so we are looking for something else. I think we've got to go and get the mixed income housing placed and the goal of the amenities being around it, I think that is going to come. People talk about well, we already have enough affordable housing in this area, but what is the quality of the affordable housing stock? You might have a lot of it, but what is the quality of it so you are talking about the quality of amenities how about the quality of existing affordable housing stock, is it where you want it to be? I think we can talk around it, we can go in circles. I think it is a circular argument really. I think we should be focusing on Locational Policy of where we want to put these mixed income housing. I think we should be focused on getting the housing in place first and let the amenities come and build the amenities of where we want to go. The people that live here I don't think they are going to be isolated here; they are going to get on a bus and go places. That is all about upward mobility; they will be going to a job, but they need a place to stay first. So, that is what I see.

Ms. Ajmera said I have more of a questions than a statement; I would like to better understand the existing Locational Policy that we have, because I often get asked this question, but I go to various neighborhoods and say oh what are you doing to put more affordable housing in District 6 and District 7 in the Ballantyne area so that my child can go to the best high school or middle school in the City of Charlotte. How does that related to Housing Locational Policy? If someone from staff could explain that that would be great.

Mayor Lyles said that is a whole different conversation that we can have another time; right now remember the Locational Policy only applies to City financed units. It is not about everybody else. It is only where we are, and we can't address the question that you are asking tonight around this.

Ms. Ajmera said I think is relevant to here, because we are trying to figure out City financed affordable housing and if you are trying to put more affordable housing in specific districts or certain parts of our City then we need to get that answer.

Mayor Lyles said you were not asking specifically about why are the high schools better in Districts 6 and 7. You were saying how the schools imply, and we've included that with the question about those amenities.

Mr. Winston said I think she was asking to better answer to constituents when they are saying, how can we have more affordable housing, and how can the City put more affordable housing in places like Ballantyne?

Mayor Lyles said that is strategic plan second.

Ms. Ajmera said I think to that point because it is relative to Housing Locational Policy, I would like to understand what are the steps that are necessary for us to create a Housing Locational Policy in a way that it would give us more opportunities to put City financed affordable housing in Ballantyne and SouthPark.

Mr. Newton said I think it is important that we recognize that this is more than about just the numbers; this is about creating safe communities that are replete with opportunity for the folks that live within them. If we are going to be diligent stewards of the public trust we cannot overlook that, and I just hope that is something that with the Housing Locational Policy in the HAND Committee is not overlooked as well.

Mr. Driggs said you've won already; the campaign is over.

Mayor Lyles said I think we've talked about the Strategic Housing Plan and the Comprehensive Study and this has three steps in it. Let's make sure we've got the 5,000 in three years and those actions that we are taking to complete that. Determine the top three strategies delivering maximum benefits based on metrics and review and recommend a vision statement for approval that we can begin to use as a policy statement to guide this. If you have the vision of economic mobility as a part of housing, that is where it would go, but the vision statement comes back with what are we trying to accomplish.

Mr. Winston said right off the top, I think the deliverable needs at least one word, or I would like it to be comprehensive on at least the 34,000 units that we know we need right now, but if we are only going to keep it at 5,000 units in three-years, the word "net" needs to be put in there so we are understanding that we are trying to achieve an additional 5,000 units on top of the units that already exists, because we know that as we build we are losing out right now, and it doesn't do any good if we lose 4,500 when we build 5,000.

Mayor Lyles said I think we were only doing the former for the last measurement. It doesn't constrain us to say 5,000 for next year. I think when it says determine the maximum three strategies for delivering the maximum benefit would be bullet number two. Bullet number one is basically to close out our commitment to the Community Letter and bullet number two would establish what do we want to do and it could be more than 5,000, or it could be less. Then the last was the strategy that would kind of incorporate our vision. We weren't trying to create the new; we were just checking in to make sure that we did what we said we were going to do.

Mr. Winston said will I guess if that is what you meant when you said 5,000 units. I always took it to mean the net from when I was part of the community who received that letter.

Mayor Lyles said it was not meant to be net. With the development pressure that we've been experiencing, I'm not so sure in 2016 or 2017 we would have even known that.

Mr. Egleston said my idea is very similar, and I think would speak to and potentially solve Mr. Winston's question which is several of us have discussions about this. I think we need to be more transparent about what we are losing, not to say that is the City's fault, but we need to be realistic about what is being lost so maybe as a deliverable having a more statistical tracker of the affordable housing that is being lost for whatever reason and then Mr. Winston, and I or anyone else who is interested can determine what the net is. We know what is being built; if we know what we are losing, we can figure out what the net is.

Mayor Lyles said did this other study dive into that? We've had another study since then that did talk about the number of units. I'm not sure I remember how they termed it, but it does account.

Mr. Jones said we should get the results of that study at the end of February.

Ms. Mayfield said this is more of a clarifying statement. We actually did start this conversation within the Housing and Neighborhood Development Committee looking at the impact of the housing that we are losing and how it correlates with our goal. I do agree that it would probably be helpful to have the language clarifying where are we in achieving our initial goal of 5,000 units in three years. Keep in mind, that was starting with January 1, 2017, so I think that some people in the community, because of everything that happened in September 2016 Council had looked at 5,000 units in five-years, and that was accelerated to three years, so what we are looking at is January 1 to December 31, and now we are going into year two so clarifying specifically that this is an update on the initial

three year plan of 5,000 units. It would be helpful to have it noted in here somewhere that we have already initiated a study to look at the impact of housing that we are losing. If my colleagues would remember as the City Manager was going through the different power points, we had in there the relocation assistance and that was triggered because of the number of CND units that were built in the 70's and 80's and the redevelopment that is happening, because again we don't get to control the market. The market is what it is, but what role can we play in that conversation is where we are today, so some of these questions will be answered in Committee and follow-up, but I do think Mr. Manager it would be helpful if we note on these sheets which I am agreeing with my colleague, are extremely helpful, so thank you to you and your team for drafting these for us so that we have a better understanding of the tracker, but it might be helpful to give that we had already requested that, and we are anticipating the update on it.

Mr. Bokhari said I would recommend for consideration adding a second bullet under number three under deliverable that includes in addition explore demand side opportunities that can work in concert with supply side capital investments in land and buildings that can impact the ultimate objective of housing affordability. I clearly did not describe it well on Thursday and Friday of the Retreat, so basically this is just a very general directive much like bullet one is general identified key strategies and operational improvements. This is general to not try to mandate or even figure to know what it is at this point, to not just consider dollar amount investments in let's say the Housing Trust and things like that but also what is the multifaceted way we can impact the affordability of housing inside this very much strategic roadmap for housing affordability?

Mayor Lyles said so you are looking for opportunity outside of facilities to build and maintain affordable housing.

Mr. Bokhari said upward and economic mobility as it relates to impacting this affordable housing.

Mayor Lyles said I'm trying to figure out what the supply side, and you are saying aside from the supply side what do you want to accomplish?

Mr. Bokhari said demand side idea is to impact affordable housing.

Mayor Lyles said give me an example of what you mean by that.

Mr. Bokhari said tying in the whole conversation that we talked about; it is not just about one silo affordable housing; there is an entire ecosystem of job and workforce development tied to affordable housing projects. Different things of that nature so it is all considered as part of the strategy.

Mr. Driggs said I just wanted to try to translate; I believe Mr. Bokhari is saying we need to work people's ability to pay rent as well as the availability of housing at certain price points.

Mr. Bokhari said that is certainly another way of saying that same idea.

Mr. Driggs said so that falls within our general economic opportunity and job creation and other priorities. I think it is a valid comment but in the context of the conversation specifically about the affordable housing supply, because that is what this is about; we are never going to get to the point where we have more of that than we need. We are always going to be trying to create as much accessible housing as well can, and that is one subject. What you are alluding to is part of that holistic thing that was explained to us. You can't just focus your energies in one place or the other; public safety is a piece, job opportunities, income opportunities. Anyway I think the point was demand side means people's ability to pay for the housing instead of just trying to make the housing cheaper, try to get them more money so they can pay for it.

Mr. Bokhari said perfectly said, if I can follow-up to one point, I think you said that perfectly, and I guess maybe I would reframe what I was saying. Those are two separate topics one more economic development and one more HAND based, but I think to many of the topics we talked about earlier today connecting those, because they are so interrelated, and if we

can knock off the need for 34,000 units to 30,000 by hitting it on the economic development side we should look at these two at some points as intersecting.

Mayor Lyles said we have this and what this meeting is to do, is to look at those intersections, because in the economic development piece you heard what is the ways to incent these demand side things as you call them, good jobs on the economic development side, as well as what we have been currently doing as a program, has to come back as well. I think Mr. Driggs is making a point, yes they are integrated but we need to have both and there isn't a lack of focus. These are not silos; this is an opportunity again for us to continue to have that, but yet if we don't get to the supply side that we know that we can't do 34,000, but if we don't do something we are just going to continue to lose; it will be 38,000 by the end of this year. That is why that focus is so important in getting that plan out. I think we are not ignoring that, and I think you heard the comment.

Mr. Bokhari said allow to me retract that idea for now, but I've heard those points, and I need to digest that.

Ms. Ajmera said as you look at the strategic housing plan, I think we also need to look at sustainability of not just existing affordable housing but sustainability of affordable housing that are being built for a number of years. When we look at 20-years down the road, we are not in the same sort of affordable housing crisis that we are in today. So more for the longer-term perspective, the second thing is to also look at our Code Enforcement; I have had a couple of constituents that have reached out to me about the Code Enforcement that was implemented at the beginning of this year, and I know Ms. Mayfield is nodding her head and she also had conversations with some of the same folks that I did. Some of the Code Enforcement policies are actually forcing people out of their homes, for example, just because they left the trash bin out by the curb they are being fined \$500 or so.

Mayor Lyles said they are not being fined; the landlord is, and the landlord now says he is going to kick them out. I think that is an operational issue and the Manager needs to come back on that. This is like our big push forward.

