COMMITTEE AGENDA TOPICS

I. Subject: Transitional Setback Update / Discussion / Recommendation

Action: Committee will receive an update on recent conservations regarding the Independence Boulevard Transitional Setback distances. If ready, Committee will be asked to make a recommendation on removal of the Transitional Setback from I-277 to Sharon Forest Drive, and retention of the Transitional Setback from Sharon Forest Drive southeasterly to the Charlotte city limits.

II. Subject: ReVenture

Action Status report on discussions/negotiations on the ReVenture Project, including review of business terms outline.

III. Subject: Approve 2011 Meeting Schedule

IV. Subject: CRVA December Barometer Report – Information Only

COMMITTEE INFORMATION

Present: Patrick Cannon, Andy Dulin, Jason Burgess
Others: David Howard
Absent: James Mitchell and Patsy Kinsey
Time: 3:30p.m.

ATTACHMENTS

1. PowerPoint Slide: Future Right-of-Way for Independence Boulevard
2. Attachment: Planning Staff Options on Tracking Independence Boulevard Setback
3. PowerPoint Presentation: ReVenture Project
4. Attachment: 2011 ED Committee Meeting Schedule

DISCUSSION HIGHLIGHTS

I. Subject: Transitional Setback Update / Discussion / Recommendation

Patrick Cannon, Vice Chair:

I want to thank everyone for being here today. The first item concerns the Transitional Setback Update. We will have a discussion and then there is a recommendation that the Committee will need to move forward and give to Council. Mr. Kimble will you start us off on the first agenda item?

Kimble: Thank you Mr. Chairman and members of the Committee. This is an item that was an outgrowth of something that has been at the Economic Development Committee for the last year or so with the Independence Boulevard Area Plan. During the course of that Plan, running an issue jumped out of it called the Transitional Setback on Independence Boulevard. This Committee has probably had two, if not three, conversations about the Transitional Setback inside the Independence Boulevard Area Plan. You asked that the Plan be held up and not go to Council until this issue of the Transitional Setback was resolved and brought back to this Committee. The Transitional Setback is a tool that we have used in Charlotte since the late 1980's. It's a way to reserve future land that may be needed for the corridors throughout the City. Where you may have had originally just road widening during the 1980's, when transit came on to the scene in 1998, it also became a tool to assist with the corridor protection for transit as well. The Transitional Setback exists in many corridors in the City, but during the Independence Boulevard Area Plan, it really became an issue that many property owners started to say why do we need to have the Transitional Setback on Independence Boulevard in areas where the road has already been widened one time or is soon to be widened. That conversation has worked its way all the way the General Assembly and back to you, so there has been a lot of conversation at the local level with you as Council Members as well as staff and also with the Legislators on this topic as well. Given all that you saw in various Committee meetings, staff was charged with the responsibility of seeing what kind of solution or proposal we could bring back to you for your consideration. Today we are coming back to you with that consideration and proposal. This is an item that many of you are familiar with; this slide is of the Independence Boulevard Corridor. We divided into sections from I-277 to Briar Creek and from Briar Creek to Albemarle Road from Albemarle Road up to what is called Sharon Forest Drive. From there a short stretch to W.T. Harris Boulevard and then all the way out to the City limits. The Transitional Setback is also a tool that the Town of Matthews uses as Independence Boulevard goes through the Town of Matthews. There has been some previous work done on the width of the Right-of-Way (ROW) that would be known as the Transitional Setback prior to April 27, 2009. It was a 350 foot wide ROW protection on all of Independence Boulevard. The staff did quite a bit of work in 2008 and in early 2009. They came back with these distances of protection of the corridor and Council approved these on April 27, 2009. Since then the Independence Boulevard Area Plan was in the works. All this extra activity occurred since the last Amendment on April 27, 2009. What we developed was a chart and this has been in corporation with Bob Hagemann and the City Attorney's Office, Dana Fenton who is your lobbyist, Debra Campbell with Planning, Danny Pleasant with Charlotte Department of Transportation and many of their staff members who have been involved with this. There have been a good number of staff people from the City of Charlotte in various departments that have put this proposal together to bring back to you. What it would do is eliminate the Transitional Setback which is that extra distance of protection beyond what is already built and protected with ROW in this section which has already been constructed from I-277 to Briar Creek. This next section has been constructed and the next section to be constructed is in the green area on the map, which is the area from Albemarle Road to Sharon Forest Drive. The State of North Carolina has been out acquiring ROW for the next widening of Independence Boulevard. After NCDOT has certified the ROW acquisition is complete that is the time at which we would recommend

that the Transitional Setback be eliminated in that green section on the map. We would continue to retain the 250 foot ROW protection in this small light blue section which is the short stretch from Sharon Forest Drive to W.T. Harris Boulevard. We would continue to maintain 280 feet shown on the map in the next section and in Matthews Town limits they are currently 350. They are working with our Charlotte Department of Transportation to see if the 280 foot would also work inside the Town of Matthews. You don't have jurisdiction over what happens inside the Town of Matthews, the Matthews Town Council would have that responsibility. We are trying to make sure that we are aligned between Matthews and Charlotte on this particular corridor. The proposal that we have fashioned is the one that is here in the right hand option and you do have this in a colorized chart so that you can see what we are actually doing. Your Transportation and Planning Committee Chair who is David Howard and also your Economic Development Committee Chair James Mitchell are very much up to speed on this because it has both economic development implications and transportation and planning implications. They have had some interactions as well as Nancy Carter whose district falls into this corridor. She has been involved in these conversations. Councilmember Howard may have something that he would like to add to this conversation and that is why he is here today to give you that input and feedback.

Cannon: Thank you sir. The Chairman of this Committee James Mitchell and member of this Committee Councilmember Kinsey has some obligations that they could not get out of to be here for this meeting. I just wanted to make sure that we had that for the record. As Ron has stated, David Howard has been thoroughly immersed in what is going on as the Chair of Transportation and Planning. He has had a lot of engagement with a lot of people on many levels, so we want to welcome you here Councilman Howard to be a part of this discussion. Is there anything that you would like to add at this juncture?

Howard: It is really up to you on how much you want to know on the history. If where we are now is agreeable to move forward then I won't bore you with it.

Cannon: How long is the history?

Howard: I can give you the short or the long version, whichever you prefer. The short version is that the North Carolina State Senators that represent this area, Daniel G. Clodfelter and Bob Rucho had made it clear that if we did not deal with this issue soon that they would use their powers in Raleigh to force us to deal with it. I have actually had several conversations with Senator Clodfelter and sat with both Senators after the Legislative update and sat with Nancy Carter, Dana Fenton, Danny Pleasant and Jim Schumacher. It was good conversation. If you need history on what we talked about, I will be glad to give it to you. What it came down to is that if we move forward with the red and the orange areas on the map and we have an understanding on the green section. I also wanted to mention Ron that I understand from Danny that we will be working with the State to acquire the pieces of the ROW that we need for NCDOT's part of this as well as CATS. This is what it comes down to. We are not sure what CATS needs are in the green section. We would continue to work with the State on all of those needs in the blue out to the Matthews Town line. Basically they said there was no need for legislation if that is what we were doing; they just wanted it done. I think communication is one of the things that we need to be clear on and getting this done will help this lot. Moving this along will let them know we are serious about it.

Cannon: Councilmember Burgess or Dulin, is there anything on this as members of this Committee?

Dulin: What we are proposing here for the City, Ron and Danny if that is what we can live with, this is an o.k. deal for us, isn't it? We can live with what we are trying to negotiate here?

Pleasant: From Briar Creek to Albemarle Road we believe there is sufficient ROW there; it will be a tight fit. We may find ourselves buying more depending on what the final outcome of the Plan looks like. I-277 to Briar Creek is basically widened now with the Transitional Setback any way most of that length so the Transitional Setback is irrelevant in that part.

Dulin: Let's start with the Briar Creek section. Is there footage that we can give back there? Clearly we have a wall there but I don't believe we go all the way to the wall. Is there some property we can give back to the people there?

Pleasant: Most of the first section on the map in red is already widened to the same extent as the Transitional Setback so there is really nothing there. What we are recommending is eliminating the areas in the red and the orange part on the map. Also eliminate the green part once NCDOT has completed it.

Dulin: This is confusing to everybody but our Legislative Delegation is on board with this where we now have it?

Kimble: The two Senators we have been working directly with agree with this compromise.

Howard: On the red and the orange areas, the Transitional Setback as far as we are concerned is eliminated so we are not holding anything else. The only thing that will be held then is whatever the State will require in their ROW. There is no Transitional Setback on the red or the orange when we do this at all. The only thing is that the property owners would have to deal with is whatever ROW the State would impose on their road. Danny is that right or wrong?

Pleasant: The ROW belongs to the State.

Howard: But there are no additional local restrictions when we do this, when we eliminate it in those areas?

Pleasant: Local restrictions only. There will be no more Transitional Setback.

Dulin: In that orange section, is the new Wal-Mart and the new loop road to access that new Wal-Mart and those businesses along there?

Kimble: They oriented themselves to the existing Transitional Setback which is good if it is going to go away they have already oriented themselves properly.

Dulin: So they are on board with that? How about the other folks that own the other shops that are already closed?

Pleasant: They are already in the Transitional Setback from their property with required parking.

Dulin: Good.

Kimble: Mr. Cannon, I will also say that if the Committee is headed towards a recommendation today which we would encourage you to consider this today, we also have an issue that we wanted to talk to you about which is how to fast track this. I have placed in front of each of you three different options which have been developed by our Planning staff. The first one would be the normal four month.

Dulin: Let me interrupt you at this moment. I would like to make a motion that we accept the accelerated process number one and move that on to the February Agenda for a hearing and our Zoning Meeting in February.

Cannon: A motion has been made. Is there a second to that?

Burgess: Second.

Cannon: Alright motion made and seconded. Ron you put these options in front of the Committee in time for us to review it, so Andy was trying to be conscience with the timeframe. The Motion is made and seconded all in favor say aye. Any opposed?

VOTE: Dulin made the motion and Burgess seconded. Recommend to City Council to use the accelerated process #1 to remove the Transitional Setback from I-277 to Sharon Forest Drive, and retention of the Transitional Setback from Sharon Forest Drive southeasterly to The Charlotte city limits. The vote was unanimous (Cannon, Burgess & Dulin). Kinsey and Mitchell were absent for the vote.

Cannon: We will move forward with the accelerated process #1, hopefully to have this on the February Agenda and back for decision by the full Council in March.

Kimble: Your recommendation from Committee should go to Council on Monday night, December 20th so the Council can vote to place this for public hearing in February. The staff will be filing the Text Amendment as quickly as possible so that we can move this to that point.

