

The City Council of the City of Charlotte, North Carolina convened for a Strategy Session on Monday, October 7, 2019 at 5:46 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Vi Lyles presiding. Councilmembers present were Dimple Ajmera, Tariq Bokhari, Ed Driggs, Larken Egleston, Julie Eiselt, Matt Newton, Greg Phipps and Braxton Winston II.

**ABSENT:** Councilmembers Justin Harlow, LaWana Mayfield, and James Mitchell.

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## **AGENDA OVERVIEW**

**Marcus Jones, City Manager** said I want to start off by highlighting that the great part about our Strategy Sessions is that there is an opportunity for items that have been in Committee, that have been voted out of Committee to come before the full body during the Strategy Session. We have two items tonight that have come out of Committee, one being the Business Investment Grant Policy and the other being the Street Maps. When we get to Councilmember Phipps' Committee, there is one item that deals with policies around our Municipal Service Districts that while we don't have a presentation for it, he will address it during that time. Those are the issues that are coming out of Council Committees; we also have an update on Vision Zero as well as the Waste Water Master Plan and one of the things that we do at the Strategy Session also is to give you a heads up before something comes on a future agenda. So, you will have an item on a future agenda around the Waste Water Master Plan and then lastly before the Committee Updates; at the last Business Meeting, there was a question about the Neighbors App by Ring, and we have Deputy Police Chief Estes here tonight to help address that. So, that is our agenda Mayor.

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### **ITEM NO. 1: BUSINESS INVESTMENT GRANT POLICY**

**Mayor Lyles** said I want to say to Fran, you do a lot of great work, your whole team, I know that many of you are here and I would like to stand up and recognize you for the classy way that you do the work and the feedback that we get from the companies that you have recruited. They are just wowed by you, so thank you very much. I want to give you a hand.

**Fran West, Economic Development** said that is very kind of you, thank you so much.

**Councilmember Driggs** said Fran, are you going to talk about all the steps in the Committee process and how that works, or do you want me to say something about that?

Ms. West said that would be great if you would like to do that.

Mr. Driggs said I just want to point out the Economic Development Committee discussed this pilot four times; February, April, July, and September. We had two meetings where we talked about best practices. In July, we looked at an introduction to the pilot and at our recent September meeting we voted unanimously to refer the pilot to full Council for review and eventual adoption. I think I will let you describe what it is but that was the work that the Committee did on it.

Ms. West said thank you so much. A little bit about why we are here today; we are bringing forth a pilot proposal for the Business Investment Grant Program. As most of you know, this is a program that allows us to give incentives or what we like to call investments in companies that are looking and considering Charlotte. The intent of this is that we become more competitive, not only to bring companies and jobs to Charlotte, but also to meet the priorities that you and our community have put forward to become in better alignment with Mecklenburg County and really align ourselves as best practices and what our peer cities are doing throughout the United States. Councilmember Driggs; the hope is also that we will not be breaking policy. We are designing something that is

flexible and gives us that latitude to negotiate. The Council action is to allow us to proceed with this pilot for the next 12-months and bring updates every quarter.

I think it is important to note as we go through this discussion that Business Investment Grants are not a given, that we do have criteria for which a company would be eligible. Our team spends a lot of time with these companies to learn more about them, what their priorities are, how they align with your priorities, what the jobs look like and spend that time to make sure that we feel like they qualify. As you go through this, you will see comments like they are able to get up to a certain term in percentage, but it is really more of a framework for us to work within and not necessarily a given.

This is Charlotte in 1998, which is when our policy was written, and it is a very different Charlotte that we have today. I think that as we start to look at how we attract and bring businesses to Charlotte it is important to note that we have had this change. We are now the fastest growing market for tech talent in the United States. We are the second largest financial center and we are third fastest growing big city in the country and we want to make sure that the policy that we pilot over the next 12-months works and helps us address this newer Charlotte.

Again, the policy was created in 1998, and it encourages the attraction, retention and/or expansion of jobs and businesses. Back to the fundamentals, these grants are a reimbursement of net new property tax generated by the businesses who choose Charlotte. They require companies to meet thresholds for capital investment, new jobs and wages, and they have to be competitive in nature. So, if it is a company that is only considering Charlotte and they are going to come to Charlotte regardless of whether there is a Business Investment Grant, they wouldn't qualify. They have to look outside of Charlotte, outside of the State of North Carolina. It is also important to know that if there is a State incentive that we currently reference the JDIG, which is the Job Development Investment Grant for North Carolina. That does require a local match.

The Standard Grants: this is our policy today. So, today if you are going to invest in Charlotte you have three levels; there is a Standard Grant, which is a minimum of a \$3 million investment, creating 20 new jobs at 100% of the average annual rate for the MSA, so those jobs have to average out to a salary of \$51,150. If they locate in a Business Investment Zone they can get a three-year 90% Business Investment Grant.

The next category is Large Impact Grant, and those are a \$30 million investment, 150 new jobs at 125% of that wage, and if you meet those you can get a 50% or 90% grant, depending on where you locate. Then there is the Major Headquarters Provision and that is really opening the doors for our team to negotiate with companies that are over Fortune 1000 or pay 200% of the average wage.

I want to break this down into an example, because I think it is important for everyone to understand what that really means. So, AvidXchange, they received their second Business Investment Grant. It was approved at public hearing in February. They are investing \$42 million in Charlotte to build their new building. That \$42 million we estimate will generate between \$190,000 and \$200,000 per year in property tax that the City of Charlotte receives. We will reimburse AvidXchange 90% of that for seven-years. So, they have to invest \$42 million, let it generate new property tax, pay their property tax bill, and we reimburse them a portion of that money.

Today we are going to talk about the pilot. So, why are we doing this; we are doing this so that again, the projects that we are seeing come to us and our team do not necessarily align with the policy that we just talked about. The reason for that is when you look at this, this is very heavily weighted towards investment so, it is \$3 million, \$30 million and then above. We see a lot of great prospects come in between \$3 million and \$30 million, and they have really great jobs and a great growth trajectory, but they don't really fit the mold. So, today the pilot is really going to allow us to focus more on the quantity and quality of the jobs that we can bring to Charlotte, addressing the community goals, reward companies located in targeted business corridors, emphasizing our targeted industries

and growing those and then creating that flexibility to allow us to stay in policy, most of the time.

We have still three levels, and we will walk through those very quickly. The Standard Grant; the Pilot Policy still makes sure that every incentive is a minimum of \$3 million. The reason for that is you have to take an investment and generate property tax and then reimburse a portion of it; so, just like the AvidXchange \$42 million created about \$200,000 in property tax, we need the investment number to generate enough that we refund you something. So, \$3 million and still create 20 new jobs at the average wage for our MSA or the standard occupation classification or the SOC code. So, not all jobs that we bring to Charlotte are going to pay \$51,150; there is a range of jobs where the salary is below \$51,150. They are still great entry-level jobs that companies offer a career path. What this flexibility and new structure we think will allow us to do is to go in and work with those companies that may start on the E-commerce distribution and work their way up through management or certain were on the bookkeeping and accounting side and work their way up through the company. Then if you at a higher incentive for where you locate or you if you are targeted industry. So, this will allow us to say you can have three-year Business Investment Grant at either 50% or 90% reimbursement. If you located in one of our targeted business corridors where we are really hoping to see companies located and want in their communities, they would automatically get a 90% reimbursement. Those are areas called our Business Corridor Revitalization Geography, and those area would be able to see the updated or the increase, the 90%. An example is Project ABC; this was a capital investment of \$3.2 million, 24 new jobs, manufacturing in Ballantyne and under this Pilot Policy we could give them up to a five-year 90% grant and under our current policy we couldn't give them anything. RND is very much a targeted industry for us here in Charlotte.

**Councilmember Eiselt** said in the example of Project ABC the circumstance here is that it is an industry that we want here in Charlotte, correct?

Ms. West said correct.

Ms. Eiselt said so what data did we have around that industry to say here is how many jobs it produces, here are the indirect benefits. I guess we haven't really talked about that in Committee, but it just dawned on me that do we really have data around those preferred industries that we would really like to see investments and to diversity our industry base and what that could do for our [inaudible]

Ms. West said we do have data around our targeted industries and why they are targeted, and we could go deeper into that data. The County does in their modeling so if you added five jobs in RND, what is the effect of that? We don't have that data right now, but we do work with the County to provide that and then I think Alisa on our team, who is our new Research Analyst is going to help us dig into that a little bit deeper.

**Councilmember Phipps** said you said when we first developed our Business Investment Policy, it was done in 1998 in partnership with the County. Did we have any such collaboration this time with the County?

Ms. West said we did; we worked with Peter Zeiler at the County. We reviewed this concept with him. They are working on their own update as well, so over these 12-months we are kind of leading the way with the pilot to see what works for us and then we are going to start working together to go at this with both sides. Over the next 12-months that is something that we hope to do and at the end both the City and the County's policy will be updated together for unity, because we do like to be in line with them as much as we can.

Mr. Phipps said is that a concern that we might on occasion be at opposite ends of the spectrum in terms of our policies not being too consistent because on most of these Business Investment Grants they ward on a piece, and we ward on a piece, so are we concerned at all that there could be some inconsistency in our approach to trying to attract businesses here?

Ms. West said I think for the most part we left the policy as the same enough where we could still get consistent; it is not really the term, but it could be the percentages that we invest in companies. I think the County could be interested and had previously talked about going more to an SOS code approach for business and evaluating if they meet the salary thresholds. They are going to continue to explore that further, it is not stated in either of our policies, but our fundamentals of the grant haven't changed. I feel like the approach to the criteria though is what is going to allow us the flexibility, but we are still sticking with a standard, a large and we are going to call it transformative grant. The basis is still the same, it is just some of the criteria, ours will allow us to be more flexible.

Mr. Phipps said with regard to some jobs like call center jobs that might not meet our income thresholds are we saying that we won't be entertaining those? Where would those go, or we would just say we won't consider those?

Ms. West said I think call centers are interested, we just brought a call center to Charlotte that we announced a couple weeks ago that did not have a Business Investment Grant; so, I think they are only thinking about incentives and the role that we have traditionally played. It was very much focused on these grants, but now since the Alliance was formed almost a year ago and a lot of this responsibility for business recruitment and retention has fallen back to the City team, we are able to work with these companies that provide incentives that are not necessarily monetary in the form of a grant. We were able to work with Chime Solutions on location, connecting them with workforce development partners, getting them integrated into Charlotte, not in a Business Investment Grant. I think one of the other things that our team, and Emily is exploring is how to further develop the training opportunities when it comes with companies who don't pay the wage requirement that we would like to see, enough to incentivize them to come here. We still want to work with companies for them to bring jobs to Charlotte, just not all of them will qualify for Business Investment Grant.

**Councilmember Ajmera** said over here on the right is says under current policy no grant due to location. So, under the pilot are we suggesting certain locations within geographic area where we want to see more economic opportunities?