Ms. Ajmera said as we look at more sustainability we need to look at how the Code Enforcement can also be looked into to insure that we are preserving our existing affordable housing when tenants are paying \$800 to \$900 per month in rent, which is a lot lower than what other newer units are being rented for.

Mayor Lyles said I think if the Manager can give us a report on Code Enforcement, because one of their primary missions is to preserve housing.

Now let's got Economic Development; you can see the three programs, and these guidelines again are going to leverage what we are trying to do for the metrics that we have around mobility.

Mr. Mitchell said let me just add a little more content to it. We were trying to look at these incentive guidelines as relation to CBI, more minority participation, as well as the PIECE Program, taking the graduates to be part of and gain skills in some of the development we are doing. If you could just put that as well on a piece of paper I think it will help knowing some of the background information for what are we trying to accomplish going forward.

Ms. Eiselt said can you repeat how the PIECE project relates to the incentive guidelines?

Mr. Mitchell said I had to give the Mayor credit in one of our first ED meetings she talked about how we could take our own workforce graduates and let them work and get job experience.

Mr. Harlow said I would like to see something in the deliverables here; I know we have a lot of programs, the three that are mentioned here around and most specifically around the matching grant programs for our businesses and the corridors we are trying to redevelop around the utilization of that. What is the data that surrounds that; like how many small businesses are utilizing some of the programs that we already have? We talk a lot and ED

is real big as it relates to let's get these big companies here; let's provide the hundreds of thousands of jobs, but I don't see anything in here as it relates to small business investment, specifically in underserved communities. I know we have our matching grant programs, and we've got façade improvements, but I would love to see some data around is that being used and if not why? Which means one of two things to me; it is not what the small businesses actually need, or we are not doing a good job of the community engagement piece of informing folks about it. Some type of deliverable as we look at this whole incentive guidelines around utilization and possibly changing or adding amending how we do small business grants.

Mayor Lyles said I'm going to put that in our comment section, because that is another topic and let you present that again if that is okay because it is kind of like our small business program and how it is structured. These are particularly trying; and I do think retention of small business is really important, without that people don't have jobs.

Ms. Eiselt said with regards to performance incentive guidelines and how we use those, we talked a lot at the Retreat, or we heard a lot about what we need to be doing better with regards to diversification industry in Charlotte and creating an environment that is going to attract more mid-level jobs, so I wonder if we could also look at our incentive guidelines and create a matrix that incorporates that as well. What is it doing to create the jobs that we know we really are lacking here in Charlotte, and I know we take into account industries, but are we taking into account industries that we would like to attract?

Mayor Lyles said can we do that under the qualitative metric?

Ms. Eiselt said sure, the Committee industry flushed that out, but I would like to think about what we are aspirational about in terms of workforce development in Charlotte.

Ms. Ajmera said I think we often talk about how we want not control someone's destiny based on someone's zip code, so I would like to look at some of the incentives based on geographic location. So, where there are not a lot of jobs and opportunities especially large corporations, I think we've got to tie some of our incentives to geographic locations so that we can truly spread opportunities throughout the City in every corner of our City specifically east and west. If you look at geographic locations, that would be great.

Ms. Mayfield said we actually do look at geographic locations. I believe where we have an opportunity and making our language stronger is in our local hire and really doing a study on communities that also have a Manager/Council form of government that have implemented local hire initiative and given extra points. A prime example is District 3. I have like my colleague some of the top headquarters. You have the VA Hospital; you have Sealed Air. You have UT Aerospace. I have a number of major corporations, but I also have one of the highest unemployment rates, specifically for minorities. So, just because we create that opportunity and we build it in a geographic area that has additional incentives, our local community, our residents are not the ones who are getting access. A lot of the companies, especially the larger companies are bringing their talent in, which is great. It is helping with the growth, but what would be helpful for me is for us to really look at that number, our local unemployment rate and who is actually getting the opportunities in these jobs. We have basically a locational policy for corporate development, and we give additional incentives, but I don't think we've had a lot of energy behind the hire local campaign and whether or not we truly have the political will to go along with the political ability to move that forward. I think that would be the biggest opportunity that we can have in this language is really helping all of those who are going through training, getting them connected to the job and then hopefully going back to small business support helping some of these companies start their own business and create wealth by not just being an entry-level employee.

Mayor Lyles said the last one is under Domestic Violence Prevention and Victim Support. Several of you have been working on this, but this is to identify how to address systemic changes to effectively prevent domestic violence, evaluating the City's role, funding and organizational resources required to do that.

Ms. Mayfield said City Manager and maybe Chair of Community Safety can help; I'm trying to understand how we the City Council are best going to best be effective in this role when this really falls within the courts and when it comes to when you are actually filing a petition order and if there needs to be a relocation a lot of that falls under Social Services and the Courts. I'm trying to figure out how are we going to really put metric around being successful and having a positive impact in the community on this particular issue.

Mr. Jones said with the first meeting, one of the outcomes was just a number of people being very appreciative that they were all around the table together talking through the issue. I think one of the outcomes of the City being involved is to really see what is working well and what is not working well and are there any gaps, any opportunities. It is more of a convener as opposed to the City trying to solve the entire problems.

Ms. Mayfield said there have been a number of issues over the last few years that are in direct impact of the role of City Council and our Public Safety Committee regarding crime and a number of other issues in the community. I'm still trying to understand how the role of convener- I can see one; I recognize the importance of it and the value of this which is why I attended the annual meeting that was held actually in this room in partnership with the County and the Courts. There were very few City staff and/or relationship in this room when I was here. I see this being an issue that we might have a small role in; I still don't understand how it is one page when I know Ms. Eiselt there has been a number of direct community issues that she has been working on in Community Safety for a while that I would think one of them would be the one that is on a page and this would be a subset. Just trying to get more clarification of how this is the full priority opposed to a subset of a priority where other things that have been worked for more than a year now.

Mr. Egleston said I see identify community partners on here, and I see map current system; I just want to make sure that included somewhere in that language is the creation of some sort of a work chart that essentially outlines not only what organizations do what but there is overlap and opportunity for them to collaborate. I know that is part of what you are doing but I would like to see that visually.

Ms. Eiselt said I view it through our lens that Police does fall under the City, and we put a lot of resources into our Police Department that are used to react to issues of domestic violence, so from a resource standpoint like anything related to crime what can we be proactive about that is going to help the community, in this case the victims of domestic violence that we can again be more proactive about? Which ultimately means that we are having to put very expensive resources on to the law enforcement side for them to just be able to react to situations when they arise. I do see our role; I'm not positive about the convener thing either, but I do think we've already been involved when we talked about Mr. Egleston is familiar with this, the fact that we have people on the domestic violence commission, and we are not really sure what our role is with that. Through that we need to be able to identify what do we do and what was the reason for us having people on that commission. Is it effective? But holistically, what can we do as the City to help solve this problem? I'm not sure about the whole convener thing, but I do think that we have a powerful role to play in helping holistically through our use of resources, which may ultimately be a better use of our resources.

Mr. Winston said can we just define what this idea of convener is?

Mayor Lyles said I'm going to take a stab at that; let me just say what a convener is. I'm going to say that it is a little more than convening, because you see the results of what we've got with the system that we are currently working under, and we also support Safe Alliances operating budget. We also have a Domestic Violence Advisory Committee that is managed by the County but we are held accountable for what those folks do and what they don't do presently. The final thing I would say about this is, if we don't have a process map that identifies – this is what I say; it is not convening. To me it is a participant in a process map that shows how from the victims' perspective things happens, and we can sketch that out and look at it and compare it to other places that work. I don't assume that the model we have right now is working for us with the results that we are getting out of CMPD. The question for me, is the model right, and what initiatives are necessary to be right, and how

do we measure that and participate in it? Yes, we can always say and it is like talking about schools and housing, those are so big until you actually sit down and say I'm going to carve out a piece of this to make a difference. We know that we have better schools than others but do we know what our role is in regards to victims assistance, and do we know what we are doing as a part of that community of care for these victims that we are beginning to deal with; 2,000 reports and then 30% of our homicides being domestic violence related. Is the existing way to do it; who is doing what? What are the gaps? Those are things that I say only by having everybody at the table do you know and find out and to be having an honest conversation is another part about this too.

Ms. Eiselt said the other part coming through CMPD is that we as a City are being asked to look at and participate in some of the training that CMPD has been involved in and wants to bring to Charlotte, namely the strangulation training, which would involve Police Officers, 911, 311, other people than just City but certainly would involve some of our City personnel, people that would be trained to be able to recognize [inaudible]

Mr. Phipps said it seems like the whole focus of this is dealing mostly in a reactive mode, because we are dealing with victims of domestic violence, but as far as our deliverables are concerned it talks about helping to prevent domestic violence, so I'm wondering if we are really setting ourselves up for trying to tackle a tough issue, but when it comes to preventive things we can do I'm just struggling as to how we are going to measure that. It seems like most of it is focused on help for victims of domestic violence. How will we measure preventing domestic violence in the first place? I don't know how we could; I'm struggling with that part.