Cannon: Because we are entering the holidays, we are going to have members that may be out. We are hopeful that we will have six members. If that does not happen, what is our next scenario for consideration?

Kimble: I would say that the staff is still going to file the Text Amendment because we can do that and pull it out later if the Council doesn't go with this and we would set this item up on your January 3rd or January 10th Agenda. We want you to know that the staff intends to file the Text Amendment as soon as possible.

Cannon: That works. Is everybody o.k. with that?

Dulin: I did not realize that we may be a short Council Monday night. I will be in.

Cannon: The Mayor may be out, we can be less four members next time. I think we should have a quorum on Monday night, but just in case, I need to make sure I have that background scenario. Thank you, Mr. Howard for being here. On our agenda we have ReVenture down for 60 minutes to give us a status report on negotiations on this project including a review of the business terms outlined here.

II. Subject: ReVenture

Kimble: This is an item that we had hoped to get to last Thursday, but as you remember, Mr. McKittrick presented first and we ran out of time. The Committee agreed to set up today as follow-up meeting about the negotiations that have been ongoing in order for the City of Charlotte, mainly our Charlotte Utilities operations, to be able to acquire land in order for us to move forward with a new waste water treatment plant. Today it's going to be mostly Barry Gullet and me talking about some of these negations. They are not final, they are almost final at this point in time and we will point out some areas in the business terms outline where we are not all the way there yet, especially where it concerns road access for this particular site. I think we need to start out in briefing the Committee in why we need a waste water treatment plant in this particular location. I think it would be important for Mr. Gullet as the head of the Charlotte Utilities operation to start with that then proceed with the business terms that way.

Gullet: Let's go over this map. Northlake Mall is over here, Pineville is down here and the ReVenture site and Long Creek Waste Water Plant is over here. We built sewer lines along

the big creek; they run down hill as long as we can until they hit some kind of barrier. At that point, we have to do something with the waste water that is in the pipes. In the case of Long Creek, the creek runs up along and past Northlake Mall. When these pipes get to the river we have a pump station. That pump station picks the waste water and pumps it over ridge and it runs back down hill again to another pump station at Paw Creek. At Paw Creek, it pumps it over the ridge again, gets in another gravity line and runs down hill all the way to Pineville to the McAlpine Waste Water Treatment Plant. It's a 28 mile run pumped twice. We have known for a long time that we would eventually need to build a treatment plant in this location. There hasn't been enough waste water generated in that basin because there hasn't been a lot of growth in that area until the last ten years. The completion of I-485 and the new developments over there; we have about 4,000,000 gallons today of waste water coming from Long Creek to this waste water station in Pineville, so it's time to start looking at doing something. The other driver is that it's being treated at McAlpine now. McAlpine is at about 92% capacity today and so it's time to start planning for more capacity. One way to provide more capacity is not to expand here but to take some of that flow out. If we treat the flow up here and not at Pineville, we free up more capacity in Pineville.

Dulin: Just for comparison how many acres is McAlpine?

Gullet: I am not sure but it is roughly 150 to 200 acres.

Dulin: That is a huge campus.

Gullet: The plant is rated at 64 and we are treating 59 so it will drop from 59 to about 55. The percentage will be whatever the 55 is of 64, probably 85% or so. There is another project planned. I don't want to get too far off in the weeds, but the other project that would expand the Sugar Creek Waste Water Treatment Plant in a few years. That would divert additional waste water from Pineville. On the map, these are the five waste water treatment plants that we have; Sugar Creek is the one near Southpark on Tyvola Road. Those two treatment plants were built in the 1920's; they serve the areas color coded in pink and blue. They can't treat all the waste water that is produced there, so instead of expanding those plants back in the 60's, the City built the plant at McAlpine and we divert waste water around Sugar Creek and around Irwin Creek to McAlpine. We could expand Sugar Creek and free up additional capacity at McAlpine but that is a few years down the road. Looking at Long Creek, we have saved us a number of times through the years so we knew it needed to be there. We started conversations with Clariant years ago before ReVenture ever came on the scene about building a treatment plant at this location on that specific piece of property. Mount Holly has a waste water treatment plant that is literally directly across the river from where we are talking about. They need more capacity for their treatment plant and they are facing new requirements and regulations. Their treatment plant is old and it needs to be upgraded and meet higher treatment standards, so they are going to have to make a big investment in that plant if they continue to operate. They are interested in working with us and coming to our treatment plant. Belmont is having the same situation, so we are working with both Mount Holly and Belmont. That is how we get to needing a new waste water treatment plant at Long Creek and that is why this specific site works so well because it is literally at the end of the creek. It's at the end of the creek where the waste water has to do something. It has to either be pumped out of there or treated. The other advantage of treating the waste water here is when you treat the waste water to a very high quality it is discharged back

into the stream. So if we take this waste water from the Long Creek Basin and we move it down here and treat it on the south side, it comes into Sugar Creek and then back into the river down off the bottom of this map way down below Lake Wylie. If we treat it up here at Long Creek, it goes back into the river at that location where it can contribute to the useful flow in Lake Wylie and goes through the dam to create electricity. It is better for the environment and the lake for the water to stay up here instead of diverting it around Lake Wylie. Those are some of the reasons that is the prime location for the new waste water treatment plant. If we move it further up stream then we will have to pump the waste water back up the hill to get it there. So we are trying to use gravity in the downhill flow as much as we can and save the pumping costs and energy consumption. This ReVenture site, you have seen this map many times, the creek coming through there is Long Creek. The pump station that we currently have is shown on the map. We are getting approximately 4,000,000 gallons of waste water in there each day. The land that we are talking about purchasing is bounded by the yellow on the map. It is split into three components in the business proposal that you have in front of you. The three components are the side of the creek where the rock facing already exists and there is the side of the creek where we are proposing to build the waste water treatment plant. There is a conservation easement piece that goes up the middle of these two pieces and that is the third component. We are proposing to buy those three parcels and we are committing to leave the trees as a buffer around the waste water treatment plant. The green space or open space, we are planning to preserve this tree area with this plan. At one point, we were thinking that the waste water treatment plant would go over in that area. This area has been preserved. We are using that as a borrowed site for landfill cover. They have already taken some trees down so it is already disturbed. We are putting the waste water treatment plant processing area here where the land is already disturbed and leave these other trees alone. When we build this plant there was already a lift station there, it was old and needed to be replaced. In discussions with Clariant about buying this piece of land, they us go ahead to build the lift station here and gave us the right of entry but we never closed the deal because we were already in negotiations to buy the whole thing. The thinking then was to do it all at one time. That is another a piece of the business plan as you will see is a payment of back rent in the amount of $210,000 that we would pay for having this pump station sitting on land that we don't own. That is where we are with the land details. Any questions about how that lays out?

Kimble: Barry did a great job; I just want to make one small amendment. This parcel A and that is noted in your business terms, parcel B we had to make it this size because what we discovered later on was that this parcel is covered under a landfill permit. It's never been used for anything but it is covered under landfill permit that goes up into this other area so we had to separate parcel C. The easements that run through it are parts of parcel A, parcel B, and parcel C. That's why you see three different parcels. One of them is the parcel that covers Long Creek Pump Station, one of them is the parcel that covers the waste water treatment plant; and, ultimately parcel C will become part of parcel B.

Gullet: This is Mount Holly waste water treatment plant directly across the river.

Dulin: How many acres in parcel A?

Kimble: 106.5 acres plus or minus.

Dulin: Parcel B is 56 acres?

Kimble: Correct.

Dulin: And parcel C, wait a minute I am running the numbers.

Kimble: It's important to note that we will always want to own parcel A because we have a current Long Creek Pump Station on it. It's never going anywhere; it's staying there so we need parcel A no matter what. Parcel B and C we really only need ultimately if the State of North Carolina approves our environmental study and awards us the opportunity to go forward with the waste water treatment plant. We have crafted this with some provisions that we will buy parcel A, B and C, but if we don't get permitted for our waste water treatment plant, we want ReVenture to buy back the B & C because we will not longer have use for parcels B & C.

Cannon: Is there any reason we would not get the permit?

Kimble: You never know until you go through the process. That is the land deal we are talking about. It's information for the Committee's benefit.

Burgess: Is there an issue with the road coming through there?

Kimble: That's a very good question. Barry do you want to talk about that?

Dulin: Before we get to the issue on the road, I have been running the numbers and I assume that our new tree save applies to this site? There are a lot of trees on parcel A with 16.5 acres and that requires 15.97 acres being tree covered. Parcel B is 56.7 acres that is the area that we have to use; that requires 8.5 acres of trees. Parcel C 22.4 acres requires 3.36 acres of woods. We are going to buy 186 acres 24.9 of that purchase has to be wooded or we have to buy our way out of it. I am just bringing that up for the Committee to know.

Cannon: I appreciate that information.

Dulin: 24.9 acres of property that we can't use.

Kimble: However, we want a buffer for our Long Creek and waste water treatment plant anyway.

Gullet: This conservation easement that runs along Long Creek would be relatively undisturbed. There might be a road crossing or a pipe crossing; that is what we are getting ready to talk about. Back to the road, there are several options that we are considering to get access to this property. One is to come in off Highway 27 through the existing entrance to the Clariant which involves crossing the railroad tracks and coming through this facility. This would probably require that we make some upgrades to or build a road directly into the plant from that direction. Another option is to come off of Whitewater Parkway and come across the parcel. There are some other variations but these are the two primary options that are on the table for access. That is part of what still needs to be finalized.

Kimble: That is one of the bullet points where we indicated in the business terms outline, bullet point number 10. We also have to make sure that road and access is available during construction of the waste water treatment plant as well the permanent road access into both facilities; the Long Creek Pump Station and the waste water treatment plant.

Dulin: Just for reference, the City will pay. I am going to vote for this, the 24.9 acres of the 186 acres that we will buy will we will pay $803,224.20 plus or minus twenty cents. This is property we cannot use paid for with tax dollars. There is going to be a running trail there.

Burgess: So it is useable?

Cannon: But you are going to vote for it?

Dulin: I am in.