Ms. West said yes, today you have to invest in the Business Investment Zone and I will fast forward to the end and you can see that. Today, when we have an investment done, which is in red and the County had opportunity areas which are in green, that determined if you get a 50% or a 90% Business Investment Grant. What we are moving to is rewarding companies in a smaller geography it is more targeted, it aligns with some of our other programs called the Business Corridor Revitalization Geography, which has corridors like Beatties Ford Road, West Boulevard, Freedom Drive, Wilkinson Boulevard, Albemarle Road and things like that. It expands; it is not just a road. It is more of a geography, so this is what we are talking about when we say if they locate in one of these specific areas we would try and push a 90% grant.

Ms. Ajmera said are those also aligned with the Opportunity Zones? From the couple that you mentioned it seems like the Opportunity Zones are also located within that.

Ms. West said yes, some of the Opportunity Zones do fall within this geography, I'm not sure that all Opportunity Zones do, but some of it definitely does.

Ms. Ajmera said how was this targeted area, how did you all derive at this? Was it based on the jobs existing or lack thereof?

Ms. West said this is a geography; Morrell & Chesky runs our Business Corridor Revitalization Program, and this is geography that we decided to test under the pilot and this is really focused on where we are increasing the growth of small businesses in Charlotte and so when we were working with the ED Committee and didn't want to lose location so we also knew that the biz was not targeted, that this was the next kind of best geography to align with other City initiatives already. Over the next 12-months this may change as we dig into it a little bit more and really find out where those opportunities are because one of the things that corridors are great but there also has to be buildings there

that people can go into and as our team gets together that comprehensive list we will be able to maybe refine this a little bit more.

Ms. Ajmera said okay, so like it is a combination of availability of office space along with jobs that we need in those areas. Is that correct?

Ms. West said yes.

Ms. Ajmera said what are the projections with this proposed change? Are we diversifying job options, bringing opportunities in parts of City that have not seen traditionally? Where are some of the projections that you all have with this proposal?

Ms. West said what we hope to do and we have been doing this now almost a year, since the Alliance was formed and as our team really got into the working projects from start to finish, generating leads with jobs that we could bring to Charlotte, what we were noticing is that as the targeted sectors for Charlotte and that industry growth has changed, that our policy didn't work as well with that so, yes, we hope to see growth in our targeted sectors which include advanced manufacturing, trade and logistics, tech, we are seeing a lot of growth in our tech sector and so what we hope to do is show over the next year what jobs we may not have been able to bring to Charlotte, but for this program we were able to and then what are those sectors, especially when you look at the wage qualifications; \$51,150 that is a hard salary necessarily to get in some of our more distribution oriented jobs, logistics jobs, and so as we roll out this policy I hope we will be able to see an up-tick in those.

Ms. Ajmera said the funding source for this doesn't change, right? It is still from the future revenue that we would be getting so there is no changes to that?

Ms. West said it is still a reimbursement of new property taxes and they have to pay it and then they get a portion of it back.

The Large Impact Grant is a \$30 million investment and/or 150 new jobs and/or they meet the wage requirements. So, they have to meet two of the three requirements in order to get the grant. Where this is important is back to our point we just talked about, trade and logistics and some of our advanced manufacturing jobs. It was really hard for them to get the \$51,150, but they are making very large investments in our community and providing a lot of great jobs.

The Large Impact Emerging Target Business proposal is different. What this does is this is really focused on attracting companies that are new to Charlotte. They are not ready to make a real estate investment, but they are ready to come here and bring jobs. A great example of this are tech companies or international businesses, so if they create 150 jobs, they meet our salary requirements, and they are a targeted industry, we will allow them to come into our community, show the competition and then if they make that initial investment within five-years, we as staff will take forward to City Council a proposal for a Business Investment Grant as long as they again, make the investment and add 20 new jobs. So, they are expanding; they came here. They were successful; they invested and are growing, that we would then take that back to City Council for a future Business Investment Grant. So, we don't commit anything up front and we will see how they perform and then they can come back to Council.

Two examples of these is one, on the left is a standard project so, this is one that we actually did work with at Arrowood Road and I-485. It was outside of the Business Investment Zone, it didn't quite meet the numbers that it had to; it didn't get to that \$30 million mark. Under our current policy would have been nothing; under our Pilot Policy it would allow up to a five-year 90% grant. Again, this is a targeted industry, great investment, great career path that we would learn, and we could still help them choose Charlotte. The one on the right is really a Fintech Company, WeWork and these are very popular; when you go in a WeWork you do not make a real estate investment, so this is just like Better.com that we worked with to come into Charlotte. So, for Better.com it was 1,000 jobs; they proved the competition up front, if they came in and then added 20 new

jobs and made a significant real estate investment we as staff could take that for consideration. Last but not least we used to have a Headquarters provision, now we have put some parameters to that and called it a transformative project. So, \$100 million in investment, 1,000 new jobs, great average wage, there is a one missing from that bullet point, and our targeted sector. If they meet three of the four requirements we could extend their term to 10-years. An example of this, this is Lowe's. When we came to you guys with Lowe's that was outside of our policy, this would put Lowe's within our policy and allow us to give them up to a 10-year grant.

Just to recap the pilot is a 12-month program; it will be measured by our ability to bring jobs to Charlotte, respond to community priorities, becoming more competitive, exceptions are fewer. We will be able to report out every quarter, process remains the same, same bucket of money, same everything. Then after that 12-months pilot we would come with a full policy update and then again hopefully with Mecklenburg County to discuss that.

**Councilmember Newton** said looking at this it makes a whole lot of sense; we are trying to expand our capacity to bring more jobs into our City that are going to theoretically be sourced by our city residents, and this isn't money that we are paying out, right? This is revenue we wouldn't see in the first place. For me and in Committee, a lot of our conversation revolved around location, because our previous criteria was fixed on the areas where the job opportunities were needed the most, and we are creating this new flexibility where we are allowing business to locate in other areas. I think what I have heard tonight is there is a reason for that; these are some opportunities we would have otherwise lost, so the jobs would have never been created. I would be interested in the future. So, I would ask that as we move forward in this pilot process that we identify the folks that are sourcing these jobs to make sure that overall we are meeting our goals that we've set for our community, particularly in the context of upward economic mobility and to see if there are any issues pertaining to transportation as well in the future for folks who are moving into these job opportunities that we are creating.

Ms. West said I can track that.

**Councilmember Winston** said I don't know if it is going to be a question or a statement, but it is along the lines of what we've talked about in the past. I like that we are taking another look at how we do this. My desire to see at the end of this is how is our investment into bringing new companies or making sure companies stay in Charlotte, helping to bridge the equity gaps that are structural within the City of Charlotte and the way economics has developed overtime in here. I think that should be a primary aim to help close some of these economic inequities that have been developed over time because of the way businesses have or have not developed. I see that this is getting at some of those places but without a very prescribed intent I fear that could get lost overtime.

Ms. West said I've heard you speak to this before, and I hope that one of the things we are going to track over the next 12-months is how this standard occupation classification code allows us to maybe pursue businesses that we haven't traditionally, because they didn't get to certain wage [inaudible] initial job offering, and so I'm excited to update that chart and see how we can do this.

Mr. Winston said a follow-up to that would be with this potential policy change with this pilot, also if this gets adopted I would like to see a strategy that follows this whole policy of how do we implement this policy in a way that achieves some of those goals for creating a more equitable economic environment in Charlotte.

Mayor Lyles said I think that we've got to figure out a way to have an equity policy when we are working through some of this as an overall, and I don't think we have anything written down in a way of responding to the question, and as we talk about it, we would like to see. We want equity, but I wonder if it is time to sit down and think about what that means and how to do it. Right now, I think we all have an idea of what we might mean, but it may not be consistent and what do we get to that point. I don't know if it is a Committee thing, or we wait until we have the Council Retreat. So, we can have this

conversation about it to go further. I don't know if there are good models out there. So, I'm wondering Mr. Jones; how do you get there?

**Marcus Jones, City Manager** said you may recall that Federico Rios had worked with the Committee, and you have approved the Equity, Diversity and Inclusivity Policy, and what he is doing is working with the team related to some strategies around that. So, we are on the way with that.

Mayor Lyles said great, I think it would be good to have a filter for us.

Mr. Driggs said I wanted to say first that I fundamentally don't like the idea of giving money to rich corporations, and I'm not convinced that for many of them the decision to come here turns on whether or not they get \$2 million from us. I also do not agree with the proposition that it doesn't cost us anything, because we wouldn't have had those tax receipts anyway. The fact is if we add businesses to our community and we excuse them from bearing their share of the cost of government, other people have to pick that up, so there is a cost. Having said that, as long as other cities are offering these incentives I don't see that we should unilaterally disarm and that is the place that sort of sticks for me. I don't want us to lose on exciting opportunities just because we didn't come up with what are sometimes small amounts of money to show that we are motivated and trying to get that business to come here. I hope we will continue to use this policy with a restraint and with a very definite awareness of the fact that it needs to make the difference. It needs to actually be the thing that help us to close the deal.

My question is, this is a pilot, we are going to do this for 12-months; how do you see over the span of the 12-months the process unfolding? Are you going to take on board situations and look at them and then tweak it; are we going to have continuing conversations towards what I assume is the goal of adopting a permanent policy at the end of the pilot?

Ms. West said yes, it is a little bit of all of that. So, as we have now taken on this new role it has really given us some more light on to how effective these incentive policies are and more up front with the company at the beginning. I think we are going to build off the peer city research that Lorie has already done to see what our peers are doing, working with Mecklenburg County and also, is it working. Does the standard occupation classification make a difference; is that getting the jobs here that we want? Where are they locating? If they are not locating in certain areas, why, and trying to build off that to make some that when we adopt it fully in 12-months based on our experience over the next 12- months, we feel like it is something that when implemented will actually make a difference I think to most of your points, to see if it hits the targets.

Mayor Lyles said will this require Council approval for the pilot; do we need to have it on the agenda, so we are just going to do this? I'm asking the question.

Mr. Jones said Mayor, in the past you have approved these policies. I think something like this that we've worked the strategy it makes sense for you to approve this also.

Mayor Lyles said I would like to have a recommendation from the Economic Development Committee that the Council approve the pilot.

Mr. Driggs said I said at the beginning Mayor; we voted unanimously in Committee which is why I do believe a Council vote is called for because we referred to it to a full Council for a vote.

Mayor Lyles said does it need to go on the agenda or can we do it tonight?

Mr. Jones said you can do it tonight, that would be great.

Motion was made by Councilmember Driggs, seconded by Councilmember Bokhari, and carried unanimously to adopt the Business Investment Grant Policy.
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## ITEM NO. 2: VISION ZERO UPDATE

**Debbie Smith, Deputy Transportation Director** said as you will see Safe Streets, Vision Zero and the Streets Map, we have combined those two items, so if you are following along in your Agenda we've put those two items together. Along the lines of safe streets, I find that it is good to travel in numbers. There is always safety in numbers, so joining me tonight is Deputy Chief Jeff Estes with CMPD and a little bit later on in the presentation we've got Tracy Newsome with Transportation.