Ms. Mayfield said I mentioned this once before at our last Council meeting that I hope that we are taking the time to be conscious of not coming in trying to be the elephant in the room, because our partners have been doing this work for quite some time. Again, which is why I ask why is this separate, because will we really have a role? In my opinion from talking and we've all talked to different members of the Domestic Violence Advisory Board, we have a pretty high turnover on that Board. When you talk to some of the members that have rolled off, it is because it is not clear what their role is, or you had people who were involved and wanted to be a part of the Board because of their understanding of reading what the Board's role of responsibility is was greater than that actual role. It seems like we would take a moment to step back and instead of trying to lead a conversation, here is our opportunity to truly be a partner and hear what is already going on, because the Courts have been doing this work for years. Our judges have been doing this work for years; CMPD has been doing this work as a subset for years. We have a Domestic Violence Advisory Committee that we appoint to, but I don't know if we've ever stepped back to actually ask them what is your anticipation with being on this Committee, what do we have listed as the language and the roles and responsibility and how do we make that connect? That might be our greatest piece, which it doesn't talk about that in here with really identifying our role. Our greatest role in all of this is around our Domestic Violence Advisory Committee and helping to strengthen what is their role and if there is a possibility to give them more authority. Is that something we need to again go to the General Assembly in order to have legislative action? It is something where we can do it on our end? I think that is where we have the greatest opportunity in this conversation, and I don't want us getting ahead and adding one more thing that is in our wheelhouse especially when we have professionals out there where this is their work. This might be a time for us to be a really strong partner and ally instead of trying to lead a conversation that we have to learn about as we go along.

Mayor Lyles said there is no disagreement with what you said. There are things about this that we've identified, and we can talk a little bit about the Domestic Violence Advisory group and how that works, but I think working with community partners to outline ways to make it work is really the key to all of this.

Mr. Winston said I wanted to respond to Mr. Phipps' assertions, which I think is really how we should look at any problem that we deal with. What are the outcomes and how do we define success or failure? I think right here there are some kind of metric that we can use and kind of look at and even within them define how effective we are. When you say that a

third of the homicides are related to domestic violence and our community is looking for us to provide reductions in homicide rates and as we attack those can we reduce those related to domestic violence? We know that we have 35,000 calls, but we know that might not be all the calls that needed to be made as we do kind of work within how emergency calls are collected and dispatched, can we provide new tools for domestic violence victims to safely report? I would say that this is definitely a subject matter or area where we can take a lead role but also take supplemental roles within our purview and other more direct purviews of different entities of government. We don't even talk about the effect of suicide, which might be more of a county thing, because it relates to public health, but I would say that perhaps if we give some of these victims safer ways to report that might affect suicide rates related to domestic violence. So, we do have a role here; we just need to kind of dig into the numbers to see how effective, are we within kind of where we step into it?

Mayor Lyles said I think the Committee can come back with some answers of how other places measure prevention.

Ms. Ajmera said I agree with Ms. Mayfield's point about there are experts who have been doing this for years and our role might be more in terms of supportive role, but I think if we have some sort of alerts or resources that we can connect constituents to because we often get asked those questions around domestic violence, so if we have all the resources on hand, and we know who to direct individuals to and better connect them, depending on the complexity of the issues that they might be dealing with actually it helps us in terms of addressing the matter up front before it becomes the City's concerns.

Mayor Lyles said that is the intent, not only we as individuals but neighbors, family members that are often afraid to come forward.

We have completed the Committee assignments; we've had a lot of discussion and I hope everybody felt like they had an opportunity to fully engage and a lot of work to come back. I look forward to the Committee Chairs and their reports and maybe we can be a little bit more like succinct when we report out next time.

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ITEM NO. 2: FY 2019 BUDGET DEVELOPMENT FOCUS

Sabrina Joy-Hogg, Deputy City Manager said you a little preview of this during your Retreat; we had Mark Vitner talk about the economics of today, and Phil Reiger will come up right behind me to go over local budget. As you know, we have good strong financial management; we've been a AAA rated City for 39 consecutive years, and I think I spoke a little about this at the Retreat. We had the Economics Club come in and look at how we do our revenue projections, and they found no outstanding issues; they actually gave us a couple of pointers. We had Keith Kowokunski, a Financial Planner with Edward Jones; he is the President of the Club. We had Ben Passty, who is a Board Member; he is the lead forecaster for Indiana for Duke Energy. He was a great help because we have a couple issues trying to forecast our utility franchise tax, then we had Jimmy Squibb who is a Member; he is Director of Global Economics with IMPLAN. They also offered some insight on potential impact of federal tax law; sales tax could vary because there is more deferred revenue in people's pockets and then the Utility Franchise Sales Tax. There are some rebates that the federal government is offering that hopefully will be passed through to our residents that has an adverse impact on our revenues because that means they will pay less.

Moving into budget development for FY19, we are going to be using a five prong approach. One will be examining the revenue that we currently collect; are we maximizing how we collect our revenue? Are we looking under all the rocks and the addition of our economists will help with that? We are also going to look at how we become more cost efficient and how we become more efficient in how we provide services. We are also going to look at how we grow our economy; are there new areas that we can tap into? Are there areas that we are not utilizing completely? We are also going to look at sharing services and leveraging resources, not just with the County but also with our private

organizations and non-profits. Where is it that we have duplication of services, and where can we stream line? Just keep in actions that you take today or even in FY19 have ripple effects. They go into the years to come so FY19 actions will have an impact on FY20 actions. We are developing this budget with a two-year lens; again, if we fund a program in 2019, we know we are going to need that money again in 2020.

The 2019 budget development will focus of course on meeting City Council priorities; if it doesn't meet a City Council priority you will not see it in the budget. It is multi-faceted; as you know, budget is not just a three or four-month timeframe when we develop it. It is actually a 12-month process where we continue to look at our revenues, our expenditures, and we are constantly trying to find efficiencies and eliminate duplication. In the City Manager's budget message, when we past the FY-2018 budget there was mention of some internal reviews that are going on, evaluations that are starting to come to fruition. We will be implementing some of those and some of those evaluations have identified some duplication of efforts, and we will be looking at right-sizing departments. We are doing a thorough base budget review for FY19; we are also going to look at how we deploy our personnel throughout the organization, again trying to figure out where are the duplication of services. Can we utilize personnel in a much more efficient manner? We are going to look at right sizing internal service departments. Those departments are Finance, Human Resources, the internal ones that you don't really see until you don't get a paycheck or your e-mail stops working, the quiet ones that work behind the scenes. They haven't been looked at in a very, very long time because we are outward facing. We make sure that our residents and our business partners receive the service that they need, but in order for operational departments to function at a high level our internal service departments need to do so as well. We will also begin a review of our compensation philosophy in 2019. It will take maybe a year or two to go through it; it is going to involve a lot of discussion with our employees, our departments, and just looking at best practices. We have a compensation philosophy that I think was adopted in 1990 something; it is time to relook at that again. Again, those results won't come out until about 2020; we want to make sure we do a good job with that. That doesn't mean that we are not going to suggest any compensation changes in 2019; it just means the whole philosophy will be looked at by 2020.

Phil Reiger, Budget Director said I'm going to take you through a quick look at the economic backdrop. I'm not going to repeat what Mark Vitner described to us on Thursday but just a quick reminder and then we are going to do some numbers. We are going to look at where we finished the year FY17, where we are projecting FY18 to come in and then we will look at a five-year projection of where revenues might be, and we will look at that both from an optimistic more of a base and a pessimistic viewpoint and then we will take a quick look at the Capital Program. This year is a scheduled bond year, so we will take a quick look at that.

Just to recap Mark Vitner described national growth and local growth to be steady, and we in Charlotte compete favorably against our peers, and we tend to outpace both the state and national economies. These are just some statistics that describe that. One of the things that I want everybody to understand before we look at the numbers is that our City revenues don't always follow the growth of the economy and the population directly and I will describe some examples of that as we take a look at revenues; however, demands for our services do generally follow population growth and growth in the economy. There is always pressure on our services and those show up in the budget process, so we will talk a little bit about that.

The numbers I'm going to show you, with the exception of the next number, are very preliminary. The projections have been developed off of what data we have to date. In some cases, we only have three or four months of data of a full year to work from so very preliminary, but this is a good starting point. Just a reminder of what we are doing through the budget process is really just connecting the dots. The budget is one of City Council's most important policy documents, and we are just kicking off that process.

We ended the year 2017 after all the ends and outs of the audit were complete with \$2.7 million of remaining resources that can be reallocated in FY2019. Per City Council policy,

we generally allocate those funds to your Pay as You Go fund for one time resources that generally get used for one time type of expenses; however, there have been some times when Councils decided to do other things and it is certainly Council's discretion to choose to do that. So again, we will talk about General Fund; it is an important piece of the pie, \$2.4 billion total budget, but the General Fund is \$668.8 million in FY18. After six months of data and some scrubbing, we think the budget is tracking in a positive way. We think we might end the year with \$4 million to \$6 million; only half the year has passed and things can happen, but things look real positive right now.

Moving into the five-year General Fund financial forecast and again these are preliminary numbers, but what you see up here is an optimistic forecast, a base forecast and that base forecast is the forecast that we will be working from and a pessimistic forecast. There are some things that I want to point out here; the pessimistic forecast you will see actually a dip, so what that forecast models is a downturn in the economy starting sometime in FY20. You will recall Mark Vitner talked about calendar year 2018 at least from a forecasting perspective being continued growth but some uncertainty about an economic course correction, so what we've done here is try to be prudent and in our pessimistic forecast tried to model what a downturn in the economy might look like. The base forecast also models a slowing of the economy; it doesn't model a downturn. It sort of models a slowing in growth in that economy in year 2020 and on, and you will see that reflected generally in the sales tax. The sales tax is the revenue sources as the most volatile. Finally, the optimistic forecast is really a trend line forecast, and so we have modeled generally what we can expect from our revenue sources from a long-term trend-line perspective to develop that. Then you will notice that in FY19 the base forecast shows a very, very modest growth at 1.1%, and so let's talk a little bit about why that is the case. You will see on this chart that there is a couple negative numbers out there to the right and so what is going on there the utility franchise sales tax in 2015 was changed. It was a tax on gross receipts, and the legislature changed it to a sales tax, so we saw substantial increase in that revenue source in the first year, but it has leveled off, so it is a very new revenue source, and we are still trying to figure out what that trend line looks like. It leveled off and to be realistic at least given the amount of information we have about this year right now we are forecasting that revenue source to be about \$2.7 million below where we budgeted last year.