Gullet: Before we can build a waste water treatment plant, we have to get a permit from the State. Before we can get the permit from the State, we have to do an environmental

impact study. We are in the process of doing that now but we have to have the deal made before the State will be reviewing the environmental impact study. Right now, the State has a rule about Lake Wylie that says how many pounds of nitrogen and phosphorus can be put back into the lake. Even treated waste water has nitrogen and phosphorus in it. We have to remove down to a very low level. There are limits in technology as to how low you can remove that; you cannot get it all out, there are limits. All of that available capacity for nitrogen and phosphorus is spoken for on Lake Wylie. The only way we can make this plant go forward is to have a partner who has an allocation of nitrogen and phosphorus. So that is why it's important for us to have at least one partner and we hope two partners in this project. The Clariant waste water treatment plant; they are an existing waste water treatment plant. We have looked at every conceivable plan to use that existing waste water treatment plant rather than building another one. We have not been able to make that work but they have an allocation so part of this deal is us purchasing that allocation and that waste water treatment plant would stop discarding its waste water into the river. We would use that allocation and treat to a higher standard, in other words, that gives us enough down to tread down to technology levels and treat more flow better. That is why we need a partner and that is part of this business deal, buying that allocation from Clariant plant. We are also negotiating with Mount Holly and Belmont; those are the other two entities that have allocations in here. So if we partner with them, we may be treating some of their waste water, but we will also be getting some of their allocation credits.

Dulin: My son and I kayak on that river and have a great early morning experience. Give me some comfort level that we are not going to mess that up. I am very concerned that my son will not be able to take his son; I think he will be able to.

Gullet: I hear your concern. The waste water treatment plant that we are proposing to build there will be a State of the Art plant. The waste water treatment plant that Mount Holly has was probably a start of the art plant when it was built in the 60's and it hasn't had a whole lot of changes since then in terms of quality of what its producing. It is meeting its permit limits, but its limits are not the same kind of permit limits that will be in existence at this new plant. Theirs are much less stringent than we will be required to do at this new plant. This new plant will be comparable to McDowell Creek Waste Water Treatment Plant. The McDowell Creek Waste Water Treatment Plant just started emptying into our drinking water supply at Mountain Island Lake, so those two will be very comparable. They will be comparable in size; they will be comparable in the level of treatment that they provide as well as the attention they get from us as utilities.

Dulin: If there was one thing that would keep me up at night that would be it.

Burgess: Is this designed in such a way that we can expand it in the future if we need to?

Gullet: Yes, it is the projections. If we partner with Mount Holly than this plant would ultimately be a 25,000,000 gallon per day plant. It would initially be built somewhere between an 8 or 12 NPDES plant, depending on the partners that we have.

Dulin: What is McAlpine?

Gullet: 64.

Dulin: Oh massive.

Gullet: The McDowell Plant is a 12,000,000 gallon per day treatment plant.

Dulin: I was at the McAlpine Plant ribbon cutting a couple of years ago where the water plant where we are retreating the water and putting it back into stream.

Gullet: We did a $42,000,000 project there to reduce the amount of phosphorus going out to the McAlpine Plant. There was a huge decrease in the amount of phosphorus. It did not add any capacity to the Plant, it just removed phosphorus from the treatment and that was at McAlpine; that was what the ribbon cutting was for.

Dulin: Everybody downstream in South Carolina will be up here thanking us for taking such good care of the water that they will be drinking.

Kimble: The timing of the payments for buying those nutrient allocations has to be timed for when the State would be looking at what happens to the waste water treatment plant that Clariant runs right now and what the State would remove from Clariant's permit and assign that allocated amount to us. When that would happen that is when we could make the payment to ReVenture for the acquisition of those nutrient allocations.

Dulin: The 20 or 22 miles of waste water transferred to McAlpine Creek down that pipe line, is there any chance that we would put a second one of those plants here for that short distance to clean the water between here and McAlpine? Where McDowell is dumping into is within the South Carolina border?

Gullet: Can we go back to the big map? The discharge from McAlpine is actually ½ mile from the South Carolina line. The South Carolina regulators say that we are their biggest discharger.

Dulin: Yes, in the whole State. Charlotte is the biggest.

Gullet: I think your question is there likelihood that we would put another treatment plant somewhere in the middle between Long Creek and McAlpine?

Dulin: No, one of the $42,000,000 phosphorus reduction plants put it up at Long Creek.

Gullet: Long Creek will be designed from the beginning to reduce phosphorus, but the project that I talked about at Sugar Creek will add phosphorus removal there too. The regulations for the amount of phosphorus and nitrogen that we can discharge are getting higher and higher so as we expand, and even if we don't expand, we will be required to put phosphorus and nitrogen reduction in-activator in.

Dulin: How much above national standard or State standards are we now treating the water that we are discharging back into the system?

Gullet: I can't give you a numeric answer to that right off the top of my head, but I can tell you that we haven't had a violation of our permit. In other words, the permit that we have the standards have to be this, this, this and this, there are a lot of them. We test on a daily basis. We run thousands of tests at each of these plants every year. It's been six years, I believe, since we had any permit violations at all at the McAlpine Water Treatment Plant. I think it's been seven years since we had a permit violation at the McDowell Waste Water Treatment Plant and I think we are in the five year range at Sugar Creek and Irwin.

Dulin: O.k, that's important.

Gullet: We won awards consistently for the performance at plants and for how well they treat.

Dulin: We need as a Committee and as a Council to be able to go to the community and say we have got it; we are above where we need to be. I brag about our drinking water all the time.

Kimble: We are through point number three but we have also covered some others on the Business Terms Outline. You have covered the NPDES permit which they would have to secure for treating the contaminated groundwater from its site and also the storm water from the site.

Gullet: At the Clariant site, you all have heard that part of the site is designated as being contaminated. The cleanup plan for that is to pump groundwater out and cleaning it up and discharging it into the river. Clariant is doing that at that existing treatment plant now and also the way that site is configured, the storm water also goes through that treatment plant. They are going to have to get permits for the storm water and they will also have to deal with the NPDES, National Pollutant Discharger Elimination System permit for that groundwater remediation as well. That is one of the things that is still not completely resolved, but it's getting close. I think number five we talked about that is the sellback agreement that Ron talked about earlier. If for some reason we can't get the permit for this treatment plant then ReVenture would buy back that parcel. The back rent is what is owed for occupying that parcel for a number of years.

Cannon: Barry, what is a suitable sellback?

Gullet: That will be negotiated.

Kimble: We have to be sure that in the years ahead if we are not able to secure the environmental impact study approval or the permit from the State of North Carolina and that ReVenture still exists and is a company that can buy back the land from us and give us the cash that we paid to them. There will need to be certain guarantees and assurances that protect the City against any risk of not being able to have that property bought back from the City of Charlotte. We will always be here. The City of Charlotte is not going anywhere, but you also have to be sure that your private partner always continues to exist, thrive and survive. There will be some provisions that will be in the suitable sellback agreement with guarantees and assurances.

Dulin: I want to stay on that subject for a moment. Mr. Kimble, who is doing the negotiation on our side for that agreement?

Kimble: Attorneys from our legal department. Barry Gullet and I, Bob Hagemann and Catherine Williamson are on point from the Attorney's staff.

Dulin: Those are ongoing now?

Kimble: Yes they are. Go back up to number four for a second, the contaminated groundwater from the contaminated site. How much contaminated groundwater is getting into this river now?

Gullet: I am not the best person to answer that question. My understanding is that the groundwater is being pumped and contained so that the intent is that there is not any contaminated water going into the river water. The pumping system is designed so that it pulls the groundwater to the pump where it is treated.

Dulin: If we were to go out there and stand on the banks of the creek just down from where Clariant is now we could look at a clean shore line? If we get up there and the ReVenture folks start digging around and building, things have to be torn down, I get that part. But is it going to stir up more stuff, the contaminated ground? I don't' think what ReVenture is going to do is going to create more liquid, but are we going to do more harm?

Gullet: Those are the types of conditions that we will be putting into the NPDES permit. They will have monitoring requirements and measuring, performance requirements in their permits. That is the purpose of those permits; to guarantee that the things you are talking about and those conditions are satisfied. I also want to point out that the site that we are proposing to buy we have done the soil and groundwater testing. The site that we are proposing to buy is clean. We are not buying a contaminated site.

Dulin: We are downhill from the Clariant site, everything flows down.

Gullet: The plum generally goes the other direction toward Long Creek. That is the way the water is being pulled, toward Long Creek. Tom can talk to you more about that.

Dulin: Tom, give me some comfort level that we are not going to screw this up.

McKittrick: On the map here are pumping wells at the corner of this property. There are three ground water containers, all along this perimeter there are pumping wells pumping that groundwater out for onsite wastewater treatment. That water is pumped treated here and clean clear water is discharged into the river. Clariant has spent approximately $40,000,000 in remediating this site, so all the hard work is done. We are committed to pumping and treating the groundwater forever.

Dulin: Thank you Tom. The green area right next to the creek on the map, is that the berm that we were up on during the site visit?

McKittrick: No, that is the earthen pond. The berm was created with pond dirt. All of this dark green along the river is part of the conservation area. It's an incredible pristine wetland area. All of that will be protected and undisturbed forever.

Gullet: Going on to number seven, Clariant is going to have some costs of decommissioning that wastewater plant and that is their cost not ours. Number eight has to do with the easements for the pipeline that comes into that Long Creek Plant. They go across the part of the property that we are purchasing and number eight is to clarify that we have already purchased and paid for those easements. Number nine has to do with the conservation easements that you just saw on the map. Those easements agreements, what we needed out of that was some assurances that the conservation easements would not block our access to come across the creek so that we would still be able to build a bridge across the creek if we decide to come in on another road alternative. This would give us access and get a pipe across there. When we built the pump station that is where we built it with the thought in mind that it would be converted to the in front pumping station. It would be incorporated into the treatment plant, instead of pumping water over to Paw Creek Basin. It will be used to pump water up to the treatment plant, so to do that, we have to get a pipe across there. We wanted to be sure some assurance in the conservation easement language so that we did not get blocked out of our own site. That is what number nine is all about. Number ten on the next slide is the road easements that we had a discussion about a few minutes ago. Number eleven acknowledging that we are continuing to work with potential partners in Gaston County, Mount Holly and Belmont on opportunities for similar solutions regarding purchase of wastewater treatment nutrient allocations. Hoping to make this a regional wastewater treatment plant and eliminating one of the other older treatment plants that don't have the more stringent permit requirements and higher treatment capabilities.

Dulin: We are negotiating with both Mount Holly and Gaston County?

Gullet: Belmont and Mount Holly.

Dulin: But not Gaston County?

Gullet: Gaston County does not operate utilities, Gastonia does and the towns in Gaston County do, but the County of Gaston itself does not.

Dulin: Does that make it harder or easier?

Gullet: I don't know.

Kimble: Let's just say that Belmont and Mount Holly have choices and we would hope that they would choose the regional solution with us, but we don't know.

Gullet: That's right they don't have to and that is at the heart of the negotiations.

Kimble: This is called the Business Terms Outline, but when we go to write a full agreement between ReVenture and the City of Charlotte, it will be a much longer agreement with the terms, conditions, assurances and guarantees. We need to make sure that we give regular briefings to either the Economic Development Committee or the City Council. We have make sure that everybody understands what the Business Terms Outline looks like before we spend the huge staff resource time that it's going to take to write the full agreement. We are trying to make sure that we keep the Charlotte City Council and the citizens up to speed on what the Business Terms are before we go to full agreement.