The purpose of tonight's presentation is to give you a brief high-level reminder of what Vision Zero is all about. We want to provide some more in-depth areas of focus with the education and enforcement that we've been doing within the last nine months and last, Tracy is going to go over these Streets Map and how that really supports the Transit Oriented Development. The Streets Map is really an implementation tool, and it supports and compliments our Vision Zero Policies. So, you will see the Streets Map again on the October 14th meeting for public comment and then you will see this again as we ask you to take action on October 28th to adopt that Streets Map.

**Councilmember Eiselt** said CDOT presented to the Committee the Streets Map concept, part of Vision Zero initiative at the Transportation and Planning Committee meeting on September 23rd. We were updated on the progress of Streets Map including the purpose, the content, the public engagement, the schedule and the next steps. The purpose of the Streets Map is to describe expected complete street cross sections for streets around the Blue Line. It is used to apply the TOD ordinance through development by providing consistency and predictability, and it defines the future curb line that will help determine other design elements in TOD zoning districts related to frontages. The Streets Map regulates elements such as medians, travel lanes, bicycle facilities and curb and gutter locations and the elements regulated by TOD standards are the amenity zone, the planting strip, pedestrian facilities and the semi-public realm. The Streets Map is scheduled for open public comments on October 14th; I don't know how long that lasts, maybe you can clarify that for us.

Mr. Smith said that would be the two-week period.

Ms. Eiselt said the Committee voted 4-0 to recommend that the Streets Map come to the full Council on October 21st.

Ms. Smith said looking back at the overarching umbrella by which we look at streets, this is a national movement and Vision Zero is really this philosophy that no loss of life on our streets is acceptable; no loss of life, no serious injury, and Mayor, you proclaimed Charlotte a Vision Zero City in March of this year. We have been working vigorously with our Vision Zero Task Force that represented about 25 agencies with 55 people at the beginning of this year, and we completed that Action Plan and I really have to say that this is the most dedicated group of a task force I've ever had the opportunity to work with. Day or night, weekend and holidays this group comes out in force; they have a mission, they have a goal. They have a purpose, and it is to save lives. It is really impressive to see that dedication and that work.

So, Vision Zero really distinguishes itself from the traditional approaches, because it is data driven, focusing on no serious injuries and fatalities. I would like to show you this to be able to say we are saving lives. What you see is while safety has always been part of our work, this new and improved focus that is that data driven approach to go where the fatalities and the crashes are occurring. We are seeing a 27% drop in fatalities from this time last year and in the previous years. So, our approach focuses on those locations of concern, but it also gives that flexibility and approach that we can be nimble and go to those places where we see something emerging. We really like that opportunity to be so nimble.



Once again, data driven approach; it is a focus on serious injuries and fatal crashes. We have mapped the high injury network, which is the locations where fatal and serious injury crashes have been occurring over the last five-years and with that we've taken an attempt to prioritize those top 50 locations, and we call those our enforcement focus areas. No one approach is enough; we really take that combination of engineering, education, and enforcement and we can see that is where the most impact occurs when you put those programs together. With that, Council, you approved a project that included \$48 million, the voters approved that in 2018 dedicated to these engineering efforts and as a reminder, you doubled the sidewalk and pedestrian safety, so we are able to deliver an additional 20-miles of sidewalk. You also funded new programs in the way of Vision Zero and the Bicycle Programs and all of these programs, the approach that we have taken differently is that we are emphasizing safety as a critical prioritization tool within each of these programs. We have nearly 60 active sidewalk projects, and that is going to deliver us 20-miles of sidewalk. It is going to get us 10 bicycle connections, four new traffic signals, 25 pedestrian signals. We are looking at just an intense focus in that area. I want to prime you a little bit before I show you this map and what I want you to take away from this map is the red lines are those 50 high enforcement areas that we are looking at and what I want you to take away from this map is that there are dots and lines that go with almost every one of those red lines. This is that emphasis on pedestrian safety and you see that we've really put the money where those high incidents are occurring. I will turn it over now to Deputy Chief Estes, and he is going to talk to you about the actions that we are taking in those enforcement and education areas. I do want to emphasize what a fabulous partner CMPD is, they send at least five and sometimes six people to every one of our Vision Zero Task Force, just a fantastic partnership, so thank you very much.

**Jeff Estes, Deputy Chief Police** said we do take personal pride in that stat that you saw with the amount of injuries and crashes going down. Just as a side note, we have some very dedicated folks who believe in this very much, because they are the ones that have to go out when there is a serious injury in a crash to talk to the victims and the victim's families. They want to make sure that we are doing everything we can to make sure that number continues to go down. In lock step with our professionals at DOT we went with education first, enforcement following that up effort in the Vision Zero high injury network locations. So, what we did, we took our resources, laser focused those on what the data showed, and we started with the educational part focusing on young people first. We did 22 high school and college presentations, 7 Watch for Me NC events; that is where we did some educational components dealing with just pedestrians; 7 victim impact panels and 15 child passenger safety events. In addition, we did some enforcement action as well. So far, we done 38 of the 50 high injury networks, and we anticipate by Thanksgiving, we will have hit them all. We did 35 speed enforcement operations, five-seatbelt only operations and 13 DWI operations, again, in the high injury network areas. We received very good response from this, and as I said, when that number begins to reduce itself we believe the efforts have been worthwhile. We particularly like, and you folks are well aware, of resource constraints to be able to put our resources where the data shows they need to be.

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### **ITEM NO. 3: STREETS MAP**

**Debbie Smith, Deputy Transportation Manager** said at this point we would like to turn it over to Tracy Newsome where she is really going to do into those level of details that talk about how the Streets Map is a tool to implement in the Blue Line.

**Tracy Newsome, Transportation** said thank you for the good overview leading into this and for Deputy Chief Estes and Debbie for setting it up really with the big picture vision of Vision Zero. I'm going to focus on a very specific form of implementing complete streets using the Streets Map specifically in Transit Oriented Development areas. Just a reminder, Debbie said this earlier, I'm going to go through, talk about the Streets Map Purpose and Content, Public Engagement, who we've talked to, what we've heard from them and then talk about schedule and next steps, some of which was laid out already, but I'll just reinforce that as we go through the slides.

First and foremost, we really need to talk about why is the Streets Map important? The Streets Map is important because it really supports Council adopted policies that have been in place. The Council has been adopting complete streets policies over the last 10 to 15-years and the Streets Map is basically a compilation and a culmination of a lot of that policy work. It is not new policy; it really embodies the policies that have already been adopted. It is critical, because it also provides the key implementation tool for the Transit Oriented Development Districts that were adopted in April. So, those four districts were adopted in April, and this is one of the tools that is coming along in line to help implement those districts. Finally, as has already been stated, the Streets Map will help us to create complete streets which are safer streets, which supports that longer-term philosophy of Vision Zero as we move forward. I think it is helpful because we've talked to a lot of people about the Streets Map in various formats and fora and so it helps remind people what it is that the Streets Map does and doesn't do. The Streets Map describes expected complete street cross-sections for the streets around the Blue Line as was pointed out by Ms. Eiselt. It is used for applying the TOD Ordinance through development so, there are a couple of sub-bullets here; it defines the curb line that is put in place as development occurs, particularly as we go towards a more by-right approach to development. That really is key because it provides consistency and predictability about where the future curb is and what the vision for the street is. It also helps determine other design elements within TOD. So, if you are looking through the TOD Ordinance and you see references to frontages and street types, the Streets Map helps to define that. This is a lot of very specific ordinance related almost wonky kind of information here but really what this does it goes back to if you have philosophy of Vision Zero, and you have a lot of different ways to try to approach Vision Zero as has been laid out, some of those are very near-term and some of them long-term. One way to come at Vision Zero is to come at it through complete streets. This is a continuation of our complete streets implementation and it is very, very specific to getting complete streets in the TOD areas.

This is also a pilot for City-wide Streets Map so this is specific to TOD but looking ahead we would be looking at expanding this throughout the City. I'll explain a little bit more about that. Just as important, what doesn't the Streets Map do. It doesn't show projects; it is not a project map; so, if you go on line and look at it you are not looking at projects. It does not indicate priority even though obviously the Streets Map might be used to help with priority and help with projects, that is not the intent of the Streets Map. It does not serve as a specific project design for any given street and this is important, particularly in an interim timeframe. For example, if you look at the diagram on the lower left, this is a two plus avenue with a buffered or separated bike lane, and this is what would be shown on the Streets Map as the expected cross-section moving forward, but we know when we go out into the community and look at what we can do in the interim we are working within different context, different constraints, and so what we have on the ground may be different, particular in the interim. Even moving forward into the future if the Streets Map lays out a two-plus avenue with a buffered or separated bike lane as shown here, the ultimate design, particularly of the bicycle facilities could vary between a buffered bike facility or one that is separated. The separation may be caused by different types of vertical or horizontal elements or it could be a asymmetrical situation with a two-way cycle track or something else. The point is to set it up, so you are going to have a street that is going to serve all users and then when it comes time to do the project you've got the design team to pick the appropriate facility.

This was pointed out earlier, thank you; it is really helpful to understand the Streets Map and how it relates to the TOD by thinking about what a complete street is. If we are going to have streets that are complimentary, not only safe streets and are complimentary to all users, but also complimentary to the development along the street. You really have to look at the street from building front to building front. So, the items in orange are already regulated by the TOD Ordinance that was adopted in April, so those items behind the curb, the buffer space, the sidewalk, the setbacks, the building frontages, the height, all of that was already adopted in April, and so the information in the middle is what is on the Streets Map. What is the bike facility category, how many lanes is the street? What is the center space like. Those types of things are on the Streets Map, and they complement one another.

Where does the map come from? I think we have already talked about this, but we have an overarching on Council, we have been declared a Vision Zero City. Within that umbrella we have a lot of adopted policies about complete streets; complete streets is very much supportive of the Vision Zero concept, and again, when you look at all of the work that has been done in the last 10 to 15-years on complete streets this is a culmination, it is not new policy, it is simply a map that culminates that policy. So, all of these that have been adopted early on and then most recently, Charlotte Walk, Charlotte Bikes, those kinds of policies, even as we are pushing those into the Comp Plan and talking about those relative to the Comprehensive Planning process we also are wanting to implement those policies that Council has adopted through the regulatory environment, first through TOD and then ultimately with the UDO.