LESD stands for Law Enforcement Service District, and you all got a presentation a few weeks ago about the changes in policing in the ETJ, and that is a \$4 million hit to our budget. Those two factors are the major reasons why you are seeing a slow growth here at the beginning. Again, very preliminary, as we get better data and as we move through the budget process we will be refining this information and sharing it with you accordingly. Just a quick glance at where we are with expenditures, Sabrina talked about our efforts to really start scrubbing the base. This is very preliminary, as we look at the drivers on the expenditure side and if you look at basic expenditures forecasted out five-years compared to that baseline revenue forecast, you will see in FY2019 that there is a small gap. It is a manageable gap but there is a bit of a gap there.

This is keeping your lights on scenario, so this is to continue providing services at the level that we provide services today. What that did include in it is what it would look like if we were to include a salary increase for employees or quite frankly any other new services added on top of our base condition. You can see that the gap grows obviously as we think about that. There are demands and pressures on our budget; technology, equipment and vehicle needs are all these things that we are considering. We may want to consider program expansion as we think about what it takes to meet your priorities. There are never ending infrastructure needs it feels like as we continue to try to keep pace with the growth of our community and there are always unforeseen events.

There are other factors that impact our budget; changes in the economic outlook. If you were following the stock market today, you will know that the Dow Jones closed at about 1,100 points below where it started the day. There are a lot of reasons swirling around the internet to try to describe why that happened but the economics can change things. Clearly, the state can change its fiscal legislation which can have an impact on use and

then we are scheduled to have a property revaluation that will affect our FY2020 budget; it won't affect our FY2019 budget, but it is something to consider.

Moving on to the Community Investment Plan again, this is a year where a referendum is planned. The Community Investment Plan is an eight-year plan; it was adopted in 2014 by City Council, and it is an \$884.5 million plan with four bond cycles scheduled and that \$884.5 million includes Certificates of Participation, and that is what COPS means. Of course these are the goals of the program in the November bond as adopted last year was scheduled to be valued at \$219.8 million. For this year, our Finance Department is forever running debt capacity models, and it looks like we will have \$90 million to \$100 million of additional debt capacity, on top of the \$884.5 million; however, they are some project cost overruns that we will have to work through that will eat into that capacity. We will bring that information back in detail at a future Workshop to really flesh that out for the Council.

Councilmember Eiselt said that debt capacity projection is just to keep us whole with ratings and all of that, is that correct? What is the assumption on interest rates?

Mr. Reiger said effectively, what that means is- and I thought Kim did a nice job describing it in water rates. We outperformed our model last year so it has provided a little bit more capacity than we projected last year, so \$90 to \$100 million maintains AAA rating in all those things.

Ms. Eiselt said that is our total debt capacity. It doesn't include what our current debt is; is that right?

Mr. Reiger said no, it is on top of the current capacity.

Ms. Eiselt said could you go a couple slides to the one that showed if you added employee salary increases? The middle is the base revenue.

Councilmember Newton said I had a quick question on slide #23, speaking of the Law Enforcement Service District contracts. LESD we are looking at a loss of \$4 million; were there any savings associated with these contracts being cancelled? If so, was any of that factored in?

Marcus Jones, City Manager said the savings side has not been calculated yet; this is just the revenue side and a big portion of the revenue side is that you have different jurisdictions pulling out and the revenue associated with those jurisdictions would go with them.

Councilmember Phipps said looking at your pessimistic scenario up there, a big sell off today and it started I guess on Friday. We got a change I guess in the new Fed Director, interest rate hikes that are being forecasted – could it be that we might be looking at the beginning of a slow down before 2020, maybe in the 2019 range if this persist? Because there are other events that could come up that might affect our economic outlook.

Mr. Jones said I'm going to say Phil; Mr. Phipps while we are trying our best to give you longer-term projections if we could predict the Stock Market we could all leave. To some extent, what Phil was talking about earlier, which Mark Vitner also talked about is the timing of that slowdown and he didn't have it in this calendar year or next calendar year, but again we will be very careful with trying to predict the market volatility. The great news with this past fall is that we have brought an economic round table to the revenue forecasting process and the net will only grow.

Councilmember Ajmera said with this new round table that you have, it is only going to get more precise over time.

Councilmember Winston said I know this presentation was prepared for last week, and I know Mr. Vitner told us that he was pretty confident, but if you look at the Stock Market, I know the Stock Market is not the economy, over the past few days it does seem to be quite the possibility of a correction beginning to occur. From what I'm hearing and reading

that it is dealing with a problem that we haven't had to deal with over the past few years and that is inflation. That last month's salaries do seem to be rising but at a larger margin than was through at one time, and I saw that one of the cases, one of the variables that could impact this additional debt capacity, which may be very important for us moving forward was the impact of inflation. With the activity that we've seen just in the past couple days, does that change any of the optimism our outlook on impact of inflation on debt capacity going forward and the tools that we do have in our tool box?

Mayor Lyles said no.

Councilmember Mitchell said Mr. Reiger I don't know if this is your department, but I think one thing that would be good for us, if we could get a total number of jobs we added from last year? I think that would be very helpful for Council as we set our benchmark for the future, and secondly we've got to tie all this new construction that is going on in our City, how it hits our bottom line in the budget. If you could come up probably with two categories, one would be new construction when we approve it and then when it starts generating property tax for us, so we can say this is what North Lake Mall or Tanager means to the economy. I think right now there is a disconnect from our citizens who beat us up on the third Monday for approving new development, and they say how does it tie to the budget so if you could show those numbers I think that would be helpful.

Mr. Reiger said if you will allow us we will develop a follow-up report, but it is a fair question how does cranes in the air impact property values and there is a bit of a lag so when they announce a project we don't see value right on our rolls so we will develop follow-up material that helps explain that.

Councilmember Driggs said I wanted to comment about inflation, the good news about this recent development in the Stock Market is it was triggered in the most part by a 2.9% increase in wages. So finally, we are seeing conditions in the labor markets that are requiring that employers pay higher wages, which addresses one of our central concerns about the wealth gap, and so on. So, that is good news. On the other hand what tends to happen is there is this sort of momentum thing that gets going, so we zoomed up like this and now everybody is going woe. The Fed is sitting on a \$4 trillion balance sheet, it needs to do something about that, so I think the modeling is okay here, but getting back to my question, I would still like to see a simple spreadsheet that has got the biggest components of our revenues and the biggest component of our expenditures and includes four-years of history, one page just numbers, and it says this is how this thing has tracked up to this point. This is where we see it going; here are the pieces and therefore here are the historical and the projected because it looks like based on these numbers you are projecting deficits if I read your graph right.

Mr. Reiger said we are projecting gaps; of course we will always bring to you a recommended and balanced budget.

Mr. Driggs said right but it does get to the process itself of sort of projecting numbers and then fixing them as opposed to thinking about what it may take for that budget to be balanced. It means that I think we are being appropriately conservative on our revenue projections but the fact is that you are assuming that real per capita revenues are going to be going down based on the numbers you just showed us. That strikes me as being kind of a limited assumption, and it does play into the way we project, for example, debt capacity and some other things. I would just like to see those numbers and be able to interpret them for myself.

Councilmember Harlow said first of all I hope my employees weren't listening to Mr. Driggs talk about increased wages; they will be asking for a raise tomorrow morning. Thanks for the presentation, and I know this is kind of a summary, and I will dive into this a lot more throughout the Workshops. When we talk about debt capacity and specifically around the capital improvement projects knowing we are doing this every two-year bond thing; do we acquire debt any other way outside of just in the bond structure around housing, transportation, and infrastructure? Are there any other avenues there, or are

those the three things we need to be thinking about when we are having this kind of debt capacity conversation?

Mr. Reiger said maybe it would be appropriate and I would invite Randy Harrington, our Chief Financial Officer, he is our resident expert about debt and debt capacity, and he probably could address your questions more directly.

Randy Harrington, Chief Financial Officer said in North Carolina we are restricted in the tools that we have available for debit. Typically what you find is general obligation debt, which the voters approve is the typical form, Certificates of Participation which Mr. Reiger mentioned a few minutes ago; those are the primary ones. There are a couple other tools that are used but not widely for these types of purposes.

Mr. Harlow said secondly, I know we have all these funds, the \$2.4 billion, and we talked about kind of the \$670 or so in the General Fund. When it is all said and done, after we pay everybody, we keep all the lights on and all these things that we acquire, whatever we are estimating as revenue coming in what is our true discretionary spending capacity? If you can give us a ballpark figure on our discretionary spending capacity; we get all these e-mails and all these folks are like oh, approve this funding for this bicycle group and this and that and the third, and I know we have fixed costs of course, but what is the line item for some form of discretionary spending as it relates to new projects?

Mr. Jones said there are two things I would like to point out; one is that as Mr. Reiger has been talking about 2019, and Mr. Driggs nailed it. One thing when you start to talk about gaps and then you sort out the gap, and then people start to question was there ever a gap to begin with? So, we are starting off with a gap used for a deficit; we are starting off with a gap and we are going to figure that out. There isn't as of February 5, 2018, on the general fund side or the operating side a bucket of money that is over and above keeping the lights on. As we go through this process, we will refine numbers and we will find sources to have opportunities for additional programs and services. To answer your question, there isn't a bucket right now of funds available for the wish list that the Mayor is going to put on us in about ten minutes. I don't want anybody to walk out tonight and say that we have \$100 million in capacity over and above what the Council voted on last June as related to the 2018 bond referendum; we don't. We are pushing the team to get information out as early as possible, and there are some risk with that. It is the three bullets that are under that \$100 million that is more important and could significantly reduce the capacity so there is inflation. There are scope changes, there are different things that are changing projects that have already been approved, and I just want to be cautious with that that you don't walk away with \$100 million tonight. So, working on the operating side of the budget to see what kind of capacity we can create and a lot of that is what Sabrina talked about earlier, those five prongs. One of them is just looking at how we spend money. Any kind of consolidation efforts to be more efficient, but on the capital side there are some projects that I know are going to cost more than what they were planned, even though we've scrubbing numbers and that number is just going to come down. How much it comes down, I don't know tonight, but it will come down.