Cannon: Yes, make sure that you do that. Obviously the negotiations can be very tough to get through and we sometimes run into snags along the way. Anything that looks awkward, I would suggest that you give that back to Committee. Relative to what action the City Council has already taken anything regarding the environment has pretty much shifted over to the County. My question is how much will the City be engaged being right there front and center to hear all of those discussions that are going on?

Kimble: You have designated appointees representing the City of Charlotte in the ReVenture Advisory Committee. The County Commissioners are going to have to start taking up the issue of what comes back to them on a potential solution that includes the Refuse Derived Fuel Facility at 1200 Amble Drive. We are going to be checking those and you are going to be checking those. I think we need to develop a strong feedback loop and report back to the governing body, the Charlotte City Council members, to let you know what is happening to keep you apprised and informed. We very much want to protect the environment; that is one of our first and primary goals. That is why the regional solution for waste water treatment plant, I believe, is the solution for the future for communities and regions around the country. I think the State of North Carolina also wants regional solutions to be cooperative and collaborated. We have a great opportunity to consolidate several wastewater treatment plants into new State of the Art technology wastewater treatment plants that will have a better ability to protect the environment to a higher level. It remains to be seen on the negations for the waste to energy plant on the Clariant site and what happens on the Refuse Derived Fuel Facility. The County will play a larger role than the City of Charlotte will, but we will be watching and at the table to inform you.

Cannon: Committee, are there anymore questions?

Dulin: Can you roll one more slide please? I was looking for the ReVenture Park site.

Kimble: I don't think we put that on a slide but it's in your packet.

Dulin: It also shows the flood plain on there too.

Kimble: Yes, it shows different topography. We wanted you to know that they are not getting high value for those areas that have conservation easements on them or those in the flood plain.

Dulin: We certainly have to live by the rules that everyone lives by. I think it is what it is but it's going to be 24.9 acres wooded. Do we lump those three sites together when we have to make our 15% tree save? If we purchase them separately it seems to me we would have to be separately ruled by our new tree ordinance.

Kimble: If we have a sell back agreement that calls it up later then have to meet the regulations if something were to happen to sell that, so the answer is yes, we will have to figure that one out.

Dulin: Track C?

Kimble: Track B & C. If B & C are sold back then what kind of tree save was there on the A, B & C together versus all of this packed into parcel A.

Burgess: Is B cleared right now?

McKittrick: It was cleared a number of years ago, there are some trees there.

Kimble: Mr. Chairman, one of the issues that the Committee will have to figure out; there are only three members here today and we need to decide the process. Is it that the Committee should recommend that Business Terms Outline to the Charlotte City Council, have the City Council look at the Business Terms Outline as well, or should we continue to work on this issue at the Committee level and take Business Terms Outline to more full agreement and let the Committee look through the full agreement and how we move this issue forward from the Committee to the full Council? I don't think we need to make that decision today, but we need to make that decision pretty quickly.

Cannon: I think I want the latter. Committee, do you have any thoughts on this?

Burgess: I need more detail, go over it more before we give it to them.

Dulin: Run those options by me one more time please Ron.

Kimble: The second option would be to continue to work on the Business Terms Outline and move that toward full agreement so everybody has eyes on the full agreement. Or the other is to get the Business Terms Outline approved, send it up to Council for approval and then go to full agreement. It will work fine either way but we just want to make sure that the full Council is engaged enough to sit in on the issue.

Burgess: What is the timeline for discussion?

Kimble: To go to full agreement it probably, I would guess, a 60-day process to go to full agreement.

Dulin: That's between the City and ReVenture?

Kimble: Yes, on these business terms.

Dulin: On Monday night we worked on this and it was very tight time schedule. Is some of that pressure off now so that the two parties can continue to work together in 60 days? What kind of time pressure is ReVenture feeling and what kind of time pressure are we feeling?

Kimble: It's in your best interest as elected officials representing the citizens and in the citizen's best interest to move as quickly as we can to get the draft on the table so that everybody knows what the deal points are. That is what we have been trying to do all along is to move this to a point where there can be full engagement and full knowledge of all the details of the transaction.

Dulin: Can we move it forward today out of Committee?

Kimble: I don't think you should do it today with only three members present. It would be something that you would consider in your January meeting as the option.

Dulin: You are right but we do have quorum.

Kimble: You do.

Dulin: My question is if we move it today out of Committee, what can we bring back to Council that can keep moving this thing forward and not delay it?

Kimble: It would be this very same presentation; that is what we have right now.

Burgess: Asking the full Council to vote on it would only delay things. Why not just continue on with the discussion?

Cannon: There would be too much back and forth, you want the thing to be smooth and fluid.

Dulin: Thank you but the question needed to be asked.

Kimble: Do I interpret your discussion to mean to continue on and work on the Business Terms Outline to full agreement?

Dulin: Then the full agreement will come back to Committee one more time?

Kimble: Yes, it would stay with Committee until the Committee is comfortable in making a recommendation.

Dulin: We meet again in mid January?

Kimble: January 6th and 20th. That will be for you to develop your Focus Area Plan for next year. I would think that the earliest that this could be back to you in full agreement form would be the first part of February and that is ambitious.

Dulin: We meet February the 10th and February 24th is that o.k. with the ReVenture folks?

Kimble: I think they are going to say what we are going to say that we will work as aggressively as possible to see how far we can get and bring to you what we have put together.

Dulin: It is to his advantage to get it done.

Cannon: Thank you so much for your presentation. The next item for discussion is to approve the 2011 meeting schedule.

Subject: Approve 2011 Meeting Schedule

Cannon: There is an attachment before you.

Dulin: Mr. Chairman, I would like to make a motion that we approve the 2011 meeting schedule; knowing that from time to time the meeting may be moved around a day or two to accommodate Council members and staff's tough days.

Cannon: Motion made with that consideration. All agreed say aye.

VOTE: Dulin made the motion, seconded by Burgess. Motion made to accept the 2011 Economic Development Committee meeting schedule as written with exceptions or changes to be made based on Committee Members and staff's time constraints. The vote was unanimous. Mitchell and Kinsey were absent for the vote.

Cannon: Thank you. The last item on the agenda is item number four the CRVA report, this is for information only. There is an attachment in your packet.

Kimble: In accordance with the policy and practice that the Committee wanted, each month that any information coming out of your related partners that are covered under your Committee by report about a year ago about Restructuring Government, that we would produce this information for you.

Cannon: Any questions about that?

Dulin: This is not the Barometer Report, but I read over the weekend and there is a bunch of stuff in here that I have comments on. When could we have a public conversation about this? These are questions I had when they were here I just did not want to hold them up.

Cannon: I think that is probably a little different from the one before, so I think to have a discussion it would be appropriate to bring it up at the next Council meeting.

Kimble: Just remember that the CRVA is now coming in front of the Budget Committee at some point so there will be several opportunities.

Cannon: Agenda item number five is the next meeting is scheduled for Thursday, January 13th.

Kimble: Yes, and then we meet again on the 13th. One of the things we need to do is to make sure is that we get your Focus Area Plan draft out of Committee by the time we are ready to go

to print for the City Council Retreat. The Retreat is now scheduled for the 31st on Monday and Tuesday and we may need to amend the calendar to make sure that we can get the Focus Area Plan draft out of here fast enough. If it takes two meetings to do it, which I think it will, the 27th is too late to get it into the notebooks and in draft form for the Council Retreat.

Cannon: I think the motion made by Mr. Dulin pretty much talked about calendar changes. I think his motion pretty much states to adjust along the way for another meeting.

Burgess: You think that the 27th is too close to the Retreat?

Kimble: Yes, I think so. So we will do the 13th and have you to consider the 20th. This will give us some turnaround time to take what you give us on the 13th and turn it back around for consideration on the 20th. I think that would be preferred by us but do we lock it in on your calendars. I heard yesterday when our notebooks are going to print, and it's a couple of days after January 20th. In fact, the following Monday which is the 24th, they are going to print.

Cannon: Let's go ahead now and strike the 27th and make it January 20th at 3:30pm for the meeting after the 13th.

Kimble: Thank you Mr. Chair.

Cannon: Thank you for catching that. Is there any other business? This meeting is adjourned.

Adjourned: Meeting adjourned 5:00p.m.

Economic Development Council Committee
Thursday, December 16, 2010 at 3:30pm
Charlotte-Mecklenburg Government Center
Room CH-14

Committee Members: James Mitchell, Chair
Patrick Cannon, Vice Chair
Jason Burgess
Andy Dulin
Patsy Kinsey

Staff Resource: Ron Kimble, Deputy City Manager

AGENDA

I. TRANSITIONAL SETBACK UPDATE/DISCUSSION/RECOMMENDATION – 20 minutes
Staff: Ron Kimble, Danny Pleasant, Debra Campbell & Dana Fenton
Action: Committee will receive an update on recent conservations regarding the Independence Boulevard Transitional Setback distances. If ready, Committee will be asked to make a recommendation on removal of the Transitional Setback from I-277 to Sharon Forest Drive, and retention of the Transitional Setback from Sharon Forest Drive southeasterly to the Charlotte city limits. **(See attachment)**

II. REVENTURE -- 60 minutes
Staff: Ron Kimble, Deputy City Manager
Action: Status report on discussions/negotiations on the ReVenture Project, including review of business terms outline. **Attachment**