Who have we heard from so far? I think it is fair to say since this is about complete streets policies and the work that Council has been doing to adopt policies, we've heard from thousands of people, we've touched on thousands of people as we've gone through and got engagement for our plans and policies related to complete streets. More specific to the Streets Map itself we've been before the Ordinance Advisory Committee that is doing the work on the UDO and other ordinance related work with Planning. From that group we formed a smaller stakeholder group made up of developer and advocacy representatives who could focus specifically on the Streets Map and we met with them a total of three times. We've been before the Development Services Technical Advisory Committee; we have also been out to property owners. Another key implementation piece of the TOD districts is the work that Planning is doing for the zoning alignment work and as Planning has gone out to property owners and then later the general public about that effort, we've been there with them to describe and be available to talk about the Streets Map. We've talked to Advocacy groups such as Sustain Charlotte and the Bicycle Advisory Committee, we've been out to the general public both with Planning and separately for other reasons. We most recently were out at the Matheson Avenue Streetscape Meeting that was held just last week. We've also had an online interactive map to collect comments from the public and that was up and running from June through September, so we've been collecting comments that way as well.

What Have We Heard? The item at the very top is really what we hear repeated; as we do survey work, we do a bi-annual survey of transportation related questions and we have consistently heard that anywhere between 82% to 85% of residents believe in the concept of complete streets. They want streets to be built to serve all users. So, we have continued confirmation of complete streets as a philosophy for Charlotte. More specific to the work on the Streets Map, again, we get confirmation of that. We get a lot of agreement with the intent of complete streets. People might comment on a particular street, but they will follow-up with a comment that says it is really important that we make these streets safer. It is really important that we get better streets. We have also heard that the Streets Map is a useful tool as we work with the stakeholder group. There was a recognition that that clarity and that consistency and predictability of setting the future curb line was a useful tool to have. We've obviously heard from people that they agree or disagree with specific cross sections on the Streets Map; that is why we put it out there, so they could drop a pin and say what they thought about it. I'm happy to say that most of the responses agreed with the cross sections. For those that didn't, we are going back and checking. Probably the most common thing we've heard is that the Streets Map doesn't go far enough, because it only deals with the streets right around the Blue Line, so both geographically people don't think it goes far enough. They want to see it go further out into the City; they want to see it in their neighborhoods etc., or it doesn't go far enough in terms of providing a very, very specific design, which is not the intent of the Streets Map.

Then finally, we are working through some clarifications from the work that we've done with the stakeholder group related to clarifying where on-street parking is and isn't use. Some information about intersections because the Streets Map does not address intersections, and so we want to make that clear on the Streets Map and then also what happens with area plan cross sections which are currently used to define the street cross section.

Steps Thus Far, I've got the Streets Map on the top, the TOD Zoning Alignment on the bottom to show that they are a parallel process. The TOD Districts were adopted on April 15th; we went before the T & P Committee in July and September. We collected our online comments through the end of September and closed that down and then in terms of next steps we are here tonight, and as Debbie has already laid out, we would like to welcome the public to provide commentary to you all on the 14th with an anticipated Council vote on the 28th. This really compliments the schedule for the TOD zoning alignment as well. Just a couple of other key points, we can see the Streets Map adoption process as really a multiple-stage adoption. Right now, we are talking about the Blue Line Streets Map, that would be near-term obviously, as would be a TOD Streets Map for the Gold and Silver Line again to support the TOD Ordinance that has already been adopted and the longer-term we would be looking at this as a City-wide map as part of the Charlotte future and the UDO work.

**Mayor Lyles** said when you talked about the education programs; are they taking place where your high priority, do you have kind of like a travel and destination study that says if I go to this high school it impacts this high priority area and that is how you plan your education, or how does that work?

Ms. Smith said absolutely; so, what we are doing, as I mentioned our Zero Vision Task Force, representing 25 agencies, 55 members, they are in lock step with us, and so we have folks that are going to high schools when we have incidents that occur, whether they be serious injury or fatality, CMPD is working those areas as well. We are going out to community meetings; we are out there. We are talking at every possible opportunity, Open Streets, you name it, and we are following those areas all along.

**Councilmember Phipps** said what does an educational presentation look like at a high school, just briefly?

Ms. Smith said what we do is we gear it to the things that they are interested in knowing about, so we usually know a little bit ahead of time what their interest is. We try to give that same Vision Zero overview as to why we are doing this work, but we try to really make it hands on interactive, and so at a high school it is usually focused on new drivers. We are showing them, talking to them; we have a round-a-bout map that we take to places, and we show people how to negotiate a new round-a-bout if they have never driven something like that before. We talk about the priority that pedestrians and bicyclists have; so, we really do try to focus that message to our audience.

**Councilmember Newton** said it was my understanding that Vision Zero pertained to smaller scale items; things may be as simple as neighborhood traffic calming and what I'm hearing here, it sounds like we are talking about much loftier goals, things like streetscape planning. When we appropriated \$2 million for this, I'm wondering how far that is going to go in this grander scheme, particularly when I know that we have this need on the much more specific neighborhood level. I could have sworn that three or four months ago we approved maybe three or four projects that were pilot oriented projects under Vision Zero. I'm not sure if that had to do with us getting new speed humps for emergency vehicle access. I think that has been in the works as well. Where are we on those items; is that still a part of what Vision Zero is about, or was I just misunderstood as to what the funded appropriations were meant for?

Ms. Smith said you are hitting it right on, and so what I just make sure that we are clear about is Vision Zero really is that umbrella by which we think about our complete streets, but, within that, you are correct. That there is that \$2 million that is very targeted Vision Zero funding and as a part of that we are looking at the traffic calming, and so we are looking at just how that money would be spent for traffic calming in neighborhoods, those lower cost solutions, so absolutely. That is a part of it.

Mr. Newton said so that is what that \$2 million is for; that is one segment of that greater umbrella of funding is what you are saying. Do we have any update on that and I also want to ask about the high injury locations and how they were identified? Is that a by-product of community input or is that just us; does that say CFD, CMPD, identifying these

areas and reporting them and then us kind of then prioritizing, or are we also including community input in that?

Ms. Smith said I'll take the second question first; really those locations are prioritized based on five-years of our crash data, so it is data that we are working closely with CMPD to get that data.

Where the community gets involved is driving where we may look at spot safety improvements and so while we are looking at the high injury network we also take public comment on that. Where we are with your first question is we are still in the pilot phase with the Fire Department. If you will remember Liz Babson, and the Chief came and spoke to you about those four pilot locations, and so we are at the ending stages of that pilot effort, and we are collecting data on how response vehicles are traversing those traffic calming devices.

Mr. Newton said I would be so interested in knowing that because I think there is a lot need throughout all of Charlotte for traffic calming in our neighbors. I know often times that is denied because there is a lack of an ability for CFD and maybe CMPD to access the neighborhoods with that traffic calming. So seeing those speed bumps with divits, if that could work, that would be really fantastic.

Ms. Smith said wonderful, thank you for your comments.

**Councilmember Driggs** said I remember Vision Zero initially as being our response to our concerns about just safety on the roads and accident rates, right? And in that context, we were looking at things like sight lines and illumination to intersections, traffic calming, kind of stuff that was immediately identifiable and this is related to your question too, here what I see seems to kind of cross over into areas that would not have thought were part of Vision Zero but were actually part of our 2040 Plan and our UDO process. Are we kind of repurposing Vision Zero, or have we expanded its scope, or how did we get to where we are now?

Mr. Jones said Mr. Driggs, if you start to think about it, I think the most important data point tonight is where we are September 2019 versus September 2018, 2017, and 2016 that ultimately Vision Zero is that we don't want to see a loss of life from a traffic fatality, and we are seeing that come down, but pieces of it are not just what we do with the built environment, but it is education, it is enforcement, so they all go together, and Vision Zero is more of an umbrella in which all of this works together.

Ms. Smith said Mr. Jones, I couldn't have said it better.

Mr. Driggs said I think the Streets Map thing is part of like seeing all the specification about the bike lanes and everything else. That is kind of more than I expected and then there was a place in there that something about intersections are not included on the Street Map and intersections is where a lot of the accidents happen. Once again, I'm just trying to reconcile what I thought was our original purpose with where we appear to be now.

Ms. Newsome said let me try to keep these things together but also separate them a little bit because I realize that can be a lot to handle. So, there are near-term things that fall within the umbrella of Vision Zero and there are longer-term ways to plan for a safer transportation network. We have been doing the long-term planning for safer transportation network through Complete Streets for many, many years with the policies that Council has adopted. The Streets Map therefore is not necessarily the short-term example of the education or specific projects, but it is rather the culmination of that long-term planning for safe streets. I don't know if that answers that part of the question, but certainly what we need is the element in place to help as we have adopted now transportation-oriented development districts that need the streets component to help make them complete in terms of what is happening through the development, and plus it is about clarity and predictability. So, we've got that long-term view of what a corridor is going to be like and will be a safe and complete corridor. As to the intersection question,

I don't want to get too much into that but yes, intersections are the points of conflict and can be places where crashes occur. The Streets Map is about in the ordinance defining where the curb goes so that everybody knows where the curb goes, where the buildings get placed in combination with the ordinance, and it is about what is happening along the segments. I don't have the slides to walk through with you, but one of the things the Streets Map shows is a number that is measured from the center line to the future curb line that is consistent for the corridor. So, what we wanted to be sure to do in our discussions was to point out that that is a number that is based on what is happening between intersections, not at intersections, because at intersections we already have turn lanes and things like that. So, they are not really handled through the Streets Map in the same way. It is the way the tool is set up to help the Transit Oriented Districts and the developments that occur within those districts.

**Councilmember Winston** said the Streets Map is more about intent and less than what you should necessarily expect to see. I think it is a good tool and a good thing; it helps people visualize, but of course it could create a situation. I don't know if anybody is familiar with the memes that say when somebody tries to make that costume for their kids at home and they've had the picture of what they expect, and they get that [inaudible] and; so, it puts us in the potential to be there. Again, a good information sharing tool, but I wonder how do we clearly communicate to the people who need it the most and to the citizens of Charlotte of how to use that tool, especially for our communities that get really vested into the development of this aspect which creates whole neighborhoods. It can create some confusion if they don't get what they expect at the end. It is just another one of those kinds of hiccups that we have from connecting what happens in here in this building to how it manifest in people's lives day today.

Mayor Lyles said I didn't understand that.

Mr. Winston said the Streets Map, the image that we show, it not necessarily what people are going to get, and it is not necessarily what we are going to deliver to them in the end.

Mayor Lyles said would it be situational; that would be the ideal and the ideal is going to depend on right-of-way and things that are just engineering components.

Mr. Winston said exactly; we understand that but the people that are paying attention and using this in their daily life as they make decisions of building homes and living in homes and choosing neighborhoods, some people are looking at these things and making long-term decisions based on it.

Mayor Lyles said the adoption of the Safe Streets has to be a part of our subdivision and the plans for 2040 and as quickly as we can get to them, that is what will make the difference.

Mr. Winston said I'm for it, but it is just something that we need to think about as it rolls out, potentially.

**Councilmember Ajmera** said I was going to follow-up to what Mr. Winston said; this is more of an overall very high-level goal where at the same time I think this is also going to depend on market forces where we are going to see some private investments into this, right, in order for us to continue with this?