Ms. Ajmera said is this debt capacity based on a more conservative estimate? Can we get like an okay here is the more conservative one; here is in the middle, and here is something that is not conservative at all? Also, I would like to look at the assumptions that went under each debt capacity. For example, there might be some projects that are in the pipeline that could potentially end up costing us more or it could be if we have not factored in the inflation, maybe more conservative estimate we might end up factoring high inflation. If we can get multiple scenarios rather than just one as we start planning for a budget for 2019 if we have those three scenarios in mind.

Mr. Jones said I think we will start off with just this scenario we have now which is all that we have and I think the most important thing of the three bullets below to be accurate on how much we are going to lose from that. Mike Davis is really working hard; he is new to the position, but some of this is how can we have better estimates of projects so that we are not coming back every other year saying we need millions more? It is a work in progress, and we are working to get better estimates on the front end.

Mayor Lyles said I remember when you used to come back and turn money in, because the estimates weren't right, so it is a delicate balance and considering the economy and what is going on. It is always a challenge, so go for it Mike.

Mr. Reiger said just some final thoughts, Charlotte is growing, and there will be additional demands on our services. Revenues are stable but we are starting from a lower growth perspective than we are used to but it is a starting point and as we work through the process we will refine those numbers accordingly. Again, remember revenues don't always grow at the same pace that our economy and population do and in this case it is impacted by some structural issues in our utility franchise sales tax and our Law Enforcement District Revenues. We really take pride in making sure that we are appropriately conservative in our budgeting; the worst thing that we could do is not be appropriately conservative. For example, Randy reminded me be over zealous in our projections in our debt model, which is a 35-year model and project capacity we don't really have and cause ourselves problems down the road. Sabrina talked a little bit about the decisions we made today have impacts next fiscal year and five-years down the road, so we really take great pride in doing that and really look forward to an opportunity to walk through the budget process with you this spring.

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ITEM NO. 3: STRATEGY ISSUES

Mayor Lyles said Mr. Jones what I had was Mr. Egleston wanted to know the choices leading up to the medical clinic decision making. You said we've finished; I think you need to tell him how we started and go to the finish. You wanted to review how did we get to where were closing it out; what steps did we go through, so you would be aware of that?

Councilmember Egleston said my take away may be incorrectly; what I was looking at was that we've determined that everything is copasetic over there; I would contend that it is not.

Mayor Lyles said I don't think they said that; what they said was that there were no additional community safety issues that we would be addressing.

Mr. Egleston said CMPD determined there was not a safety issue.

Councilmember Eiselt said it was really specific as to why it was referred to the Committee, and that particular issue had to do with parking at Latrobe Drive, and at one point CMPD said it was a public safety issue, and so it got referred to Committee and then they sorted out that issue. That doesn't in my mind and I think in everybody else's mind it does not preclude us from continuing to look at that situation and determine if there are other issues that we need to take up, therefore that would be another referral.

Mr. Egleston said in that same Committee?

Ms. Eiselt said it could go to different Committees; it could go to Transportation.

Mayor Lyles said what I was suggesting is that this discussion has been going on 14 to 15 months, just getting up to speed because you said you might not feel the same way, but I think if you go where we started and where we ended and then look at that, so I would suggest if anyone else would like to join in that discussion and review of all of the months of discussion on it, but I think that Mr. Egleston asked for that specifically. You said what additional issues, because you don't see it that way, but it might be within the context of whatever. We've had lots of discussions.

Mr. Egleston said I might have mistaken the way I was seeing it presented as it being kind of closed as far as Council discussion goes and Ms. Eiselt is saying it is not.

Ms. Eiselt said not necessarily.

Mayor Lyles said you should see the history of all of the issues.

Mayor Lyles said Mr. Mitchell asked that we add into the queue for the Committee discussion for ED Disparity Study Policies that need to be implemented. We did vote approval of the study so what do we have to do to actually look at our policies to implement; so if we can get the staff to give us a question on what that means. Ms. Mayfield asked for us to look at Code Enforcement to explain what is going on with the change in the January – that is really a management, if you could bring that back. A lot of that has to do with tenants and the impact of the fees on owners, and are they passing those on to tenants causing disruption? Ms. Mayfield I wrote down structured discussion around housing, but it may have been the location policy.

Councilmember Mayfield said actually Mayor I believe it was specifically the conversation around transfer tax, something that New York and other communities have when we are looking at potential funding sources. When we were having the conversation earlier I think we have to remember that it is not completely in government how we address all of our housing needs. Mayor, Councilmembers Ajmera and Phipps and I had an opportunity to attend Movement Day, as well as our City Manager and some City staff this past Saturday, where you saw a collective conversation happening between the religious community, the corporate community, as well as the non-profit and governmental community regarding the roles that we can play in this conversation. I think legislatively, we may have an opportunity in looking at best practices at some of our peer cities. Like I said in New York, I think their transfer tax for every time you see your property there is a fee. Theirs is as high 25% and that can go straight to if we had a revolving trust for example and some communities it is as low as 3%. I don't know what that number is; it was asking a specific question for staff to at least let us know do we have an opportunity in that conversation like some other communities have been able to utilize that transfer fee when we look at impact on local communities?

Mayor Lyles said if we can get some information.

Bob Hagemann, City Attorney said I've got some information right now. I might not get my years exactly right, but I want to say somewhere around 2006 or 2007 the Legislature authorized pursuant to approval at a referendum a land transfer tax. There were 24 counties that held referendums, and every one of them failed. The realtors came out very strongly, put a lot of money into fighting against the referendum and then in 2011 the Legislature took the legislation off the books. So (A), it would require legislation to do it; (B) it was tried for about a four year period and that was when it was instituted. I'll remind you it was a democratically controlled legislature; it was taken off the books in 2011, and the repeal was signed by then Governor Purdue. So that is sort of the back story on transfer tax in North Carolina.

Ms. Mayfield said I still say the world changes in the blink of an eye; we are in 2018, and even with the conversations and the current leadership in Raleigh, we may have an opportunity to revisit the conversation based on the need of not only the needs we have in Charlotte but across the state we are seeing the impact that is happening. So, we still may have an opportunity to work across the isles and build a relationship we need to have a real conversation around if this is something that is possible.

Mayor Lyles said Dr. Harlow asked if we could come back and look at our Small Business. There are a number of Small Business Programs, and I think having some information about what they are and to say how people get to participate in them. Most of them are in certain geographic designated areas as well as there are grants and not really loans or incentives so if we can get some information on that.

Councilmember Harlow said if I could just say one more thing, not just the summary of what they are. I can read about that electronically, as we have that pretty documented on the website but more about the statistics around participation and utilization. Are businesses using them? Are they take advantage of it or not? If not then, I think we need to have a better discussion or at least the ED Committee needs to have a better discussion around are these the right programs we need to be offering, or is there something better

that we are not doing and why people aren't using it if they aren't? It is my guess that it is not being utilized to the capacity that it was probably meant to be.

Mayor Lyles said that will be a report coming back to the full Council. Mr. Newton had a request about the Bike Plan.

Councilmember Newton said as we talk about and we will be talking about in the Environmental Committee about clean sustainable energy, I think we should also be talking about clean sustainable transportation, things like the Bike Plan that it is my understanding was approved for funding. I would ask at the very least that it be reviewed for funding sources. I think it was approved for somewhere in the ballpark of \$4 million so having that reviewed. Also, I would add on top of that reviewing of the Silver Line down Independence Boulevard and the Streetcar Extension down Central Avenue towards Eastland.

Mayor Lyles said when you say review, explain.

Mr. Newton said review for the feasibility of any funding in the near future.

Mayor Lyles said we will be able to talk about that, because we've been to Washington a couple times already, and I can give you that review right now if you like. Based upon the President's infrastructure plan I can say what that review it is going to be. It is 20% match by the Federal Government, which was 50% so we will need to come up with 50% local; I'm still hoping the State will stay with us for a little while, but that may not be true so somewhere between 50% and 80% for our transit lines. We joke about it, and I don't mean to be flippant about it. We are going to have to have a review over all on our – not the Gold Line; the Gold Line is going to be there, but the Silver Line we've got to do some work on. Okay, did I miss anything?

Councilmember Mitchell said Project PIECE, there were two discussions; one was about policy and what new industry, do we make part of PIECE 2.0 and then the funding part moved toward the budget?

Mayor Lyles said who has something else to add or comment about the Strategy Session; how did it go, do you have anything to add?

Councilmember Bokhari said since we talked earlier and please correct me if this is not the right use of this, but I had a couple of other real quick ones I was going to throw out for adding to the list of things to put into the pipeline or at least consider. I'll try to frame them in terms of what Committee they could go to. First, I think it might be the ED Committee but possibly a focus on looking at our current program around minority and women owned businesses and how we add that into all of the third party contracting that we do. Consider the ramifications of adding a "V" for veterans onto that and what that might look like. That is number one. Number two, maybe a recommendation to go into an initiative in our Public Safety Committee of looking at how does cyber security now play a role in that group's ongoing governance and Committee work? There are a lot of nuances, so I would like to add that to the parking lot of items where maybe we consider an analysis on what that group's involvement looks like that would ultimately involve the rest of the Council.

Mayor Lyles said it would come back to the full Council first and then made a decision where it would go. We need to frame what the question is.