III. APPROVE 2011 MEETING SCHEDULE (Attachment)

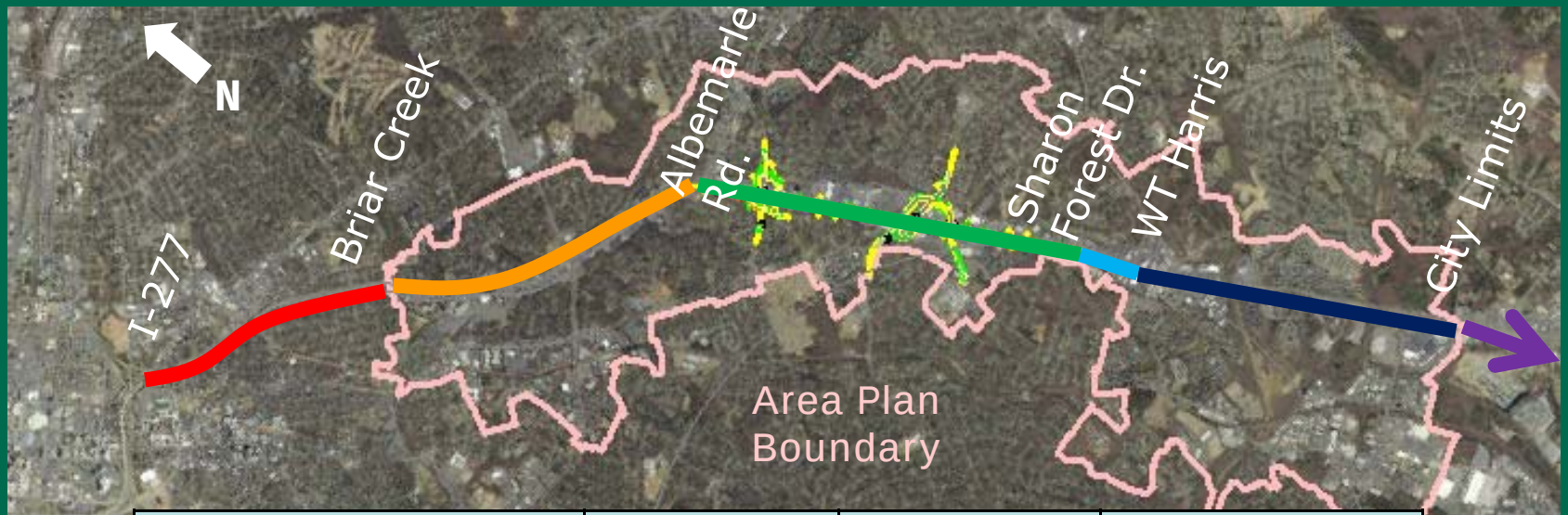
IV. CRVA December Barometer Report – Information Only (Attachment)

V. NEXT MEETING: Thursday, January 13, 2011 at 3:30pm, Room 280
Possible Topic: 2011-2012 ED Focus Area Plan

Distribution: Mayor/City Council Curt Walton, City Manager Leadership Team Executive Team

CITY OF CHARLOTTE

Future Right-of-Way for Independence Boulevard (US 74)



Segment	*Prior to April 27, 2009*	*April 27, 2009 Amendment*	*2010 Option*
I-277 to Briar Creek	**350'**	**350' (no change)**	**Eliminate**
Briar Creek to Albemarle Road	**350'**	**250'**	**Eliminate**
Albemarle Road to Sharon Forest Drive	**350'**	**250'**	**Eliminate after NCDOT certifies ROW acquisition is complete**
Sharon Forest Drive to W.T. Harris Boulevard	**350'**	**250'**	**250'**
W.T. Harris Boulevard to Charlotte City Limits	**350'**	**280'**	**280'**
In Matthews Town Limits	**350'**	**350' (no change)**	**280'**

Normal process:

	Date	Notes
Filing deadline:	December 28, 2010	
City Council Public Hearing:	March 21, 2011	
Zoning Committee Work Session:	March 30, 2011	
City Council decision:	April 25, 2011	In April 2011, the Zoning meeting will be held one week later than usual on the same day as the business meeting. This is due to a Council conflict.

Accelerated process #1:

	Date	Notes
Filing deadline:	December 28, 2010	
City Council Public Hearing:	February 21, 2011	Council action required to add item to February agenda
Zoning Committee Work Session:	March 2, 2011	
City Council decision:	March 21, 2011	

Accelerated process #2:

	Date	Notes
Filing deadline:	December 28, 2010	
City Council Public Hearing:	February 21, 2011	Council action required to add item to February agenda
Zoning Committee Work Session:	February 21, 2011	
City Council decision:	February 21, 2011	Council action required to make the decision the same night as the public hearing.

*Assumes Committee Approval and staff filing the petition.

CHARLOTTE
OFFICE OF THE
CITY MANAGER

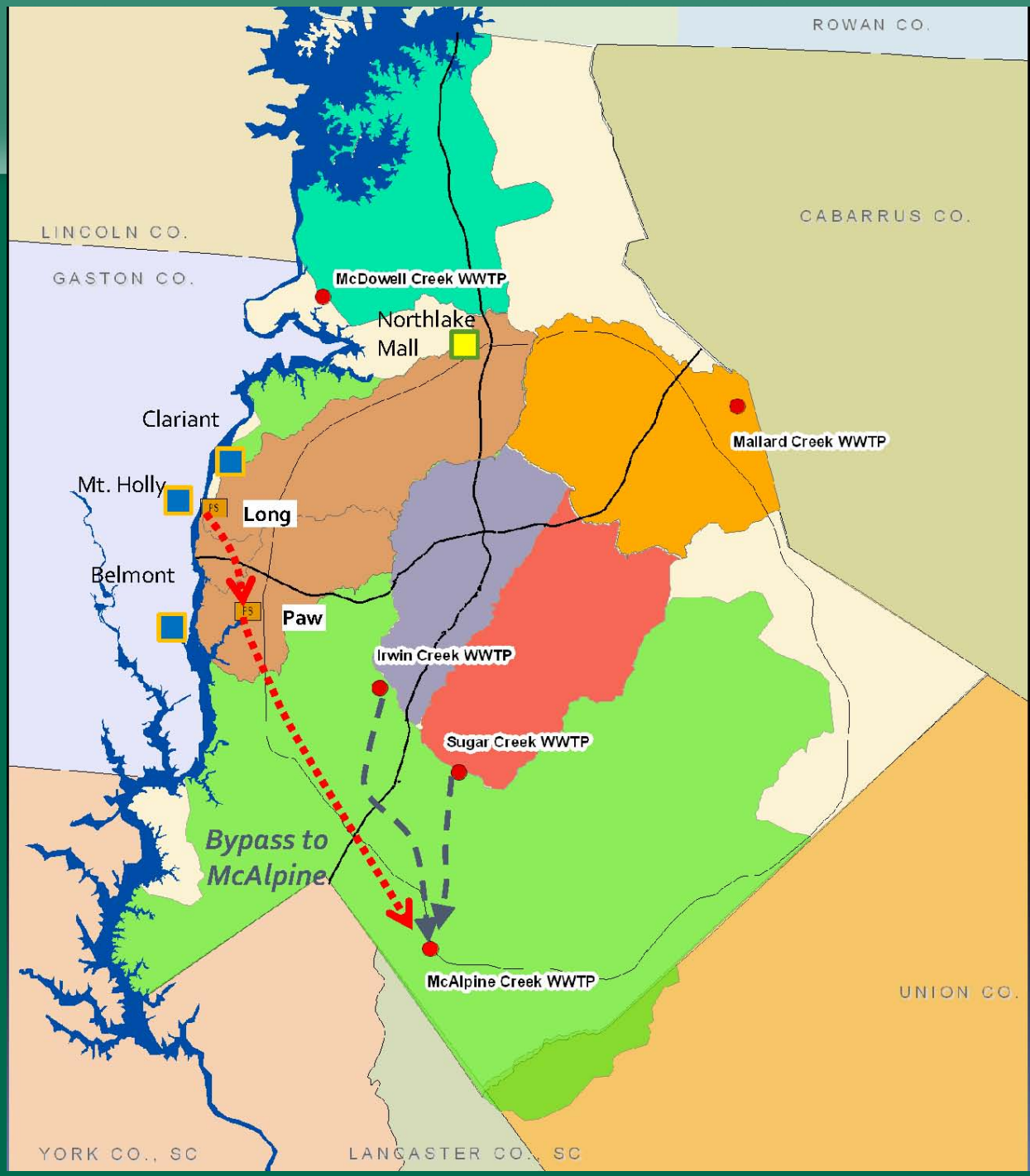
ReVenture Project

Presentation to Economic Development Committee

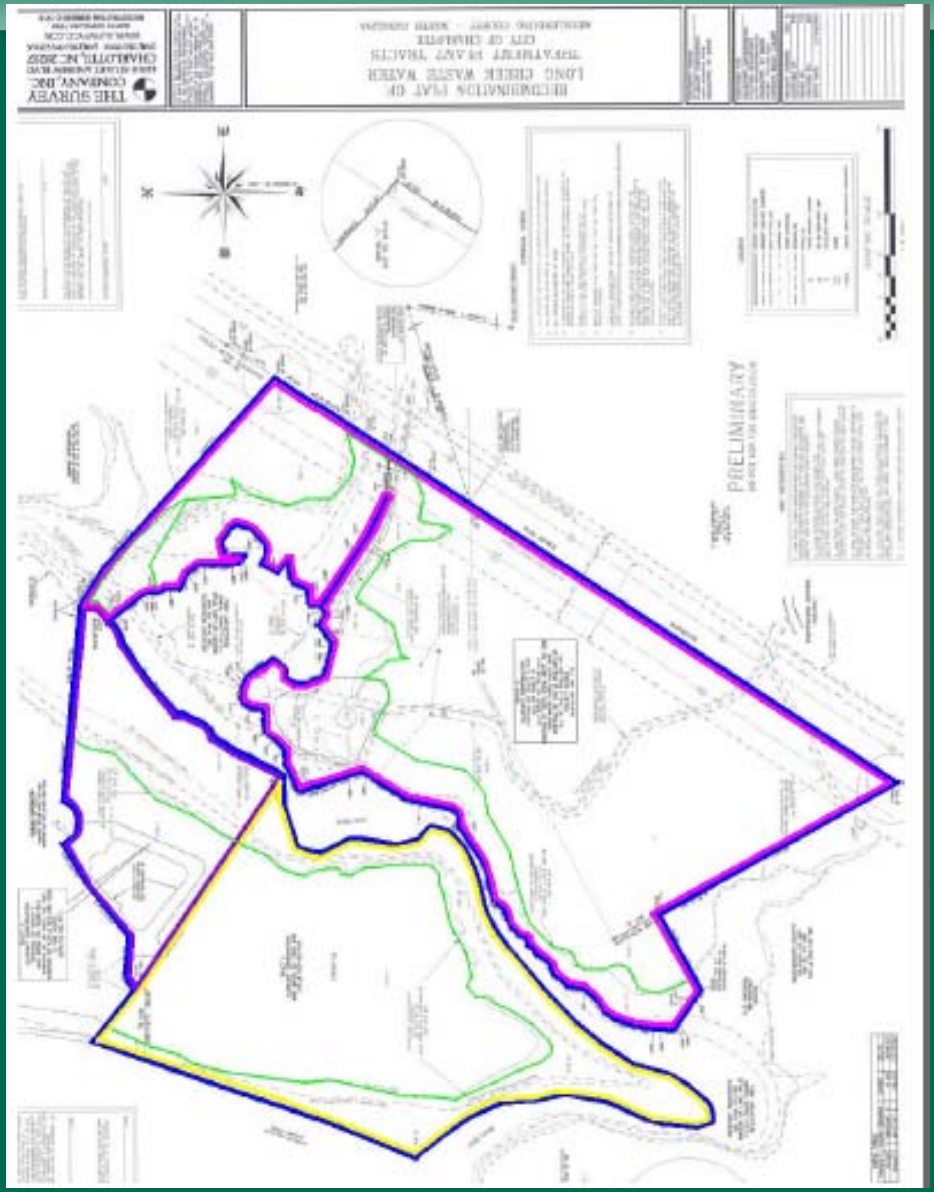
December 16, 2010

CITY OF CHARLOTTE

Mecklenburg Wastewater Capacity Study Area



ReVenture Park
WHITEWATER ELEMENTARY
BELMEADE DR.
FLEET VEHICLE CONVERSION
BIOFUEL PROCESSING
TRANS LOADING AREA
10 AC. COALOGIX
30 AC. BIOMASS-TO ENERGY PLANT
ALTERNATIVE FUELING STATION
EXISTING WWTF
LONG CREEK
75 AC. OFFICE/RESEARCH
DUKE POWER TRANSMISSION EASEMENT
175 ACRE CONSERVATION AREA
CAROLINA THREAD TRAIL
TORREFACTION UNIT
TRANSFER AREA
WOODY FUEL PROCESSING
BULK STORAGE
24 AC. SOLAR FARM
22.5 AC. FERC DUKE POWER
MECKLENBURG UTILITIES SITE
ALGAE FUEL PROCESSING/ NUTRIENT REMOVAL CELL
WASTE WATER TREATMENT
U.S. NATIONAL WHITEWATER CENTER
CATAWBA RIVER
COX RAILROAD
P & N RAILROAD
Forsite Development Inc.