Mayor Lyles said I would assume it would depend.

Ms. Ajmera said is all of this just public investment?

Ms. Newsome said these aren't projects; so, basically it is setting that future expectation as development occurs about where the curb gets set.

Ms. Ajmera said that is what I'm saying, it is market driven; so, this is all public and private mix so, some of this depends on private sector also making investment into how this will look 20 to 30-years down the road.

Ms. Newsome said I should stress also that even though we've talked about that this is not a specific design, it can be the starting point, again, moving into the future and we've got the curbs in the right places, it is a starting point for design for actual projects as well. It does take both, implementing complete streets takes both sides.

**Councilmember Eiselt** said thank you for the presentation, and I think it is sometimes hard to conceptualize when we are talking about it is for the future design, but I think it is really just taking what we did with the TOD and then talking about what is in between the two curbs, which is part of Vision Zero in the big picture, and separately, and, I just say this, because these were two separate agenda items on our agenda, and so I still have issues with Vision Zero. I don't have an issue with the Streets Map, I think this is the right way to go and we need to get this done to give people predictability. At some other point I would like to have a discussion of Vision Zero and how we are going about the education part of it because it just seems to me, and I know you are doing a lot of one on one education with people and you have a very limited budget to do that, but I would love to see a much more visual campaign. We were meeting with Councilmember Egleston and a group from The Plaza talking about The Plaza and Matheson Avenue and that is one of the high-injury zones and talking about that there are 33,000 people per day that travel that road. If we had visual signage there, and other cities have done campaigns around this, creative signing, you are hitting 33,000 people and I just think for your investment I wonder if in addition to the education that you are doing, especially with students and whatnot, if we could be looking at something more that is really educating the general public. In New York City, Vision Zero is on all the taxicabs; there are stickers educating people. We've got to hit more people because this is great information for us, but I would guess that the average person on the street doesn't know that we are working on education on Vision Zero to reduce speeding, to reduce traffic fatalities through a change in behavior. So, that is just a comment for a future conversation, but I think it needs to be discussed.

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#### **ITEM NO. 4: WASTE WATER MASTER PLAN**

**Angela Lee, Assistant City Manager** said since there is safety in numbers, this evening Charlotte Water, Interim Director David Czerr will discuss development of a Waste Water Master Plan for our community. Just as CATS and Aviation are economic drivers and operate and plan from a regional perspective Charlotte Water operates in the same fashion; so, this Waste Water Master Planning effort is really another example of how the City organizations thinks and plans regionally.

**David Czerr, Interim Water Director** said I am the Interim Director of Charlotte Water, and this evening I'm going to be talking to you about an upcoming project that we have which is our Waste Water Master Plan. What I would like to impart to you all is that Charlotte Water operates a large waste water system that is complex, and it is also critical to the community. The infrastructure that we keep below ground supports everything that you see above ground. To ensure that our infrastructure is in good working order and that we have a long-term plan to support the thriving community, we are proposing to undertake this study. We will be requesting that Council approve the contract for this Waste Water Master Plan at the upcoming agenda on October 14th and then related to that is an agreement with the Town of Belmont later in October on the 28th Council meeting.

The system that we have is large, complex, and critical to the community. We operate seven Waste Water Treatment Plants at the moment, with an eighth to come on line in a few years. This has over 4,300 miles of waste water pipe in the ground, and we provide service to over a million residents throughout the City of Charlotte, the towns and the county and even some neighboring jurisdictions. As Angela mentioned, our system is regional. We have connections and agreements with Union County to treat flow from their system, and we also send some of our waste water flow to Cabarrus County for treatment there. As we are moving forward, we are entering into agreements with two communities in Gaston County, Belmont, and Mount Holly, and we will be taking their

waste water flow and treating it at the future Stowe Regional Waste Water Reclamation Facility that is shown there in orange. I'll point out that in the middle of that map you see two facilities, the Irwin Creek and Sugar Creek Waste Water Treatment Plants that provides service to central Charlotte and those two facilities are nearing 100-years old. The operation of this system is core to ensuring that our community is able to thrive and grow. All development and redevelopment is predicated upon our system being in good shape and having sufficient capacity. Every new home, every new business and every new school needs to be able to connect to our system.

The waste water treatment process its self is core to a healthy community. We treat over 33 billion gallons of waste water every year and return that water in a clean state back to the streams and creeks for the fish and aquatic wildlife and communities that are downstream of us. But, it is not an easy thing to do; we have to work around the community, the topography, the streams, the creeks and the valleys to make our system work.

**Councilmember Egleston** said when is the Stowe coming on line?

Mr. Czar said we expect that to be on line in late 2024 is the current plan.

Mr. Czar said I'm going to give a historical perspective that I think will underline why we are taking this project on and why it is important. As I mentioned earlier we have two waste water treatment plants that are nearly 100-years old. The Erwin Creek facility which is off of Billy Graham Parkway directly next door to the Billy Graham Library and the Sugar Creek Waste Water Treatment Plant at Park and Tyvola Roads. These facilities, probably about 100-years ago, maybe a few more than 100-years ago, some group of people got together and decided that the City of Charlotte at its population somewhere around 20,000 or 30,000 people needed to have good long-term waste water treatment options to support the community. So, they sited these two facilities where they did, south of uptown Charlotte, and they constructed them, and they opened sometime in the 1920's. I think that is really what we are trying to accomplish with this, it is making intelligent decisions that will provide our community with good waste water capacity and treatment for decades to come.

We believe that his master plan that we are undertaking will connect the engineering, the operations and the technical to the City and the community. We are taking into account the growth framework that is being developed as part of the larger Charlotte future 2040 Plan. This information will tell us where the growth is going to occur and to what degree so that we can plan for it and have the infrastructure where it needs to be when it needs to be there. The Transit Oriented Development was never predicted in the decades ago when some of the sewer system was constructed in Charlotte. Most of those areas, the sewer system was probably installed in the 1950's and 1960's, and they never knew the kind of development that we are now experiencing today; so, we will take that into account and make sure that we have adequate capacity in those areas. As we heard earlier tonight about economic development, water, and waste water capacity is one of the key things that businesses look for to ensure that if they move to Charlotte that they know they can have adequate sewer capacity for their immediate operations as well as any expansions that they would like to do in the future. As our community becomes ever more regional in nature with this master plan we will study those opportunities to look for smart decisions to partner with some of our neighboring jurisdictions and take advantage of economies of scale where possible.

At the end of this process we expect to get a lot more than just the traditional document with a lot of tables and spreadsheets in the back of it. This will inform some very important and strategic decisions for us that will inform how the community is shaped for decades to come. Obviously, one of the things it will give us is a prioritized list of infrastructure investments where they are needed and when they are needed, and this will allow the growth to continue that we have seen. It also supports our long-term financial plan; Charlotte Water has a financial plan that looks out about a decade in the future; this will allow us to plug in some numbers with some more and better knowledge and that will, couple with informing future community investment plans, and it will allow us to work with the bond rating agencies and maintain our triple AAA bond rating, and that is one of only



a dozen communities in the country that hold that. Lastly, we believe it will build regulatory confidence that allows us to pull off large, complex projects such as the Stowe Regional Waste Water Treatment Facility.

Speaking of the Stowe Regional Waste Water Treatment Facility, I wanted to take a minute and talk about what the Town of Belmont agreement is that you all will see in a few weeks. I'll take a moment to remind you that you've heard about this project for a long time, but it was under a different name. It was called the Long Creek Regional Waste Water Facility, and this year we had an opportunity to make a decision to name it after a great former Director of Charlotte Water, Joe Stowe. In fact, there was a ceremony with you all, and I believe it was in May, if my memory serves me correct, and we have changed the name, and it is now the Stowe Treatment Facility. This is part of a regional approach that has been in the works for over a decade that will provide a new waste water treatment on the Catawba River sited along Long Creek which is kind of near the National White Water Center, to give you some perspective, and this will be a new facility for Charlotte Water, but as part of that, we've arranged for agreement with the Town of Mount Holly, which is directly across the river from where this facility will be and the Town of Belmont in southern Gaston County, to take their flow and treat it on a long-term basis. This will allow for their two smaller dated and less efficient facilities to be taken off line, and meanwhile it allowed us to work with the state to get a permit to build the larger scale and far more efficient and effective Stowe Plant.

This project is at the beginning stages of design, one of our first steps is to work with Mount Holly; we already have the agreement in place with them. We will be bringing their flow under the river through a pipeline and will be getting that into our system in a matter of two or three-years. Meanwhile we have been working with Belmont and their elected officials to forge a similar agreement and we now have that ready and will be bringing it back to you later in October for approval.

The project timeline for the Waste Water Master Plan is we would intend to begin work soon after approval this evening; the consultant is on board and ready to go. It is not going to be a small effort, we expect it to take a year to possibly 15-months and at the end of that I envision that we would bring back a review for you all of what we have found in there and what some of the key findings will be.

**Councilmember Driggs** said we are talking about Mount Holly and Belmont, so is the Master Plan related to the entire system; are you looking for example, pipes that need to be replaced and all of the capital needs or you just talking about those agreements with those towns and the facility related to that?

Mr. Czerr the Waste Water Master Plan is the entirety of our system; so, currently I would label those extents as roughly the County boundary, but it is also taking a look at other opportunities with neighboring jurisdictions, but it is far more than just Belmont and Mount Holly.

Mr. Driggs said is that something that is consistent with what we have been working with in our budget process in terms of rates and the outlook for rates and the capital needs or will you be introducing kind of new capital requirements that also call for additional funding?

Mr. Czerr said it is kind of a yes and question. Yes, the output of this Master Plan will be a list, a long list I imagine, of capital infrastructure that will have price tags. We envision most of that to be in the longer outer years. This is going to look out decades and then meanwhile we currently have a community investment plan with five-years that is already in place and that is pretty well populated with the infrastructure that we anticipate as needed more in that short-term. Yes, obviously, it will do what you suggested, but it is going to be in years that are farther out and how that will balance with other economic drivers, at this moment I can't really say.

Mr. Driggs said at near-term the conversations we have about rates will be informed by the five-year plan, and we are not going to start taking into account the big picture yet.

Mr. Czerr said exactly, that's right.

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#### **ITEM NO. 5: NEIGHBORS APP BY RING**

**Deputy Chief Jeff Estes, Police** said I appreciate the opportunity to come and hopefully clarify what the Ring App will do and what it won't do and maybe counter-intuitively I would like to start off by saying what it doesn't do. What the Ring App doesn't do is allow the government, CMPD specifically, to live feed view a camera of any type. The second thing it won't do is we don't exchange any money or funds of any type. If you want to think of it this way, at its core, it is like YouTube where you choose to upload a video and by the way, it doesn't have to be Ring video, it could be from your cellphone, some other provider or any other video that you get from your yard or house, and you upload it to this platform and your neighbors can see it, you provide context and then under this MOU, we also count as a neighbor, and we get to see it as well. We view it as Community Policing 101. Since I've been here 27-years, we have espoused ourselves as a leader in community policing. This is just a way in which neighbors can exchange information or video to be alert for activity that is going on or crimes or lost pets or anything else like that.