Mr. Bokhari said the broader question is what are the next generation ways this Council as a body are involved in the topics of cyber security with use of the Public Safety Committee, with use of the broader group as a whole? Number three was and I'm a little looser on this one, and I'm sure there is something I'm wrong here but maybe considering the TAP Committee to look at a complete analysis of the City's overall traffic as it relates to cars and congestion today at intersections and road and then look at that volume to capacity ratio I've been seeing a lot of and then doing one further level of analysis to see what some basics like lights, the timing of our lights, left hand turns, left hand capacity of storage lanes, just the basics around what those would do to our overall out of acceptable

range volume to capacity issues are as well as how much they would cost and what they would look like for the 62% increase in growth we are expecting by 2040 on the roads. Finally, this one is kind of loose, but I really love this idea, and I'm hoping Marcus will get all fired up about this. Is there a way where we could have like a City – I'm not saying hiring new people, but maybe a couple folks create a committee of staffers that is the concept of an innovation lab, for items that are under four hours of idea, kind of put together a business case on something again you guys figure out the process works, so we don't misuse it, but when we bring up concepts like core score that I did the other day with the group or a bulk trash pick-up app idea. Maybe a new idea of using our Boards and Commission now to give them an additional kind of challenge to say we want to give you more teeth in a specific item; all of you consider and look at the topic of affordable housing and give us a one pager back on what you look at could impact that or telling our story for broader ED capabilities, as it relates to wooing new business. Just a way to get them more engaged with us as a Council. That innovation lab again put some thought into it; it doesn't have to be some that Mr. Bokhari is the only one going and putting in 100 hours of work for these staffers but when an idea has maybe a little merit and it just needs somebody to think about, we have more of a formal channel.

Mr. Newton said I had something I would like to include as a referral to the Public Safety Committee. I've been deeply troubled this past week pertaining to the events of last Friday that we learned about on the tail end of our Retreat. I would hope and I want to build upon a conversation that Ms. Mayfield has had with us pertaining to mental health professionals and their incorporation in the policing process, particularly as it pertains to stops and interaction with folks of mental illness or folks with mental health issues. I'm hoping that maybe a charge could be given to our Public Safety Committee pertaining to mapping maybe current systems and initiatives relating to Officer interaction with folks with diminished mental capacity or mental health issues, comparing data to determine if there are missing gaps, identifying those gaps, working with community partners including, but not limited to our County Mental Health as well as potentially across governmental bodies here, so County Commission as well as outlined processes to develop master calendars with key dates, etc. and review best practices and innovative policies being used in other cities to maybe cut down on any instances similar to this past Friday from ever occurring in the future.

Councilmember Winston said along the lines, I would like to refer to the Community Safety Committee a review of de-escalation techniques and tactics used by CMPD, as well as other techniques that have been proposed but chosen possibly not to go with and why. In that same vein, I do believe we need to do more to improve cultural awareness and anti-bias training as it relates to accountability issues. Actually, I would like an update and to know what is being done to provide that kind of training to folks that participate in the Citizen's Academy curriculum and what is being done to improve that continuing education of training of Citizens' Review Board Members around the cultural awareness and anti-bias training, not limited to race and ethnicity, but as Mr. Newton pointed out, dealing with folks with mental illnesses and other life issues.

Mr. Egleston said one thing I would like and that would fit pretty squarely in the Environmental Committee would be an update and possibly revisiting of the Tree Ordinance. I think probably 10% of the e-mails I get right now are people who are distressed about what is going on in their neighborhood in terms of the loss of trees, and one thing that may be kind of an odd ball idea, but possibly exploring how green roofs or living roofs could be incorporated into the tree save and tree canopy policy.

Councilmember Driggs said I just wanted to clarify, we are talking about new referrals, right, so the conversations we've been having in Committee like on Storm Water will continue or is this a clean slate? I definitely think we need to put Storm Water on the Environment Committee agenda.

Mayor Lyles said you want to look at the policies not just the rates?

Mr. Driggs said I want to continue the conversation that we were having at the Retreat and that we've been having for quite some time about the current status of funding and what our options are for right sizing Storm Water.

Marcus Jones, City Manager said Budget or do you want that to be still in Environment?

Mr. Driggs said no, not Budget, it is Environment. We are going to have to make some choices about what level of service we provide. We've talked about it in Environment, so far, so unless somebody else feels otherwise I assume it goes back there.

Mayor Lyles said all of these questions are being raised in a way that people have topics, and what we have to depend on the Manager to do is to get some information and then put them in some kind of order. Everything can't be done next month, and we've already got like six things, but he will have to come back to us, explain what the questions are, and I guess the staff will figure out. On Storm Water we've had a lot of discussion; that is pretty clear.

Ms. Eiselt said why did it leave Committee?

Mr. Driggs said I was just trying to clarify; are we starting with a clean slate on these Committee assignments or were we continuing with the work that was going on in the Committee? We had a whole list of items in ED for example; do we have to restate all of those?

Mayor Lyles said everybody had a lot that you were working on but a lot of them were for information purposes only. He said do we need to start with a clean slate; the question that I have is I'm not quite sure when the Manager put up the list of 94 things and that was something that Mr. Egleston did ask for, but a lot of them were information items, and they weren't really clearly articulated what you are supposed to do or be around them. I'm just trying to get at what is missing and what is in order and making sure that we have a complete list, so the Manager can kind of look at things and say okay what is the order and making sure everybody has everything out. I would like to actually say restate what you think is necessary.

Mr. Driggs said I would like to see the list that we were working from and decide whether I agree with the choices that were made about taking things off because we had a number of conversations going on.

Mr. Bokhari said that was Mr. Egleston's exact point I think and this is a great case study of how did that one which seems like a no brainer.

Mayor Lyles said Storm Water wasn't the thing that came off. It was in Budget, and it was when it went to Council with a recommendation that we can't afford and that came out of Budget for Storm Water. That was a referral to Budget and did go to the Council and Council approved it. I'm not saying it was approved everything that we talked about from the Retreat, which is why I think it is important to go ahead and say that is what we want to do.

Mr. Driggs said I didn't get the impression that we had finished the conversation on Storm Water in our Committee process. We had a couple presentations in Environment; Mike Davis talked about it, and we looked at the situation and then there were discussions about what options we had, how we were going to treat the C's, and I just feel there is unfinished work there.

Mr. Jones said my understanding is the recommendation came from the Environment Committee and when we did Environment the Water and Storm Water Policy what I got was that the Committee did not want to make a recommendation related to the C's, so it came to the Retreat and the concept was something had to be worked out, and we looked at that as being moving on to Budget. If you are saying that is not what the Committee talked about and that that needs to stay in Committee, I would think it goes back to

something that was said earlier today; what is the desired outcome of it going back into the Committee?

Mr. Driggs said I don't like the idea that our outcome on policy, as it relates to Storm Water, is driven entirely by money. I think we need to think about and being realistic what services we want to continue to provide? What is going to happen to the people who are going to get told that we can't provide any service to them? It isn't a budget conversation; the budget conversation is a little later when we work the other things out and then we get into what rates does it take, and what is the mechanism through which the policy we've decided to adopt works. There is kind of a cross over there, but I just don't think we had finished the conversation we need to have before it goes to Budget.

Mayor Lyles said the thing that I always remember is that we are better informed every time we meet; we get a better understand of what we are trying to accomplish, and that is a good thing. I think that this is good so that is why I had rather just go ahead and put it on the list so that we can get it done and be clear about what we are trying to do. I've got now Storm Water for the policy of service delivery.

Mr. Driggs said are you saying put it on the Environment Committee list or on the Budget list?

Mayor Lyles said what I'm saying is it is on the Environment Committee but what we've got to do is get what we are trying to answer and so we will be coming back I'm going to assume to this meeting, and we will have it in Environment. That is the way I would see it. If the question is clearly stated and everybody agrees that what we are looking at, do we restructure our Storm Water Policies in time for this year's budget? Is that what you are saying? So, that would mean that we do that in the next 90-days and letting the Manager have some idea, but if it is restructuring Storm Water Policies before the budget, is that what you are saying?

Mr. Driggs said what I'm saying now is I don't see Storm Water being considered by any Committee, and I think there are big issues going on.

Mayor Lyles said it was there and the update was to come back for review.

Mr. Driggs said recommended for assignment to City Manager.

Mr. Jones said so, the conversation could be at a Strategy Session; it could be an action briefing, so that is what the concept is with these items.

Mayor Lyles said those were coming back to the Council, but what I'm asking is are, you asking that it go back to the Committee to revise the policy of what we would do before the budget, or is it just that you've already made a recommendation, and the Manager is going to come back and say this is what the impact is?

Mr. Driggs said I didn't feel that we ended the conversation we were having in Committee, and I just thought that should reach some sort of a conclusion. If you want to bring it back to full Council fine. It is just that we've been kicking this down the road for several years now, doing nothing about it, and I'm really determined that we not let another year go by [inaudible].

Mayor Lyles said we really do need to figure this out so that we can that we are going to get it done. That is why I'm really seriously asking, what do you want to do?

Mr. Driggs said [inaudible].

Mayor Lyles said you can put it back in the Environmental Committee and tell me what you want the Environment Committee to do, and I think what Mr. Driggs is saying is ask the Environment Committee to review the existing policies of what we do with our funding, our program, and bring it out with recommendations for change.

Mr. Driggs said and for the Environment Committee to hear the proposed service delivery changes toward rectifying the situation in which this gets increasingly underfunded over time so that we have a new model for what is we promised to the public we are going to do, and then there is another Budget Committee conversation about how we set rates in order to try and straighten it out.

Mayor Lyles said I would hope that the Environmental Committee will be considering that that is exactly what it means when you make the policy, the changes for a new model that you have to consider the implications of the financial model.

Mr. Driggs said I'm hoping we will get that information, but we are so far out here in terms of where we need to be and where we are right now. I'm not that fussed about the steps so much as there is a policy conversation that is not a budget conversation that needs to be concluded, and I guess you can decide how best you want to do that. I think having a Committee discussion that takes us one more step rather than kicking it around with the whole group might make sense. That is what Committees are for.

Mayor Lyles said I think that the Manager is trying to get there.

Mr. Jones said it seems that there is a disconnect. Staff was under the impression that the Committee had done its work, and if the Committee doesn't believe its work has been done it needs to go back to the Committee.