RECONNAISSANCE PLAT OF
LONG CREEK WATER WATCH
TREATMENT PLANT TRACTS
CITY OF CHARLOTTE
MECKLENBURG COUNTY - NORTH CAROLINA
THE SURVEY COMPANY, INC.
CHARLOTTE, N.C. 28202
PRELIMINARY

Business Terms Outline

1. City to pay ReVenture $3,580,538 for Parcel A (+/-106.5 acres) and $1,844,000 for Parcel B (+/-56.7 acres), with closing within 30 days after City Council approval of full Agreement.
2. City to pay ReVenture $706,387 for Parcel C (+/-22.4 acres) once ReVenture has successfully achieved release of Parcel C from coverage under existing RCRA permit on Clariant Property. All acreages and purchase prices outlined in #1 and #2 shall be prorated/adjusted once CMU has completed its survey.

Business Terms Outline

3. Because the goal of this project is regionalization of, and therefore elimination of other NPDES wastewater permits, the City and ReVenture agree to the following:
   a. The City and ReVenture agree to a purchase price of $5,732,167 representing 90% of the nutrient allocation (36 lb./day of total phosphorus and 287 lb./day of total nitrogen) from the Clariant WWTP permit, paid when the State of North Carolina approves a NPDES permit modification to the current Clariant permit. The permit modification shall automatically transfer 90% of the nutrient allocation in Clariant's permit to the City upon completion of the City's new WWTP.
   b. After the City's new WWTP is completed and becomes operational, the City agrees to purchase the remaining 10% Clariant WWTP nutrient allocation (4 lb./day of total phosphorus and 31.5 lb./day of total nitrogen) for $636,908 or portion thereof at a prorated value that is not required for ReVenture to secure the permits listed in item 4 below.
   c. The City agrees to accept for treatment all sanitary and industrial wastes generated at the ReVenture site subject to applicable permitting, connection and pretreatment requirements and user fees.

Business Terms Outline

4. By the time the City's new WWTP is completed and operational, ReVenture will have secured NPDES permits from the State of North Carolina for the following:
   a. A NPDES permit for ReVenture to treat and discharge to the Catawba River the contaminated groundwater from its site;
   b. A NPDES permit for ReVenture to treat and discharge to the Catawba River the stormwater attributable to its site.
5. Should City not obtain the required EIS or required permit modification from DENR, a suitable sellback agreement for Parcel B and Parcel C shall be negotiated between the City and ReVenture.
6. The City agrees to pay ReVenture $210,000 back rent on the lease of the Long Creek Pump Station site, representing full back rent due, and rent until closing, with rent paid at closing of Parcel A and Parcel B.

Business Terms Outline

7. ReVenture is responsible for all closing costs of Clariant's existing WWTP facility.
8. All easements for CMU existing facilities have been fully executed and paid, and shall remain in full force and effect.
9. The conservation easements negotiated with the Catawba Lands Conservancy shall include rights by the City to cross those easements with both road access and pipe lines to connect the new WWTP and the Long Creek Pump Station. The City will review and approve the conservation easement language prior to the transfer of the easement to the Catawba Lands Conservancy.

Business Terms Outline

10. Road easements both permanently and during construction of the City's new WWTP will be offered free to the City by ReVenture through its site, but improvements cost is still being negotiated.
11. The City continues to work with potential partners in Gaston County on opportunities for similar solutions regarding purchase of wastewater treatment nutrient allocations.

Economic Development Council Committee
2011 Schedule

2nd Thursday of Each Month – 3:30pm
4th Thursday of Each Month -- 3:30pm
****Additional meetings will be scheduled as needed****
Meetings will be held at the Charlotte-Mecklenburg Government Center in Room 280

Meeting Dates

January 13 at 3:30pm
January 20 at 3:30pm

February 10 at 3:30pm
February 24 at 3:30pm

March 10 at 3:30pm
March 24 at 3:30pm

April 14 at 3:30pm
April 28 at 3:30pm

May 12 at 3:30pm
May 26 at 3:30pm

June 9 at 3:30pm
June 23 at 3:30pm

July 14 at 3:30pm
(one meeting, Council summer schedule)

August 11 at 3:30pm
(one meeting, Council summer schedule)

September 8 at 3:30pm
September 22 at 3:30pm

October 13 at 3:30pm
October 27 at 3:30pm

November 10 at 3:30pm
(one meeting in November due to Thanksgiving holiday)

(No meetings in December pending Committee assignments)

The Charlotte BAROMETER Report

An Official Publication of the Charlotte Regional Visitors Authority

DECEMBER 2010

National & International Business & Convention

PWC 2011 LODGING OUTLOOK

In their most recent *Hospitality Directions*, **PricewaterhouseCoopers** (PwC) anticipates stronger US occupancy and average daily rate gains in 2011 than previously forecast. After rising 5.7% to 57.7% in 2010, occupancy is expected to grow another 2.5% in 2011 to 59.2%. Average daily rate, which will drop 0.1% in 2010 to $97.93 nationally, will grow to $102.58 for 2011, an increase of 4.8%.

Given the increases expected in both occupancy and rate, revenue per available room (RevPAR) is forecast to grow 7.4% in 2011, its largest annual gain since the 7.8% growth posted in 2006.

Local Perspective

CHARLOTTE AREA LODGING – OCTOBER SMITH TRAVEL RESEARCH

Charlotte area hotels had their best month of 2010 during October with Average Daily Rate and Revenue per Available Room each reaching highs for the year.

Charlotte area hotel **occupancy** was 61.1% in October, a 9.7% increase from October 2009. October marks the 10th consecutive month in which occupancy has risen from the previous year, the longest streak since 2005/2006. Year to date Charlotte area occupancy is 58.5%, up 11.7% from the same time last year. By comparison, year to date occupancy is 59.2% in the US (up 5.4%), 55.3% in NC (up 6.8%) and 65.1% in the Top 25 markets (up 6.7%).

Charlotte area hotel **average daily rate (**ADR) was $83.48 in October, up 1.1% from October 2009. October's rate was the best for 2010 and the area's highest since May 2009 ($83.69). October marks the 4th straight month of ADR increases from the previous year. Year to date, Charlotte area ADR is $79.13, down 1.6% from the same time last year. By comparison, year to date ADR is $98.22 in the US (-0.5%), $80.00 in NC (-1.2%) and $118.03 in the Top 25 markets (-0.2%).

Charlotte area hotel **revenue per available room** (RevPAR) was $51.04 in October, up 10.8% from October 2009. October's RevPAR was the best of 2010 and the highest in the market since October 2008 ($58.14). October marks the 9th straight month of RevPAR improvements from the previous year. Year to date, Charlotte RevPAR is $46.31, up 10% from the same period last year. By comparison, year to date RevPAR is $58.13 in the US (up 4.9%), $44.26 in NC (up 5.5%) and $76.87 in the Top 25 markets (up 6.5%).

MECKLENBURG COUNTY HOSPITALITY TAX COLLECTIONS-- FY11 THROUGH OCTOBER

Mecklenburg County 6% regular occupancy tax collections total $8.2 million fiscal year to date, a 24% increase from the same period last year.

Mecklenburg County 2% NASCAR Hall of fame tax collections total $2.8 million fiscal year to date, also a 24% increase from the same period last year.

Mecklenburg County 1% prepared food & beverage tax collections total 7.0 million fiscal year to date, a 9% increase from the same period last year.

National Leisure & Tourism

MARKET METRIX HOSPITALITY INDEX – 3RD QUARTER 2010

According to **Market Metrix**, and their ongoing interviews with 35,000 consumers, meeting and event satisfaction with hotels improved slightly in the third quarter (+0.4 to 82.1), while scores for meetings and events taking place at casinos improved dramatically, up more than 2 points (+2.4 to 83.0).

The top scoring brands among hotels were: Mandarin Oriental (90.0, Luxury), Kimpton Hotels (90.6, Upper Upscale), Outrigger Hotels & Resorts (92.3, Upscale), Holiday Inn SunSpree Resorts (84.9, Midscale w/ F&B), Drury Inns (90.3, Midscale w/o F&B) and Microtel Inns & Suites (84.0, Economy).

Top scorers in the casino segment during the third quarter were: Mohegan Sun (89.9, Upscale Casino) and South Point Hotel Casino Spa (89.3, Casino).

The research goes on to say that "meeting and event customers at casinos were especially pleased with the improved food and beverage served at their events (+4.4 to 84.5), which is a key driver of repeat business for this segment."

In addition to hotels and casinos, Market Metrix also measures consumer satisfaction with travel websites, airlines, car rental companies and timeshares.

Economy

CONSUMER CONFIDENCE INDEX

The Conference Board *Consumer Confidence Index®*, which had improved in October, increased further in November. The Index now stands at 54.1, up from 49.9 in October. The Present Situation Index rose to 24.0 from 23.5. The Expectations Index increased to 74.2 from 67.5 last month.

Says Lynn Franco, Director of The Conference Board Consumer Research Center: "Consumer confidence is now at its highest level in five months, a welcome sign as we enter the holiday season. Consumers' assessment of the current state of the economy and job market, while only slightly better than last month, suggests the economy is still expanding, albeit slowly. Expectations, the main driver of this month's increase in confidence, are now at the highest level since May (Exp. Index, 84.6). Hopefully, the improvement in consumers' mood will continue in the months ahead."