It is also, and I would like to point out, not the only game in town. Most of you probably have Facebook community pages and videos just like this are posted all over community Facebook pages right now. In fact, last year I think we solved, cleared about 150 crimes based on doorbell type camera footage that citizens sent to us. This is just a platform that the company has out there to allow people to post, one-time post, videos for their neighbors to see; we count as a neighbor to partner and engage in the information sharing and it is done kind of by geography. It allows us to see if by geographic sorting, which is the only difference between this and Facebook or Nextdoor etc.

**Mayor Lyles** said the last time this came up we had a citizen, Mr. Margolis, come in and say that he had discovered on the internet that we had a relationship, so I just wanted to make sure. What is the relationship? Is there a formal relationship; what is the relationship? How does it operate?

Deputy Chief Estes said it is basically a one-page memorandum of understanding between CMPD and Ring, and it just says that they will provide us access and in return the community members also have provided free access. That is basically it.

Mayor Lyles said do you have an agreement like that with other service providers?

Deputy Chief Estes said as far as I know, we don't have another MOU with another service provider like this. I'm not sure there is another one like this out there that has it where we sign on as a neighbor and are able to sort geographically. We could do the same thing and quite frankly we do, for example with Facebook pages where a community coordinator can be included as a Facebook neighborhood page. Dilworth Neighborhood has a Facebook page; one of the officers is assigned to that and then they get to see the video. As far as I know we don't have a similar MOU that I can think of off the top of my head.

Mayor Lyles said the other thing that wasn't clear to me was, I thought I was told at one point that it required the owner to provide the information to CMPD and then there was some confusion, because I was told once you provide it once you get all the time. So, that was uncertain if this was a per incident or if this was kind of a feed that you got automatically once you registered so, tell me how it operates, simply for someone that doesn't have one.

Deputy Chief Estes said very similar to YouTube, let's say you wanted to show a YouTube video, you post it on YouTube, that is it. YouTube doesn't in turn get access to the camera somewhere or your laptop camera. You post what you choose to post and when you do, it is up for your neighbors to see and for the Police to see. It is a one shot, one time. You can post one time and never again, or you can never post and just look and view.

Mayor Lyles said that is not clear to me, because I thought; let's just say Julie comes to the doorbell, and I upload her but then the next time Ms. Ajmera comes, and does she automatically go behind Julie's picture just, because they are always there or is it just singular that the one picture of one person at a time?

Deputy Chief Estes said the videos are in clips and the user is in charge of deciding what clip they want to post or not and then they post it, and that is it. Then let's say the next day, you have someone else come to visit, you look at it and decide oh, I need to have my neighbors aware of this too, then you post that clip, or you could choose to post the first one and not the second one. The user is in control with which video clip gets posted. It is incident by incident basis.

**Councilmember Newton** said you said you have an MOU with the company; this is where I'm confused, so that allows you access to these clips so long as you have the approval of the owner, or is it access regardless?

Deputy Chief Estes said if you take the company out of it, the company just provides the platform by which the user, we say users, it is really community members, can post videos if they want to post. We are also counted as a community member; so, the company doesn't live stream, they just host the platform for you to download what videos you think are relevant to your neighbors.

Mr. Newton said it sounds like you have access to it anyway, and that is why I'm wondering why do you need an MOU?

Deputy Chief Estes said we are able to sort by geography; conversely, so, if we want as a neighbor, to say we had a rash of car break-ins in your neighborhood last night, anybody have any relevant information regarding those break-ins? Just like we do now by beat cop, so if you got your car broken into in your driveway, we send a beat cop out there. We go knocking on the doors to say, did you see anything; do you have any information on anything. This is the same way just electronically, if you will. We do that by knowing by geography what neighborhoods some users may be in and then they say yes, I have information. I don't want to tell you. Thank you; that is it, or they say yes, I do, and here is the video clip, or not a video clip and just information.

Mr. Newton said this idea of having access to it perpetuity or access to whatever in perpetuity would just be that one clip because you already have it.

Deputy Chief Estes said sure, just like if you were to send me a video clip, right now, I don't have access to your camera or your phone in perpetuity. You sent me a video; I looked at it. I laughed, and we moved on.

Mr. Newton said do you think there would ever be a scenario where someone were to retract that access and then what would happen then?

Deputy Chief Estes said remember it is post by post, so you could post one time and say I didn't like it and never post again.

Mr. Newton said but if they gave it to you, would they ever have the right to say I want it back now, or it is yours?

Deputy Chief Estes said that is a good question, and I don't know that, I'm not for sure.

**Councilmember Ajmera** said so, the MOU is sort of like an access to the platform where neighbors can post the video where you can see it. Does it have security settings where I can let CMPD see it but not others?

Deputy Chief Estes said as far as I know, it is a community sharing platform first, so if you wanted to do that, you would just send the video to CMPD direct. Let's say you had a person of interest in a sexual assault, and you weren't sure. So, you didn't want to throw

that out there amongst the community, then that would be when you could share with us like people do right now, which would be through e-mail or some other means and we would hope the person would call 911, and we can make the visit on a case like that and collect the evidence that way, to see if there's any evidentiary value.

Ms. Ajmera said once you post it on the community platform it is open to everyone?

Deputy Chief Estes said in your community.

Ms. Ajmera said whoever has access to that platform?

Deputy Chief Estes said exactly.

**Councilmember Winston** said I think part of the concerns that I have, I don't know if they just emanate from the relationship between CMPD and Amazon. I think a lot of this is concern with the actual product Ring and what Amazon intends to do or not do with it, especially as it relates to concerns around civil liberties of community members. I think a lot of policy makers on all levels are just learning of this and haven't really been able to understand exactly how this product works and then the relationship and policies that are being created in municipal levels around this.

I have a letter from United States Senator Ed Markey of Massachusetts that was sent on September 5th to Jeff Bezos of Amazon, laying out some of these concerns and these unanswered questions as of yet. A big part of his letter are the concerns as it relates to the civil liberties of black and brown people being that Ring is using facial recognition and biometric information to identify people and identify things that are going on, and it is known of those types of information or those types of facial recognition and biometric information are technologies disproportionately misidentify people of color. So, we would be employing or using potentially a product with this type of technology without the use of warrants, without other types of civil liberties protections that are built into policies that we utilize when we are the ones employing the uses of technologies are cause for a lot of concern for myself and other people in the community. It is a little frustrating when we are told of this by a community member that had been digging to find this by chance, to be in a situation where we really don't understand how this technology works.

I know you say that are communities that we are online for instance, everybody knows about Nextdoor, but people, particular people of color who are in this we cringe when we see these messages come up, oh, this suspicious looking black person walking down the street with a hood on. He is not doing anything, but it just feels suspicious and you start to get that criminalizing of people who are just going about their business of being themselves. I understand packages are getting stolen at an increasing rate, and that may be an effective tool in combatting that, but there are a lot of questions that I don't know if we will necessarily get answers to, because it relates to Amazon's product and we might not learn about it until something goes wrong when CMPD uses it and goes up against some type of law, statute or constitutional right that we haven't considered at this point in time.

There is not a question necessarily posed there, but as I continue to think about this and understand again where I even stand with this, those are the concerns that we have and I don't think it is as simple as saying – I know we have this relationship with the Department of Transportation and using different camera networks that are in the public domain, but those are regulated and these aren't, so I think that is where the concern is. I don't know Attorney Baker; how do we wrestle with a business plan versus our responsibility of ensuring certain inalienable rights and civil liberties of people within our community?

**Patrick Baker, City Attorney** said as I understand how the platform works, it would be like the Police Department coming into a piece of evidence for instance. If somebody shows you a video or they've got a piece of evidence and they give it to the Police Department, almost like a tip or something like that, and I'm not comfortable with going too much further than that at this stage, because I don't know how it has been used, but

my understanding of it would be for instance like a Crime Stoppers thing, where you ask does anybody have any information about X and someone says, I caught this on my Ring, and this may or not help kind of thing. It would just be seen as a potential piece of evidence going forward.

Mr. Winston said what about the particularly organized neighborhood that the HOA says everybody in the neighborhood should have this Ring doorbell, and we can create real time surveillance of anybody who walks in and we can track it, and we can share that and every time that somebody we don't like or are not comfortable with, we are sharing this information. Doesn't that potentially put the burden on a person who because the neighborhood is organized and feels suspicious and we have this relationship where we could put an unnecessary burden on somebody just going about their business in a particular organized community?

Mr. Baker said I understand where you are going with that and certainly appreciate the concerns that you have. With or without Ring a neighborhood could do that. They could stick their own cameras on their house, point it out into the street or what have you.

Mr. Winston said correct, but they wouldn't have that necessary direct line.

Mr. Baker said it is not as simple to transfer that information, I agree with you.

Deputy Chief Estes said just a couple points of conflict, I too read the letter from Senator Markey and every bullet point that he had, and I know that emanated from an article the Washington Post had in August announcing and outlining pros and cons for it. I think the [inaudible] the artificial intelligence concern thing comes not that the Ring app uses AI, which it does not, but in fact the videos don't pass through the hands of Ring, again, it is just posted on the platform. I think the concern there was that Amazon, as part of its portfolio invested or bought in an AI technology company at some point last year so that is where inference for AI comes in.

The point that I like to make is to echo the Counsel here, is that no matter if you had that neighborhood acting in an egregious manner like you said, still at the end of the day, the Criminal Justice System with its checks and balances over the Magistrates, probably cause, reason for suspicion all have to stem the muster, so I just want to say this is just like it is going on now for Facebook or Nextdoor as you pointed out. Neighbors are talking, and they are sharing videos now, this is another platform, but it is doing the same. I understand the concerns from a privacy perspective, I'm a citizen too, I like my privacy just like we all do, but this is just a means, a platform, that we can share information between each other, and if it is a police-related matter, the police can be considered a neighbor as well.

**Councilmember Bokhari** said I appreciate the update but again what I think a lot of us were looking to hear when we first learned about some of this information was, one, is this something where CMPD has carte blanche access or residual access to some average citizen's video stream at their house; the answer is no. The platform is kind of, I chose as you described to us to upload that information to you and share that with you. So, that if that helps with a criminal investigation or something like that, great, it is another tool in the tool box of which you said there are many and of the contract between the City, CMPD and the Ring Company, there is no financial relationship whatsoever. I think it is safe to say, based on what we've learned today, that while there may be other concerns, some founded, some absolutely not founded, at a much more macro level about what a company is doing or may do in the future, there are other bodies at a federal level and regulators who are looking at that and for our purpose in Charlotte, privacy is absolutely controlled for the citizen and our Police Department has another valuable tool in a city where crime is front and center for us. So, thank you for the update, I feel comfortable with what I've seen.