Mayor Lyles said is that your only one?

Mr. Driggs said I would like to look again at the list of things we had in Committee.

Mayor Lyles said that is the list up there.

Mr. Driggs said on our schedule there are 10 or 15 items that we had in a pipeline of things that we were working on and obviously a number of them have been – what are those; why can't we see the whole list of what is behind those numbers?

Mr. Jones said let's do the 23, because the 28 are done; they made their way to this body.

Mr. Egleston said there could be confusion on that.

Mr. Jones said the 40 were things like tell me about this. Tell me about that, and we will show you that list, but they were information and some of this information was hanging around in Committees for months. So, let's go to the pending items, and we are going to add across, so if you go to the pending items, the next three slides. We are going to do ED, so ED you start off with CIAA special permitting. Go to the next one; Incentive Policies and then go to the third one, and this is the one I mentioned earlier so that is four then you add three more under Amateur Sports, so that is 10. These are projects, and that is what I was saying earlier so if the concept is projects are going to stay in ED that is a Council decision. Some of these projects, like the LYNX Gold Line impacts, never had a referral, so we do have this long list of, and sometimes we don't know how things got on the list. This was never intended to take things away from ED; ED was probably the strangest one in it, because there are so many projects. So, these are the projects Mr. Mitchell that we saw as still being in the queue.

Mr. Mitchell said I didn't get that message either Ed, I got you were taking it away, but you are saying the discussion still –

Mr. Driggs said these were taking out of ED and sent to full Council; look at the top.

Mayor Lyles said the key question is some of these projects have been in ED for two, three, or four years, and we've got six new members that don't have a way to do this, and so when we jump to that, what I think I was trying to do was to make sure that we brought it to full Council so everybody could weigh in and everybody starts on a level playing field. This doesn't exclude it from going to the Committee; what it does is it says recommended

for full Council update and potential Committee referral. So, I'm just trying to make sure there is a level awareness and knowledge of it and that when we send things that it is not there just being with what intent and purpose. That is really to give us some discipline.

Mr. Harlow said I was under the understanding too when you said blank slate that everyone had to come back and listen to the same thing again, but it sounds like that is not the case we just have to say today whether we want it to go back to Committee or not. I wasn't on any of those Committees until now, so I would definitely like for Amateur Sports to go back to the Committee.

Mayor Lyles said to do what?

Mr. Mitchell said let me help him out; what I would call it is information sharing. Policy discussion still needs to be developed, because we've got an RFP that went out for Amateur Sports October 31, and there is a big discussion in the community; what is the update? If I'm hearing you correctly, you want information sharing for everyone, so we will be on the same page, but I do think there is some policy discussion that needs to continue to take place, because we are not through with Amateur Sports. We are not through with the Gold Line North End Redevelopment, and to Mr. Driggs' point we would get an update, and I give Debra credit. Debra was showing when it was coming to Committee, when it was going to the Dinner Presentation and when it was going to full Council. I think of us was like, we are going to have a lot of work going , and this scared me, because it feels like we didn't have but one item in the hopper. I think most of the members was like oh, we got more than one item.

Mayor Lyles said you do have more than one item. The question that I have is that everybody knows. Let's just say the community wants an update; we can all give them updates. They are asking all of us about Amateur Sports; all of us about the Gold Line, but after all of us are aware of that, what would be referred to the Committee? One of the things about this is to be very clear, that everybody gets to weigh in on what the referral should address. We've got some folks that are coming on board that have new ideas; where do they get their ideas if we don't put it here first? So, that was the intent. It was meaning that these things would not get done; it was to say let's update where we stand and then add anything, but actually write down what we are doing. I think everybody agreed that the sheets were helpful, and if we would have those sheets done for each one of these I think we would move faster. I'm just going to be blunt here; I think our Committee system was raise your hand at the end of the night and say I want to refer North End Redevelopment to ED, and everybody said yes, and referred in what context? So, it took the Committee a long time and very seldom did the Committee come back and tell the full Council any information about what was going on in Committee, and that is where we lost that connection and overlap. If you are telling and reporting back every month what happens, then someone can say I'm weighing in on that, and I know a lot of people can go to different Committees, but I think we are really just trying to get some understanding that is shared with everybody.

Mr. Harlow said I know Mr. Egleston is asking for the list of the 94 but do we have sheets for these topics that are here?

Mayor Lyles said we will when we come back and give you the update and then you say what you want to get done with it. Mr. Driggs has brought up Storm Water; he has actually pretty much said it, so I've got Storm Water Service Delivery Changes for a new Model, needs to go to Environment Committee. That is what I thought we were going around doing.

Mr. Bokhari said these things are in Committee or have been in the past; aren't there write-ups on them from staff?

Mayor Lyles said not with a specific charge. There were no charges before, and that is why we ended up with kind of a discussion that didn't have a lot of structure, and it takes a lot of time when we don't know what we are trying to accomplish.

Mr. Harlow said I think I have finally arrived to where you want this to go here. You essentially want us to make these sheets for our ideas basically. That just clicked, but that is okay. As it relates to displacement assistance and Ms. Mayfield, if some of this has already been charged forgive me, since I don't have the update yet, but nonetheless as it relates to displacement assistance, the statement of issue is that we know gentrification is happening, especially in our east and west sides which are vulnerable communities. I would like for some strategies to be developed around rent and property tax subsidies, also an assessment of gentrifying areas and looking at how areas are growing with the rapid value increases and how we can maybe look at possible solutions like TIFs or some form of a subsidy from the increase in value to come back to those communities.

Mayor Lyles said that is a great example of what I think you've said; I would like to look at this and I think in order for us to look at that the staff will go back and say, okay what are strategies for rent subsidies? What are strategies that are around tax abatement, what are TIFs and find out legally what we can do, what we have the capacity to do. They write up a sheet like this and they bring it to this group. Then we are ready to note that you addressed it or not, because I think if you just said I want to figure out a way to buy down gentrification, it is so broad that we very seldom get structured. What I'm really trying to drive is that without the data to know what you are asking about any one of these topics, how do we know what we are talking about, and how do you guys catch up with where the rest of us have gone through these any number of years? That is why I'm trying to capture it, and the staff is listening very hard to what you guys say so that they can capture it so they can do the work. Then it comes back on a sheet like that, and you can decide okay. It is not about just saying I want it to go to Environment; it is about what does Environment do with it, and what do they come back and talk about? That is just an observation that I've had working in the Council for the last four years; it has not been a very clear structure. I don't know if everybody agrees with that, but I'm pretty adamant that that is what I saw.

Mr. Driggs said I think there is a lot of room for improvement, so I appreciate what you are doing. For the sake of continuity, I would like to see the list of all 90 of those items and the disposition of them, and I would like to reserve my right to make suggestions.

Mayor Lyles said I never would take away that right; I'm hoping to serve you the right to make suggestions. That is really what I'm hoping for. I think you guys are looking at this as a deficit position, and what I'm trying to do is make it a full position so people have the same expectations. It is not taking something off the list; it is actually explaining what is on the list and getting it done in a reasonable amount of time. Some of these things have been on there for four years, four years guys. So, why didn't they come out of Committee.

Ms. Mayfield said Mr. Manager, as we are having this conversation, my colleague Mr. Harlow took a piece of what I was going to ask regarding the displacement assistance, but I think it would also be helpful for Housing and Neighborhood Development, for us to start expanding our conversation regarding the definition of neighborhood development, because right now and what we have historically done has specifically been around the housing piece. We instituted last term some really innovative ideas regarding the neighborhood development piece, regarding specifically our targeted rehab program and update on that, as far as funding as well as success and/or challenges, in order to expand it since it was a pilot program for two neighborhoods. Where are we with moving that out and looking at Code Enforcement - that is a neighborhood development piece. How is Code being implemented in communities that are showing new growth and development opportunities that are moving into the area? I think we have an opportunity to have a very robust conversation regarding Housing and Neighborhood Development that already started a while ago to bring everyone up to date. Mayor, here is a question for you and as far as what you are thinking. How do we bring information to the full body? Example, as Councilmembers travel and they learn new information but also locally, so your Council is represented by myself as well as Ms. Eiselt, with inaugural cities for racial equities and racial healing. Charlotte was chosen, out of only six through the National League of Cities, for technical assistance initiative to have some very real conversations. Ms. Eiselt and I are in two different conversations regarding racial equity and healing, and if you all remember last Monday, the Mayor gave me the opportunity to read a proclamation around Racial Healing, because we had Dr. King celebration of his birthday and holiday, so we

read it prior to. How do we make sure that that information comes to full Council so that everyone is aware of the programs that we are a part of as a City? One, to make sure that we are in support of the idea and that as a collective we are in agreement that this is how we are attempting to move forward as a City.

Mayor Lyles said that is a great question, because I just think all of you have gotten your Board appointments to Community Boards, and I always say in those Community Boards, you ought to be a critical friend, and you shouldn't have to necessarily have to act as an advocate. You are out there doing all of this work on these Boards, and we never talk about that either. We talk about these trips that we take and best practices; I don't know when we can do it. We meet four times a month, every Monday; you will be meeting on Committee meetings. Most of you are on two or three Committees and then you have your Community Board appointments. So, I don't know when or how you want to be able to do that. The question that I have in real time with what we have not and what we can do; ordinarily, I would suggest that we could use Council Topics at the Business Meeting to inform each other or we can start the meetings earlier during the week.

Ms. Mayfield said the reason I'm bringing the question up now specifically around our role within the racial justice and equity conversations is that is the conversation we are having. So, when you look at the conversation of Housing and Neighborhood Development, you look at the conversation of economic development, and you look at the reality of the conversations that we are having, when you are looking at Transportation and Planning, when we are looking at the impact of development, and you are looking at the South End Vision Plan and we are looking at North End, and you are looking at Camp North End, all of that falls under this category. So, that is why I asked the question now to try to get clarification either from you or from the City Manager as far as how he hears this to try to get an understanding that it is not beneficial for myself or my colleagues to be a part and the staff time, because staff is putting amazing time and energy into this. If we are not going to utilize it in the most effective way, and that most effective way is through our Committees and our Focus Areas.