Media

NOVEMBER 2010 VOCUS

During the month of November, **Vocus** identified 1,313 news items on key words provided by the CRVA. By category, the top five news makers were: Time Warner Cable Arena (20%), NASCAR Hall of Fame (19%), CRVA (9%), Charlotte Sports (5%) and Charlotte Convention Center (4%). By media, the top five communications tools were: Online, Consumer sites (44%), followed by Online News & Business sites (18%), Wire Service (14%), Television Programs (10%) and Newspapers (6%). A total of 84% of November's media hits occurred outside of the Charlotte area.

Sources for this Publication

- **Market Metrix**
- **Mecklenburg County Tax Office**
- **PricewaterhouseCoopers**
- **Smith Travel Research**
- **The Conference Board**
- **The TAP Report**
- **US Department of Labor**
- **Visit Charlotte/CRVA**
- **Vocus**

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Inside This Report

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HOSPITALITY INDUSTRY STATISTICAL REPORT
November 2010

Charlotte Market Lodging Production					
	Charlotte Market	**North Carolina**	**Competitive Set**	**United States**	**Top 25**
October 2010 Occupancy %	61.1	61.8	63.7	61.3	67.9
% Change	9.7	9.1	6.5	6.9	6.4
October 2010 ADR $	83.48	84.07	91.32	100.89	127.23
% Change	1.1	0.4	0.1	1.2	1.6
October 2010 RevPAR $	51.04	81.92	58.62	61.89	86.39
% Change	10.8	9.5	6.7	8.2	8.1
2010 YTD Occupancy %	58.5	55.3	59.3	59.2	65.1
% Change	11.7	6.8	6.1	5.4	6.7
2010 YTD ADR $	79.13	80.00	88.25	98.22	118.03
% Change	-1.6	-1.2	-2.3	-0.5	-0.2
2010 YTD RevPAR $	46.31	44.25	52.70	58.13	76.87
% Change	10.0	5.5	3.7	4.9	6.5

Source: Smith Travel Research-Stats lag by one month

Comp Set includes: Tampa, Atlanta, Indianapolis, Baltimore, Minneapolis, St. Louis, Greensboro, Raleigh, Cincinnati, Columbus, Philadelphia, Pittsburgh and Nashville

Charlotte Douglas International Airport Aviation Production				
	Month of October	**% Chg from Oct. 09**	**2010 YTD**	**YTD % Chg from 09**
Passenger Enplanements	1,694,866	15%	15,821,429	9%
Passenger Deplanements	1,703,673	15%	15,878,518	9%

Source: Charlotte Douglas International Airport-Stats lag by one month

Visit Charlotte Definite Room Night Production				
	Month of November	**Change from November 2009**	**FY 2011 YTD**	**YTD Chg (%) from FY10**
Total Room Night Production	147,076	134,860	222,867	104,797 (89%)
Visitor Economic Development ($)	67,420,120	62,280,690	150,874,820	39,198,208 (35%)
Number of Definite Bookings	22	9	105	18 (21%)
Average Size of Definite Bookings	6,685	5,745	2,123	766 (56%)
Total Attendance	126,262	117,597	314,923	26,619 (9%)
Convention Center GSF Booked	4,560,000	4,560,000	10,900,000	4,420,000 (68%)

Visit Charlotte Lead Room Night Production				
	Month of November	**Change from November 2009**	**FY 2011 YTD**	**YTD Chg (%) from FY10**
Total Room Night Production	48,590	-64,244	417,799	-95,592 (-19%)
Number of Lead Bookings	61	15	271	33 (14%)
Average Size of Lead Bookings	797	-1,656	1,542	-615 (-29%)

Visit Charlotte Housing Bureau Production			
	Month of November	**FY 2011 YTD**	**YTD% Chg from FY10**
Total Reservations Produced	560	4,147	122%
Total Room Nights Produced	2,380	13,294	130%

Visit Charlotte Leisure Tourism Production			
	Month of November	**FY 2011 YTD**	**YTD % Chg from FY10**
Ad Inquiries (+Travelocity clicks, etc.)	868	8,711	-93%
Visitor Center Walk-In Traffic	3,257	18,088	37%
Call Center Inquiries	365	2,532	-8%
Web Site Official Visitors Guide Requests (& views)	838	6,430	-53%
Emails/Letters/Faxes	25	110	-16%
Total Visitor Inquiries	**5,353**	**35,871**	**-76%**
Visit Charlotte Web Site Visitors (Google)	94,052	**447,494**	**-2%**
Motor Coach Group Bookings (Passengers)	Unavailable	Unavailable	Unavailable

DEFINITE BOOKINGS
November 2010

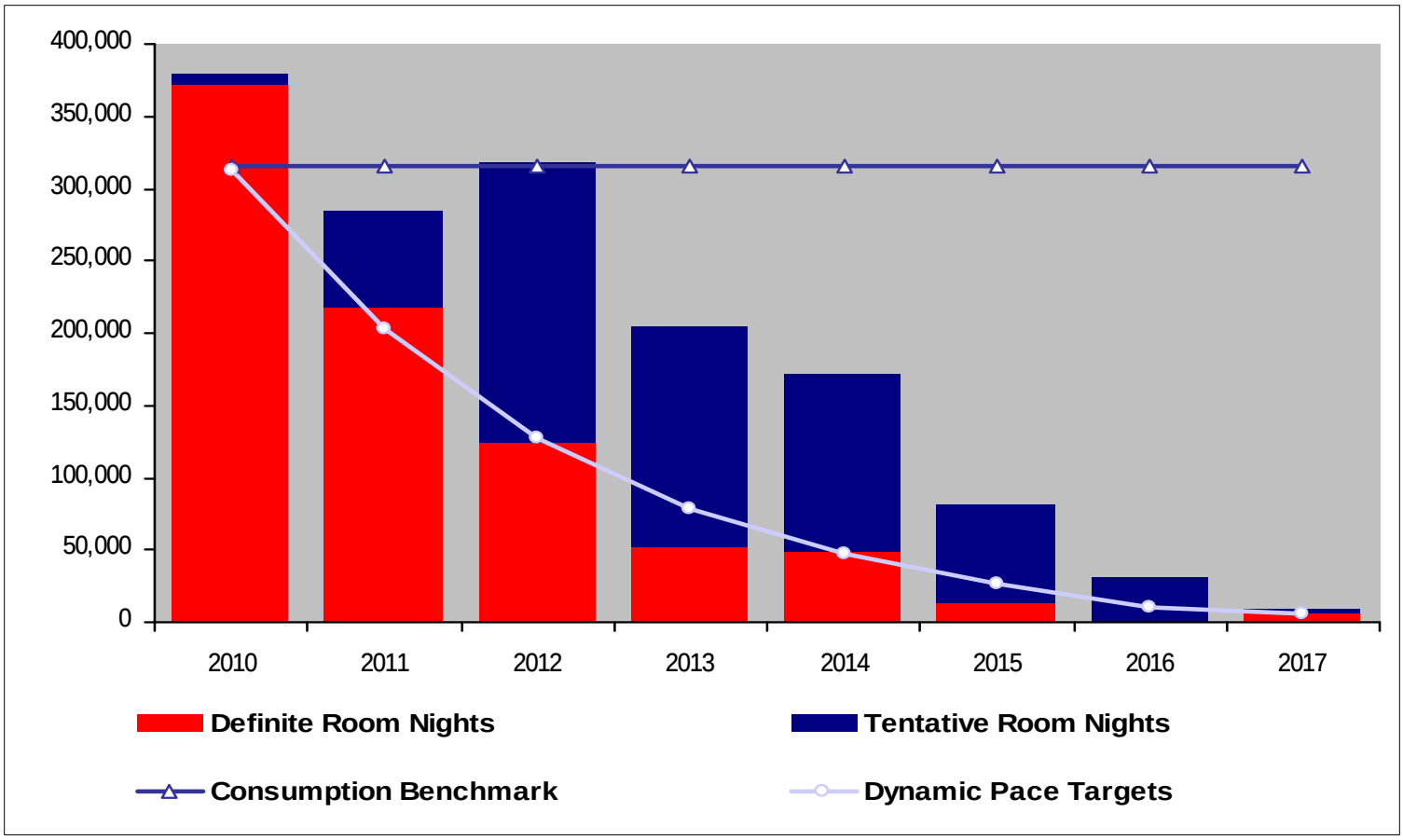
Charlotte Convention Center								
				Exhibit	**Total**			**Visitor**
Conference Sales								
CIAA ®	Consumer	2/13		4	1,520,000	46,858	40,000	21,440,000
CIAA ®	Consumer	2/14		4	1,520,000	46,858	40,000	21,440,000
Total					**4,560,000**	**140,574**	**120,000**	**64,320,000**

Group Name	**Event Date**	**Days**	**Room Nights**	**Attendance**	**Econ. Impact ($)**
Wells Fargo Home Mortgage	11/10	3	120	50	141,300
North Carolina Chamber	11/10	1	20	150	47,100
Pioneer Surgical Technology	12/10	1	-	40	12,560
Army Corps of Engineers	12/10	4	259	90	113,040

Stewart Title Guaranty Company	1/11	2	60	30	18,840
Omega Psi Phi Fraternity, Inc. ®	1/11	3	575	500	471,000
TEAM Charlotte Swimming ®	2/11	2	62	100	26,800
Pyrotek, Inc.	2/11	5	210	42	65,940
North Carolina Black Leadership Caucus	2/11	1	50	250	78,500
Office of the Comptroller of the Currency ®	2/11	1	27	110	34,540
McDowell & Nickerson Wedding	3/11	2	30	100	62,800
Carolina Youth Rugby Club ®	3/11	2	238	800	214,400
TEAM Charlotte Swimming ®	3/11	3	1,139	1,000	402,000
Southern Consortium of University Public Service Organizations	4/11	2	50	100	62,800
Stairway Manufacturer's Association	4/11	3	134	50	47,100
SwimMac Carolinas ®	5/11	3	1,620	1,300	522,600
SwimMac Carolinas ®	7/11	3	1,054	1,000	402,000
North Carolina Public Health Association	9/11	3	470	400	376,800
Total			**6,493**	**6,262**	**3,100,120**
GRAND TOTAL			**140,574**	**126,262**	**67,420,120**

Sports & Leisure Spending DKS&A 2007 Charlotte Update (attendance x $134 x # days)
Convention & Conference Spending 2005 DMAI ExPact Study (attendance x $314 x # days)
® Repeat Business

Eight Year Dynamic Room Night Pace Report
(As of 11/1/10) Trends Analysis Projections, LLC