**Councilmember Phipps** said just today I received a post on my Nextdoor feed; somebody asked who was this male? He came to my house, walked around the back and tried to open the patio door, sat in my driveway for a long time and then on the street

before he pulled off. Paper tag in the back window, I have reported this information to the Police. They have this picture here; I guess if you were a customer, I guess this would have gone to your and you would have seen it just like the rest of the 35 different neighborhoods that is on my Nextdoor feed, you would have seen it, right?

Deputy Chief Estes said yes sir.

Mr. Phipps said but apart from that this is a one-time post so what could you do with it. It is not a continuous post, a continuous feed, live stream. Apart from trying to conflate all of the what ifs and scenarios that might occur if you introduce some artificial intelligence protocols in it, I don't see how this particular thing fits it at this point in time. I'm okay with it.

**Councilmember Eiselt** said I think when we bought out security system, I asked about the ability to upload videos. The company that we have were still working on it is what they told me; that they didn't have the ability to transfer at that time, but my neighborhood said that they were trying to get more and more neighbors to all be able to share these videos. I don't know if I would be comfortable moving into a neighborhood where the HOA tells me I have to do something; much like neighborhoods that have tried to get everybody to participate in hiring a private security guard. Some people opted out, and they have the right to do that. I don't know if I think we could be forced to do that, but I don't see there is anything different.

I do think that when you buy a product from a private vendor, it is incumbent upon the vendor to tell you what they are doing with that data, and so in this case I don't see it really differently that if you are buying a product from Amazon, and we don't always read the fine print but Amazon should have to disclose what they are doing with their data. We understand they are not selling it to CMPD, but if they are selling that data, generally we hold those vendors accountable for that. It is a battle between everybody being afraid that there is too much information out there and there is no more privacy and many people are being profiled, but I think by in large most people want to know that there are tools available to the Police Department to keep them safe. I know I do in my neighborhood and have sent video before when somebody was trying to break into our cars. I'm comfortable with this as well.

Mr. Winston said one thing I would say that HOAs tell people what to do all the time. I tried growing a garden in my front yard, but one of the things, there is a confidentiality clause that we are signed on to between CMPD and Amazon, and it reads unless otherwise required by law, the party shall not disclose the terms of this program or any information that is designated as confidential or that given the nature of the information or the circumstances surrounding its disclosure reasonably should be considered as confidential. That was signed on June 13th by Chief Putney. What does that mean?

Ms. Eiselt said you don't have to buy the product though.

Mr. Winston said but that is between CMPD and Amazon. Where does that confidentiality stop, or are there things that we won't be told because of this agreement between CMPD and Amazon? I think these are some of the things that are of concern and that we didn't know about that we signed onto. Who gets to arbitrate what should be kept confidential and what shouldn't be?

Deputy Chief Estes said it is a legal point in my mind. We don't have anything that is confidential at all, and in fact, as I stated several times, this is a platform where a citizen can post video for everyone else including us to see. When you sign MOUs, I'm pretty sure this is a template that has been used in other places. I don't know if other communities don't want to be as forthcoming or say hey, here is what we are doing as we are. I can just speak from my experience, where I stand today, reporting to you what it does and what it does not do.

**Councilmember Driggs** said I'm still trying to clarify a little bit the MOU; does the MOU say that we have the same access to posted videos that the neighbors do? Is that the

point of the MOU that gives us the ability as if we were a neighbor to see the things that have been posted?

Deputy Chief Estes said no, what the MOU gives us the ability is to sort through by geography. For example, we had a rash of car break-ins in your neighborhood, then we could by geography say does anybody whose uses any of these have any information related to these break-ins either, through the app or through Nextdoor or through Facebook or through Community Newsletters, like we do now. Then you, the citizen could come back and say, oh, look, I do have somebody pulling on my car handle last night; here is the video for us, the neighbors and everyone else to see.

Mr. Driggs said the MOU is simply that the company says that they will notify the relevant people of our interest in videos.

Deputy Chief Estes said the company just hosts the platform; we are the ones that tells the community, in this case, hey, here is a crime that took place, do you have any information related to it.

Mr. Driggs said how do we get that message out to the community?

Deputy Chief Estes said through the app.

Mr. Driggs said through the company's app?

Deputy Chief Estes said through the Ring app, yes sir.

Mr. Driggs said alright; so that means that the company is not just hosting posted videos the company is working with us through their app to circulate and notice that we put out that we are interested in seeing videos that could be helpful to us.

Deputy Chief Estes said except they don't post anything. If you have right now, you go on Facebook, and it works essentially the same way, except, we are able to by geography, draw a circle and say anybody on the app do you have any information. We do that, not the company, they just host the platform. So, nobody at Ring does anything, we are letting our community members know through technology, who live in your neighborhood that there has been a rash of car break-ins.

Mr. Driggs said it is their technology that we are using to send a message to people that we are interested in seeing the videos and then they have the option, privately, if they want to, to share those videos with us without posting them?

Deputy Chief Estes said we talked about this privacy issue earlier, so if there was a video they would be interested to share with us they wouldn't through the app. They would need to do it directly, but the platform for the most part, is where community members can share information amongst themselves. In other words, generally speaking, if you have a rash of car break-ins in your neighborhood, we are going to know by a citizen who tells us, who would also either post it on Nextdoor or through the app or some other way and alert their citizens in the neighborhood, does anybody know anything about it, but in the inverse, we could also alert people to say there has been a rash of car break-ins in your neighborhood, do you have any relevant video, just like I gave the canvas knocking on your door example earlier. This allows us to draw a geographic circle, anybody in that area know this thing.

Mr. Driggs said but that is information that we get from the vendor, namely where these things are installed?

Deputy Chief Estes said yes, where users have signed up for.

Mr. Driggs said right, it identifies people who might have something that could be useful to us and enables us to communicate with those people that we are interested in the video

that they may have, and if they decide to respond to that, that video comes to us and is not necessarily posted for all their neighbors to see.

Deputy Chief Estes said you are correct up to the very last part; when they post a video on a community site, all the community members see it. If they chose not to however, they can send to us outside of the app.

Mr. Driggs said they can also post it also to the site which gives us the ability to see it along with everybody else.

Deputy Chief Estes said yes sir.

Mr. Driggs said I think just as a quick comment, the balance between the benefits that might be available in terms of law enforcement versus the risk, which I don't dispute, but nonetheless, I think the balance is favorable. We do have these thefts going on; those cameras are like the video cameras in stores; they are like all other surveillance that takes place anyway, and they have been very useful, even the officer worn cameras, and capturing that video is often key to being able to resolve a crime. To that extent I think the balance of the advantages and disadvantages is favorable.

Mr. Winston said I would point out yes, there is a lot of information sharing going on all over the place but again just concerns for people's – I feel like this is presenting – I don't know if this is a new issue or this is something that we have rehashed time and time again. Obviously, this relationship is different and like you said – I don't know, people's privacy needs and can be protected. We dealt with this in Community Safety last year in terms of dealing with motels and hotels, right. The Supreme Court finally decided that they can't share certain information, although we might believe it is beneficial to solving crimes and fixing problems within our community, but I don't know, this feels really weird in terms of the ability to always be watching people based on the implicit biases potentially of certain community members.

Mayor Lyles said we've heard this, and I just reread the citizen who brought this forward you said I just wanted to bring it to your attention, so there was no action required by him. Council wanted to have a discussion, is there anything that the Council would like to do further in this regard.

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#### **ITEM NO. 6: COMMITTEE UPDATES**

**Marcus Jones, City Manager** said in terms of the order, we do have from the Budget and Effectiveness Committee, one item and instead of having a presentation we believe it could be a quick read to bring before the Council, because it did come out of their Committee with a favorable vote.

**Mayor Lyles** said this is in the Municipal Service District Property Owner Engagement Policy as proposed. It is the one action item; are we going to approve this tonight, or would you like it to be on the 14th?

**Councilmember Phipps** said on the 14th.

Mayor Lyles said it will be on the 14th agenda; so, let's review this because it will be a heads up for what we will have on our agenda on the 14th.

Mr. Phipps said first I would like to recognize my esteemed members of the Budget and Effectiveness Committee: Ed Driggs is Vice Chair; Dimple Ajmera; Tariq Bokhari; and Ms. Mayfield, who has left us for the evening. On behalf of the Committee, I would like to give a brief report on the topics discussed at our September 17th meeting. The Committee took up two important topics, the first one being a public engagement requirement for municipal service district tax increases and the second one being an overview of the City's debt financing program. As far as the MSD tax increases, as you may recall both our MSD



partners asked for a revenue increase of the tax rate this past budget cycle. Lacking any formal policy guidance, we asked our MSD partners to conduct an ad hoc survey of property owners in their districts. It was apparent at that time that a more formalized process for property owner engagement and feedback was necessary to consider a tax increase. As such, at the June 3rd City Council meeting, the Councilmembers asked the Budget and Effectiveness Committee to consider a formalized engagement process that would involve MSD property owners. Since then, the Committee has discussed this topic at three meetings and engaged both our partners, Charlotte Center City Partners and University City Partners. During our June 24th meeting we discussed the origins and legal framework of the City's current MSDs. At our July 22nd meeting we reviewed data from peer cities surveyed and considered the advantages and disadvantages of such a policy and most recently at our September 17th meeting we reviewed, discussed and voted on a draft policy which you should have a copy at your stations right now.

Many thanks to Michael Smith; as you know, he is the President and CEO of Charlotte Center Partners and Darlene Heater is Executive Director of University City Partners for their time and cooperation in helping to develop this policy. Tonight, I am presenting to you the policy that was unanimously voted on out of Committee and agreed to by both Mr. Smith and Ms. Heater. All Committee members were present at this meeting and voted. The first time we had a quorum in a long time. I'm also recommending that this policy be placed on the next available Business Meeting of City Council for consideration and adoption, which would be on October 14th. Inasmuch as, we Councilmembers that are not part of the Committee, you can review this at your leisure, and if you have any questions you can get back with me or Phil Reiger if you have any concerns.

Let me just touch a few lights of the policy, the policy requires future requests for MSD tax increases to be made in writing and completed in a timely and consistent manner with the City budget development timeline. If a request is made and City Council is interested in considering an MSD tax increase the policy requires that all property owners and tenants in the district are notified and provided an opportunity to weigh in on the matter. The results of the engagements process will be analyzed and provided to City Council as part of the budget process to inform future decisions.

Finally, the policy was crated with enough flexibility to maximize efficiencies, leverage current best practices and address unforeseen circumstances. This was the purpose in bringing this to you this evening, and we hope that we can get this done on October 14th. That is what we are pushing for tonight.