Mr. Winston said what I hear in this conversation is something that has been kind of endemic on how we are working as a Council. Sometimes when it seems like we are disagreeing, we are really kind of agreeing on similar things. What I hear Mr. Driggs and Mr. Mitchell saying is, we don't want information to get lost, and what I hear Mayor Lyles saying is that we need to have a better process so that information gets shared. I think we finally got to a level on that. What I see here is a tool that is part of this process, which I think we are all agreeing that this tool is a good tool to kind of fix the problem of the Committees that have been identified in the past. What this is is a piece of data with information that is sharable amongst each other. This is paper, ink, and letters that we are used to and all comfortable with but has been used for a long time but doesn't always keep up with the transitioning conversations and the way information flows and the speed. It would be nice if we had one of these for every kind of topic that we talk about, every idea, but this isn't the only tool that can help us with these conversations and information sharing. Allow me to kind of take a half a step onto my soap box if you will. This is kind of the idea that I've been trying to get towards with the use of social media that what Ms. Mayfield is talking about how can you have conversations amongst each other, how can you have experiences amongst each other that you can share in real time with the full Council? There are tools; that is how communication is going in terms of whether it be social network of millions and billions or a social network of 12 people, plus support staff. I think that, in my conversation with staff, has been the way we have been trying to go is to understand how we can use our tools of other different tools of sharing information with each other that would be more effective. For instance, specifically with Committees, to solve this problem of information happening in silos, not understanding what is going on and Committees even having overlap in times. I know staff has prepared hardware that will allow them to live stream Committee meetings so that therefore if you are not available to be there, even if you are in another state attending a conference, you can be aware of the conversation that is happening with your colleagues. You can even take notes and mark and over time collect data points that show this was talked about in ED, as well as Community Safety, as well as Transportation and Planning, and we can use those tools to synthesize that information and be more effective as a Council. I know that is where I was

trying to go with this to find more tools that we can use, not just to be a soapbox, not just to give people a platform or even for our constituents, how can we use this technology better to achieve your plan. I think there are tools that are at our fingertips literally right now to solve these issues that we have and to speed up some of these conversations and get to some solutions faster so that we are not dealing with the same thing for four-years and then dealing with getting new members up to speed, whether it is five or one or a full 12. I think we do have answers right now if we just take a step back and get to a better understanding of where our positions actually are and the problems we are trying to solve.

Councilmember Phipps said I wanted to make a referral to the Environment Committee, and I think we should come up with a strategy to execute a war on litter throughout the City. I've been getting a lot of complaints about this. The Central Business District is okay, but litter in the outlying areas, we need a strategy to be able to effectively –

Mayor Lyles said is that something that should go to the Manager?

Mr. Phipps said I don't care who; it could be the Manager or a Committee, anybody. I wouldn't care as long as we can get it done.

Ms. Eiselt said I just want to say to Ms. Mayfield's point we can just e-mail each other too and say we are part of this Committee. I just wanted to share it with everybody. We are all involved in different things, and I would encourage us to e-mail the group of us to say here is what I'm involved in, just thought you might want to know this, and keep it simple too.

Mr. Phipps said why can't we just get the minutes of the Committee meetings; don't they take the minutes?

Mr. Jones said it is inconsistent.

Mr. Mitchell said one item I would like to refer and to your point, maybe we could get information. We have a big impact with our sewer capacity, and it is starting to prevent us from doing some development in South End and W. T. Harris Boulevard, so we could bring that information back. To the Mayor's point for me is what is our current capacity and then we look at the new development areas making sure we have the infrastructure in place, so we are not telling developers no. I've heard that six times that we have told developers we can't do anything, because we are at sewer capacity.

Ms. Mayfield said Mr. Manager, the follow-up is for you. I through at one of our first Council Meetings that I actually referred that question to your office for it to come back so with this conversation that we are having right now about how we move forward, does that mean moving forward when we have referrals that come from the dais it is then going to be added to these sheets?

Mr. Jones said if I understand your question Ms. Mayfield; you did have a request, and we did provide you with an answer I believe in terms of a contact, and what we should have done is shared that with the entire Council. So, for me on my list of 27 that is one that we already have.

Mr. Mitchell said just to follow-up, was hers a particular area or throughout the whole City of Charlotte?

Mr. Jones said no that was specific to the south.

Mr. Mitchell said I know Mr. Driggs has heard it, and I know Mr. Bokhari has heard it. There are pockets of the City as well that we have been telling developers they can't develop because of sewer capacity.

Ms. Mayfield said Mr. Mitchell, when I asked the question that was the challenge. What came back was specific to South End; what I specifically asked for is if it is happening in South End. It is happening in other areas, so can we get an update for all of Council was the request that I had asked for.

Councilmember Ajmera said as we look at the sewer capacity can we also look at the water capacity especially the conservancy efforts? When I met with the Environment Stakeholders we had someone representing from Catawba, and they were concerned about water, and how we may not have enough water, and I think Catawba is probably on the list where we need to watch very carefully so from the long-term planning perspective.

Mayor Lyles said I'm going to add permitting to the list. I think we have a lot of issues, and one of them is that we are not in a place where we need to be for permitting for development, so I want to do something and see what it is like. Actually, mine is to figure out a map of responsibilities and bring it back to the group, because it is an important discussion for the entire Council, not just for me or to go to a Committee.

Mr. Phipps said that has been referred to the TAP Committee. We had a whole study.

Mayor Lyles said yes and when did that happen Mr. Phipps?

Mr. Phipps said we reached an impasse that we go to where all we could do.

Mayor Lyles said exactly four years and we have an impasse so what are the new questions to move that impasse? That is the real question that I would have.

Ms. Eiselt said is that with regards to accelerating permitting for housing?

Mayor Lyles said to bring [inaudible] to the study that we had done that said we had two platforms for permitting, and there were complaints that it took too long for everybody. It is not just one person but everybody.

Mr. Driggs said I just wanted to say the two words, Gartner Study and further more I've heard a couple of horror stories about it doesn't feel like it is going away, and the problem about the County and the City and how that works and frankly a lot of the problems are not necessarily us, but we have to figure out.

Mayor Lyles said the most challenging part of any job I think is determining focus and if I look at the list of things that have been provided to us, some of them are as many as four to six-years old. Some of them are brand new, and the most important thing that we have is we will run every day Police, Fire, Transportation services and garbage collection and many other services that make the City work. At some point, we are going to have to trust each other to know that there is a lot of work to be done; this list in and of itself probably contains some of the most significant policy things that have not been done in the last four-years, and that is okay. That is why we are here; that is why we are doing some things differently. I think the most important thing that I would ask the Manager to do is, in the next couple of weeks before we get to March, the Committees now have enough to start on at least, so we've got some referrals. So, I want to say that in addition to the list I would like to get something out, specifically on the sheet like this, for Storm Water for the Environmental Committee. That is the one thing that I heard today that we get that moving. The others I heard in a way that they need some idea of prioritization and focus. I don't know what the criteria is for that, but I think we've got a bunch of smart people that work here that can get the criteria to divide this up. The next thing that I would say is I have heard what Ms. Mayfield and Mr. Winston have said, and it is right. We've got to change, something has got to be different, because there is no way for us to sit in these rooms like we have been without doing a better job of communicating with each other and getting things done. I don't know the answer, but something has got to go, because we are all going to collapse under our own weight of words instead of action, and that is just not appropriate for a City this size, with the amount of talent we have sitting around this table, and the talented staff that we have for us to sit here and say the same words over and over and over again and not get things done. I don't know the answer; let me think about it a little bit and if you guys have ideas around it. I heard your [inaudible] ideas, but how do we get organized in a way to do? It needs some work, and let's just think through it. We've got a lot of stuff going on, and we can't afford to not let it happen. I didn't say that to ask for a lot of feedback; we've been about this for about two weeks every day, lots

of hours and lots of time. I've been working seven days a week for a month. We've got to get ourselves better positioned.

Mr. Winston said I just have an honest question. We've put out a lot of ideas today, and we just came back from a Retreat where there were a lot of ideas that were put out, and a lot of those didn't even get touched on tonight or referred to any Committee for discussion or action. I'm just wondering, where do we go from here? Will we get a massive debriefing? Are there things that we already have put into the pipeline, and we just didn't quite know? Because there was a lot of information, particularly for LISC, I really would love to consider more about considering implementing some of the stuff that he presented, but how do we move forward?

Mr. Jones said Monday the 12th during the Manager's Report, I will give you an update, not only on the Retreat but also on the 93 items and also on the 28 items today. We will have that all for you on Monday.

Mr. Winston said the 93 items were the ones that were already, but you didn't mention what we talked about at the Retreat, right?

Mr. Jones said I said 93 items, the Retreat and the items tonight.

Ms. Ajmera said just for point of clarification, for the Code Enforcement is that part of your 28?

Mr. Jones said yes.

Mr. Bokhari said could I ask the Council to join me in giving a round of applause to our Mayor for designing a great Retreat and laying out a very nice and interesting meeting that is new today.

Mr. Mitchell said Sabrina and staff did a great job.

Ms. Mayfield said this piece is just for update if any of you are able to attend on Wednesday evening there is going to be a coal ash discussion at CCC Brewery located at 2832 Griffin Street at 6:30 p.m.

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ADJOURNMENT

Motion was made by Councilmember Mitchell, seconded by Councilmember Driggs, and carried unanimously to adjourn the meeting.
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The meeting was adjourned at 8:47 p.m.



Emily A. Kunze, Deputy City Clerk, NCCMC

Length of Meeting: 3 Hours, 42 Minutes
Minutes Completed: February 28, 2018