

AGENDA

Meeting Type:	WORKSHOP
Date:	04 / 07 / 1996

City of Charlotte, City Clerk's Office

Mayor Patrick McCrory Mayor Pro Tem Al Rousso

<i>Charles Baker</i>	<i>Don Reid</i>
<i>Patrick Cannon</i>	<i>Ella Scarborough</i>
<i>Malachi Greene</i>	<i>Tim Sellers</i>
<i>Mike Jackson</i>	<i>Sara Spencer</i>
<i>Nasif Rashad Majeed</i>	<i>Lynn Wheeler</i>

Council Agenda

CITY COUNCIL WORKSHOP

Monday, April 1, 1996

Agenda

5:00 p.m. Capital Needs Advisory Committee Report

5:45 p.m. Dinner

6:00 p.m. Revenue Committee Report

6:45 p.m. Analysis of Charlotte Hornets/Coliseum Consultant Report

Adopt a motion to go into closed session pursuant to N.C.G.S. §143-318.11(a)(4) to discuss matters relating to the location or expansion of industries or other businesses in Charlotte.

9:00 p.m. Adjourn

COUNCIL WORKSHOP AGENDA ITEM SUMMARY

TOPIC: Capital Needs Advisory Committee Report

COUNCIL FOCUS AREA: Restructuring Government

KEY POINTS (Issues, Cost, Change in Policy): Council approved a joint capital planning resolution on June 8, 1995 to include the City, County and Schools. At the October Workshop, Council approved a work plan for joint capital planning that included the creation of a 15-member Capital Needs Advisory Committee. Half of the appointments were made by the Mayor and half by Council. The Committee has undertaken a comprehensive review of the Capital Needs Assessment and Capital Investment Plan entailing six meetings (15 hours) from December 13, 1995 through March 6, 1996.

✓ The Committee report recommends three principles for capital investment decision-making: preserve the existing tax base; stimulate growth in the tax base; and, provide for a balance in capital investments.

The Committee report also recommends capital investments in the areas of transportation, storm water and neighborhoods.

COUNCIL DECISION OR DIRECTION REQUESTED: Receive Committee report as information and refer to the Economic Development and Planning Committee for review and recommendation.

ATTACHMENTS: The Committee Report and 2015 Transportation Plan will be distributed at the Workshop.

**COUNCIL WORKSHOP
AGENDA ITEM SUMMARY**

TOPIC: Revenue Committee Report

COUNCIL FOCUS AREA: Restructuring Government

KEY POINTS (Issues, Cost, Change in Policy): The Revenue Committee made a presentation to Council relative to Phase I of its work at its February 4 workshop with primary emphasis on the City's current debt potential of \$11 million. Under Phase II, to be presented at this workshop, the committee will present alternatives to create additional debt capacity that takes into consideration Council policies for pay-as-you-go funding, evaluation of existing revenue sources, additional use of enterprise funds, and current debt policies.

COUNCIL DECISION OR DIRECTION REQUESTED: The information that will be presented to Council can be used as input into FY97-2001 Capital Investment Plan and Operating Budgets for the next two years. This will be referred to the Economic Development Planning Committee for review and recommendation.

ATTACHMENTS: The Revenue Committee's report will be distributed at the workshop.

COUNCIL WORKSHOP AGENDA ITEM SUMMARY

TOPIC: Hornets/Coliseum Update

KEY POINTS (Issues, Cost, Change in Policy): The Hornets commissioned Stadium Consultants International (SCI) to evaluate their relationship with the Charlotte Coliseum and related options. The Hornets are considering relocating to South Carolina and uptown Charlotte. Another possible option is to remain in the Charlotte Coliseum.

OPTIONS: Council may consider the following:

- Renegotiating the existing lease and/or renovating the Coliseum,
- Selling the Coliseum to the Hornets, and
- Directly or indirectly assisting the Hornets with the development of a new arena.

COUNCIL DECISION OR DIRECTION REQUESTED:

1. Council is asked to direct staff to pursue certain options in negotiating with the Hornets.
2. Define the parameters within those options.
3. Define the overall goals to be achieved with the negotiations.
4. Adopt a schedule for the negotiating process.

ATTACHMENTS: Hornets/Coliseum Discussion Outline

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Hornets/Coliseum Discussion Outline

CSL, International, the consulting firm the City has hired to review the Charlotte Hornets' presentation on their need for a new arena, will give a presentation to Council at the April workshop. The presentation will include some information that Council is already aware of (i.e., the terms of the existing coliseum lease and the coliseum's revenue sources, etc.). Because negotiations with the Hornets are of great interest to the public, the public will benefit by being exposed to some of the background information associated with the negotiations. Further benefit can be gained from the consultant's experience with similar negotiations in other cities. For example, CSL has:

- ▶ Reviewed the Hornets' situation relative to other NBA teams and what the existing coliseum can provide,
- ▶ Analyzed the findings and recommendations made by SCI, the Hornets' consultant.

Along with staff, the consultant will use this information to:

- ▶ Present options for Council to consider, then develop a preliminary economic analysis of those options to bring back to Council at a later date, and
- ▶ Develop the economic framework for preferred options if Council approves moving forward in the negotiating process.

The Workshop presentation by staff and CSL is meant to provide a context for discussion and define the issues so that Council can accomplish the following.

- ▶ ***Direct staff to pursue certain options in negotiating with the Hornets.*** These options include:
 - Renegotiating the existing lease and/or renovating the Coliseum,
 - Selling the Coliseum to the Hornets, and
 - Directly or indirectly assisting the Hornets with the development of a new arena.
- ▶ ***Define the parameters within those options.*** For example:
 - What source(s) of public contributions are available, and how much?
 - How important is it to maintain public control over events?
 - What is an acceptable sale price for the existing coliseum?
- ▶ ***Define the overall goals to be achieved with the negotiations.*** For example:
 - Do we want to maintain a long-term relationship with the Hornets?
 - Is it important to verify the necessity of a new arena?
 - Do the Hornets represent an economic/civic opportunity to the community that should not be lost?

- ▶ ***Adopt a schedule for the negotiating process.*** By June 30, and if Council approves, staff and the consultant will:
 - Evaluate the economics of the various options,
 - Evaluate the City's and other related entities' financial obligations,
 - Explore other entities' development options,
 - Rank the options available to the City,
 - Further define the negotiating parameters, and
 - Recommend and pursue the best option.

Note: Specific parameters for options and overall goals to be achieved by the negotiations should be discussed in Executive Session.