I also have another part, the Debt Financing Program if you want me to do that, or you want to forgo that, also as a part of that meeting we heard from our Chief Financial Officer, Ms. Kelly Flannery, and she gave the Committee an overview of the City's debt management process, outstanding debt timeline for future financing and current market conditions. Currently the City's long-term debt portfolio is approximately \$4.4 billion of which 3.9% is fixed-rate debt. Ms. Flannery reported that a debt load of this size is expected for a growing, southern sunbelt city like Charlotte. She reviewed interest rate trends and noted that debt markets are favorable at present.

Ms. Flannery further gave a brief economic outlook emphasizing that the US economy continues to grow but there are warning signs of a future downturn. She reassured the Committee the City's financial management practices coupled with a strong fund balance policy have positioned the City well to weather changes and economic conditions. She concluded the presentation with an overview of fiscal year 2019 both borrowings and a tentative schedule for future borrowing, which includes the potential for five financings through the end of fiscal year 2020. That was it in a nutshell, I know I went through it quickly, but just be guided by those remarks and read this policy, so we can vote it in hopefully at our next Business Meeting on October 14th.

Mayor Lyles said why don't we go ahead and move on action items out Economic Development, do we have any action items?

**Councilmember Driggs** said no, I just wanted to briefly comment on the Opportunity Zones. I will mention that the members of the Committee are myself, Councilmember Mitchell, Ms. Eiselt, Dr. Harlow and Mr. Newton. Aside from BIGs, which we already talked about, the other thing that was discussed at our last meeting was Opportunity Zones and in particular the expert think tank or advisory group that has been constituted to assist Council in decisions related to Opportunity Zones. This is a group that currently has 12 members; they are subject matter experts from different fields, from places like the Knight Foundation, Grubb Properties, the CBRE, K & L Gates, etc. Their goal is to assist and coordinate in implementing City Opportunity Zone strategy, act as an expert sounding board for City staff as new programs are created, leverage the groups experience and expertise, stay current on the Opportunity Zone Program regulations opportunities and best practices.

They held their first meeting on September 6th; they are planning to have a second one in October, and they expect to have initial recommendations for this group in December. The only thing I will mention is that in Committee we talked about how that group was constituted and what the appropriate level of involvement at Council should be during their deliberations because they will be going pretty far down the road working on the subject of Opportunity Zones with no planned involvement by us in the meantime. I'm hoping that we will have opportunities to stay informed about what they are doing and to interact with them rather than just await their results, particularly given the time sensitivity of the Opportunity Zone product.

Mayor Lyles said I want to apologize to the staff. I think the last time we had a meeting on the Opportunity Zones and probably more specifically to the Manager, I wasn't aware about this Committee but obviously the Committee had been sent out, and I just didn't read it, and I want to apologize for acting as if this was something brand new, and we hadn't done anything on it, when it was just that I wasn't familiar with what had been taking place so I want to say my apologies to the staff. The other thing that I want to say is we've been talking about Opportunity Zones. I'm still trying to figure out what exactly is the outcome, and I'm assuming that the Committee that is working on this, because what I've been reading and all of us are getting lots of different channels of information about them. To make this work in a way that it was designed, will require cities in some ways to either through regulation or incentives put some requirements in place much like we did with the pilot program for the Business Investment Grants where we are saying let's try to target an area and let's figure out how we can make that happen that most communities are actually having to say if they don't want displacement that they are willing to target their affordable housing dollars to those zones. If they want to try to have small businesses be retained in the area where possible, that they are putting community development, façade grants, programs that would allow that kind of effort to happen. I'm hoping that even though there are still no final rule from Treasury that by the time that Treasury rule comes, I feel like we have been talking about this for a year, but when the final rule comes from Treasury that we would have had enough foresight to establish what our boundaries would be for the policies to make them an effective zone besides the fact that people will be able to invest in them with their capital gains that they have earned and create the opportunity for us. Do we need to join them? Do we incentivize them; do we make zoning decisions around? How do we do that So, I'm looking forward, there ought to be,, by December we should have something?

Mr. Driggs said the issue Mayor is that there is a deadline in December for filing for initiating the transaction in order to qualify for the full benefit of the terms. I'm concerned about timeline. I think you know we will be having conversations with policy makers where we will learn more about what they assume that the municipalities are going to do, but as it stands right now those are exactly the questions that we've been asking for some time in fact, which is how do we discourage the kind of investment we don't want, and what do we do to reinforce the type of investment we are looking for? I don't think we have really good answers yet.

Mayor Lyles said I would agree, so I guess what I'm saying if everybody has to be in place by the end of December I just hope that that we will move faster than later. I didn't mean to generate a lot of conversation.

**Councilmember Bokhari** said the way I've come to understand it, I think the best way to think about it is, the way it is constructed and rolled out it will work on its own whether we do something or not, but if we want to take an active role like many have and like we are lagging there, we can come up with specific areas by which we would like to entice or encourage the private sector to move in that direction, we have that ability, and I think we are definitely lagging in some states, also in some cities and counties. The clock is very much ticking down, but it is going to happen no matter what. So, either we are going to figure out a couple things we all agree we want to get behind in that time or we don't.

Mayor Lyles said I think that is the key; that needs to come as quickly as possible. The Mayor of Birmingham was talking about how fabulous his program was going. They had a lot more runway than we do. It is different being a City that is begging for development and a City trying to carve out something for people that haven't had the opportunity to develop or people that we want to maintain in a geographic area. I understand it is not as easy as some other communities, but it is really easier for them to do this, and we've got to figure something out. I'm assuming that we will talk about this I hope by the early November time period.

Mr. Driggs said that was the point also; I don't want to wait until we get recommendations in December from this expert group. We need to have a more interactive process with them to have any hope of being timely.

Mayor Lyles said I've understood that we have development going on in the Opportunity Zones now. Someone told me there is an apartment complex off of Freedom Drive, and I can't remember where the second one was. So, they are happening. We are not happening with them, and the investment is not a bad thing it is just they own the property, and they were ready to go, and we haven't been able to influence that.

**Councilmember Eiselt** said to that point, Baltimore is saying the same thing and they are using it as a tool to attract investment whereas in some cases we would love to slow it down. The other difference is that that land is zoned light industrial so that is another condition that is unique to Charlotte. Unless we are really, which we can't do now, by December, but maybe Phase 2 we could, but look at whether or not we could rezone, do an opportunity zone overlay. There is now a whole lot we can do large scale except try to influence small projects here and there.

Mayor Lyles said I think that is appropriate when it is for displacement and economic opportunity for small businesses and minority owned businesses. I think we all have that worry and concern and timeframe.

Mr. Driggs said I would still like to see us talking to Opportunity Zone Fund Managers and not getting bogged down in endless process and deliberation and just find out what kind of opportunities they are seeing, what kind of transactions are out there, be a little entrepreneurial.

Mayor Lyles said I read a list of the Fund Managers, and some of them I would not want to talk to.

Mr. Driggs said then we don't; talk to the other ones.

Mayor Lyles said I think as much as we can do home grown but the people that are just pulling the money together just because they have relationships.

**Councilmember Egleston** said regarding Intergovernmental Relations; Mr. Fenton sent out an update that everybody's got. If you want to dig into all of what is going on in Raleigh, the Senate has stated a goal of being done at the end of the month. The House has not specified when they intend to be done this year, but hopefully we will end up with a budget at some point. You can hear all the details of that in Mr. Fenton's report and our next meeting update, we are going to be having joint meeting between the City's Intergovernmental Committee and the County's Intergovernmental Committee in pursuit

of what we had stated early on that we want to see more collaborative efforts between the City and the County. We think this is a good step; we've met with their Chair Mark Jerrell, but this will be with the full Committee to try to find some things we can work on together.

**Councilmember Bokhari** said thank you Mr. Co-Chair for taking my update. Yes, we will be doing a joint update meeting at the County's request, two weeks from tomorrow, and we are exploring topics internally today. We will ask the Council here, anyone who has ideas do share them with Dana Fenton and we will be getting feedback from the County's Intergovernmental Relations Committee as well. We've explored topics such as crime, particularly conflict resolution where we could partner there, workforce development and upward mobility, case workers and things they have in partnership with programs that we have and then just over all, the Legislative Agenda process for 2020 and how we can get tighter on that.

Mr. Phipps said when did Mr. Fenton send this? I don't have it in my mail.

Mr. Egleston said last Thursday.

Mayor Lyles said I noticed it says in here something about the Opportunity Zones and going to the state. I don't think that is appropriate, since they have cut the corporate tax rates to the point that I don't know –

Mr. Egleston said that was just an inquiry made by one of our Committee members.

Mayor Lyles said I would like to ask how we are going to collaborate on our affordable housing program. If you will remember at the announcement Away Homes endowment which subsidizes rents is actually now almost \$30 million instead of it being at the \$20 million. I think they gave \$7 million in the endowment in addition to us, and so it is probably \$27 million and how that is going to be used in a way that benefits all would be important.

Mr. Bokhari said that is a great point.

**Councilmember Winston** said another thing I would say, and I don't know if I missed it, but engagement around the Comprehensive 2040 Plan with the County would probably be on the forefront.

Mr. Winston said with regards to Neighborhood Development Committee; I'm standing in for the Chair Justin Harlow, the last Committee meeting we had on September 18th the Committee voted 3 to 1 to send changes in the Minimum Standards of the Housing Code to full Council. This is something that we have already spoken about a couple weeks ago during the last dinner session before our Business Meeting. Between June and September Committee meetings there were several additional engagement sessions with industry groups and housing advocates which resulted in changes to previously recommended revisions. The City will increase access to information regarding the City's role in mold enforcement, as well as provide links to the Community Relations "When You Rent" tenants' rights publication, a fine of \$100 per day per unit beginning the day after non-compliance for single and multi-family units was recommended. Other recommendations pertain to space and use, interior doors and door hardware, light and ventilation, plumbing, heating facilities, structural-property maintenance for cabinetry, clothes dryers, and requiring existing cooling systems to be operational and maintained. Our recommendations from the Committee were discussed with full Council during the September 23rd Action Review meeting and these changes will be on our Agenda on October 14th.

As I said, four of the five Councilmembers voted on this, and it was voted 3 to 1 to send it. The one dissent was myself. It was two weeks ago, it was good changes to the existing code, would like for it to stay in Committee to continue to discuss all of the remediations that we have under State Law and make sure we are utilizing them to the fullest extent. This doesn't do that, but I think we can get there if we continue to work on it in Committee.

Mayor Lyles said Ms. Eiselt left and she had said that all of the TAP reports came on the agenda tonight, so those have been covered. The purpose of this is to raise these questions and I think we had a good discussion for Intergovernmental, ED and Budget and Effectiveness.

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#### ADJOURNMENT

Motion was made by Councilmember Driggs, seconded by Councilmember Newton, and carried unanimously to adjourn the meeting.

The meeting was adjourned at 8:15 p.m.



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Stephanie C. Kelly, City Clerk, MMC, NCCMC

Length of Meeting: 2 Hours, 29 Minutes  
Minutes Completed: October 15, 2019