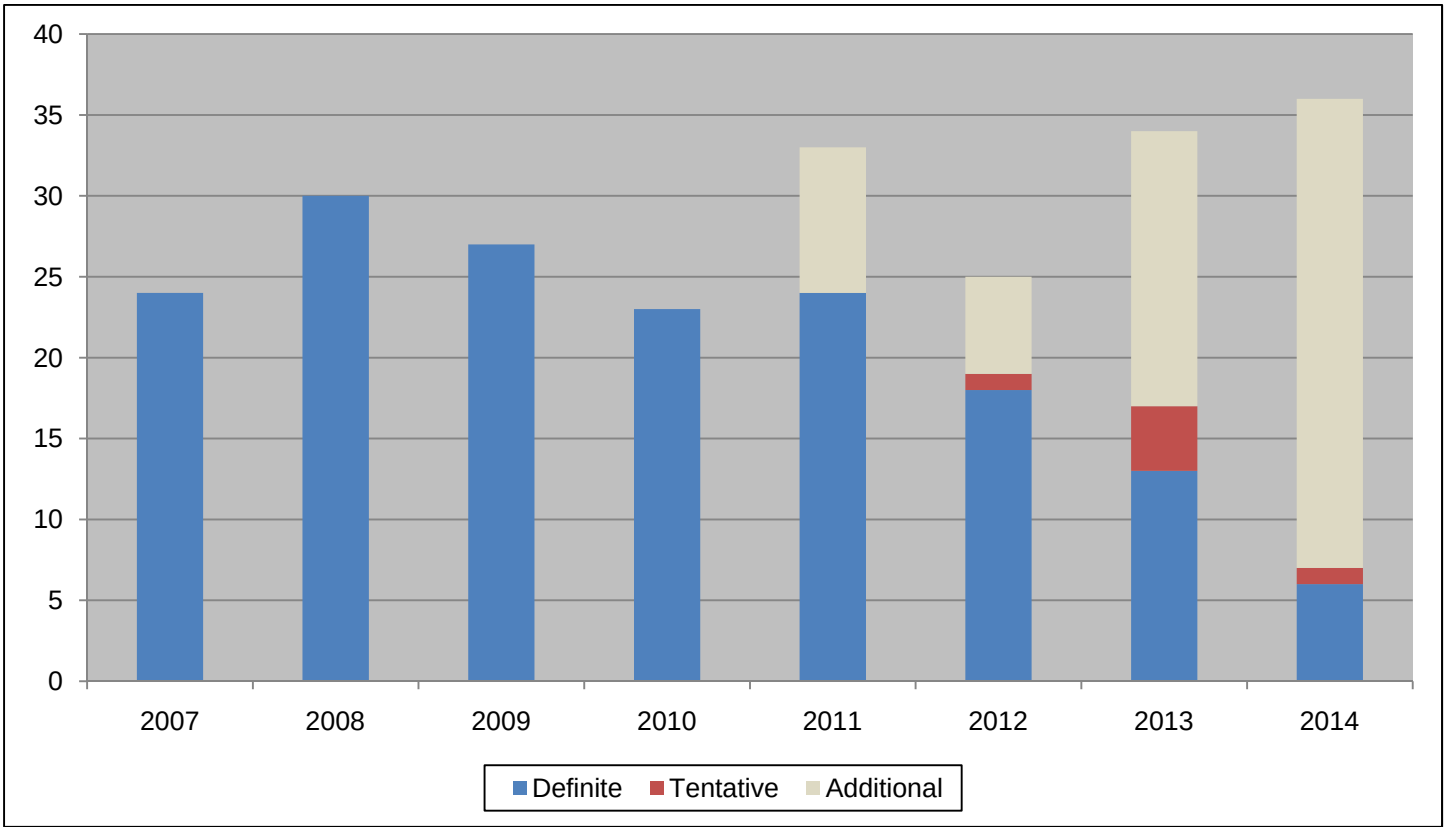


Eight Year Dynamic Room Night Pace Report
(As of 11/1/10) Trends Analysis Projections, LLC

	2010	2011	2012	2013	2014	2015	2016	2017	Total
Charlotte Definite Room Nights	371,805	218,201	124,084	51,565	48,833	13,483	0	5,937	833,908
Pace Target	312,766	203,059	127,882	78,582	47,443	26,233	10,806	5,571	812,342
Pace Percentage	119%	107%	97%	66%	103%	51%	0%	107%	103%
Tentative Room Nights	19,159	65,289	195,886	144,722	117,079	82,404	49,809	0	674,348
Consumption Benchmark	314,996	314,996	314,996	314,996	314,996	314,996	314,996	314,996	2,519,968
Peer Set Pace Percentage	99%	91%	85%	81%	79%	129%	117%	119%	94%

Peer Set Data includes Charlotte, Baltimore, Louisville, Pittsburgh and Tampa

Charlotte Convention Center
Tradeshow & Convention Booking Outlook
(As of 12/210)



Charlotte Convention Center
Tradeshow & Convention Booking Outlook
(As of 12/2/10)

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014
Definite Bookings	24	30	27	23	24	18	13	6
Tentative Bookings	0	0	0	0	0	1	4	1
Subtotal	24	30	27	23	24	19	17	7
Definite Target	20	21	26	30	33	25*	34*	36*
Variance	4	9	1	-7	-9	-6	-17	-29

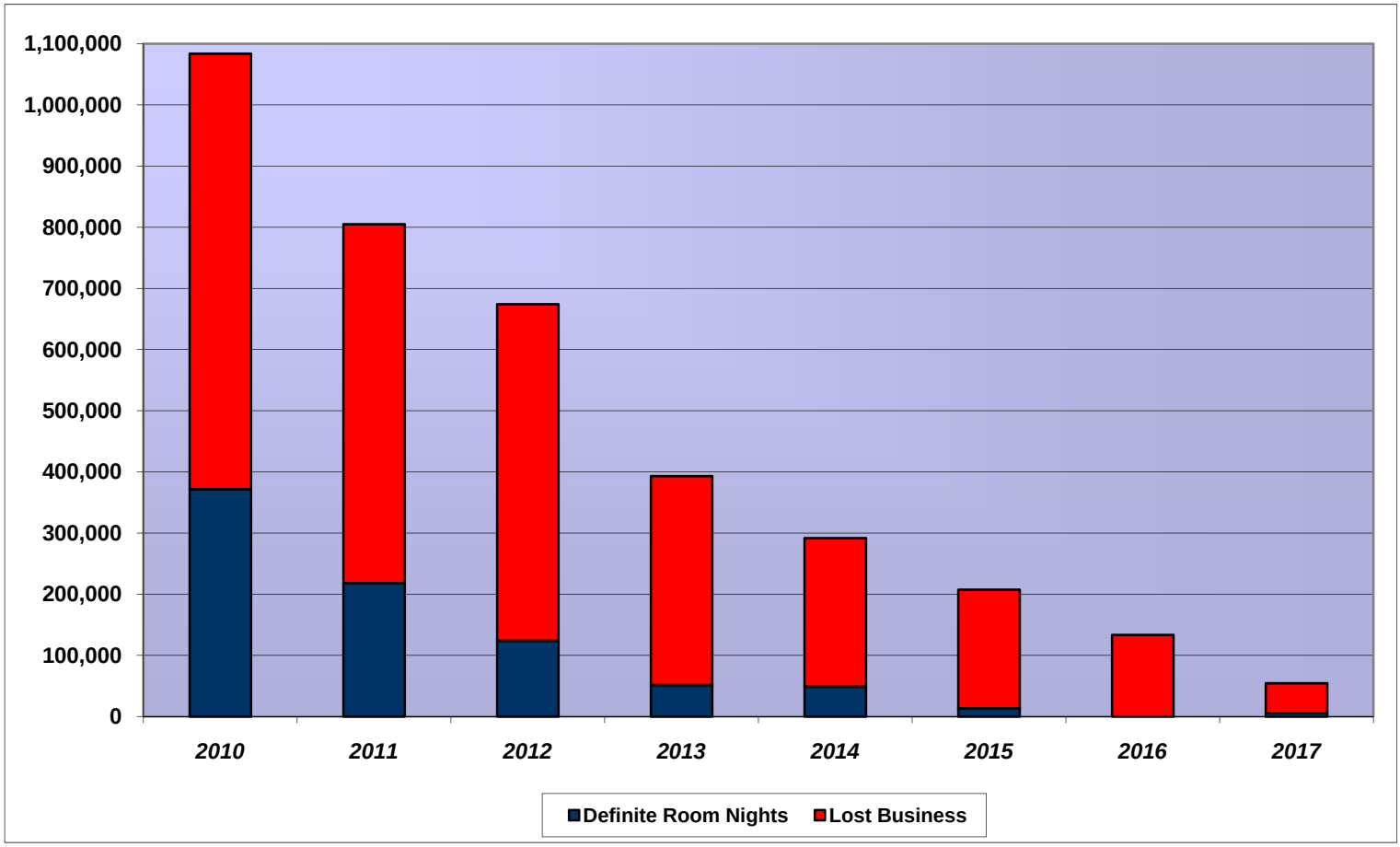
*new goal beginning FY11

HOSPITALITY INDUSTRY SALES ACTIVITIES
November 2010

Site Visits			
Group Name	**Venue**	**Total Room Nights**	**Total Attendance**
DEFINITES			
N/A	-	-	-
TENTATIVES			
Omega Psi Phi Fraternity (May 2012)	Hotel	450	400
USA Track & Field (June 2012)	UNCC	2,900	4,000
Electron Ion Photo Beam and Nano Fabrication Technology	CCC	1,275	500
National Baptist Convention (August 2013)	CCC	11,825	12,000
State Games of America (August 2013)	CCC	TBD	TBD
Association of Rehabilitation Nurses (September 2013)	CCC	1,980	3,000

Trade Shows & Events (attended by staff)	
Event Name	**Location**
Association Executives of North Carolina Meeting & Sales Calls	Raleigh, NC
Customer Advisory Board Meeting	Charlotte, NC
Germany Sales Mission	Germany
Kansas City Sales Calls	Kansas City, MO
Meeting Professionals International Carolina Chapter Meeting	Greenville, SC
Meeting Professionals International Minnesota/Wisconsin Chapter Meeting	Minneapolis, MN
National Softball Association Annual Convention	Panama City, FL
North Carolina Travel and Tourism Coalition Board Meeting	Asheville, NC
United States Specialty Sports Association Annual Convention	Daytona Beach, FL

Visit Charlotte Pace vs. Demand Comparison – Lost Business (As of 11/1/10)Trends Analysis Projections, LLC



Visit Charlotte Pace vs. Demand Comparison – Lost Business (As of 11/1/10)Trends Analysis Projections, LLC

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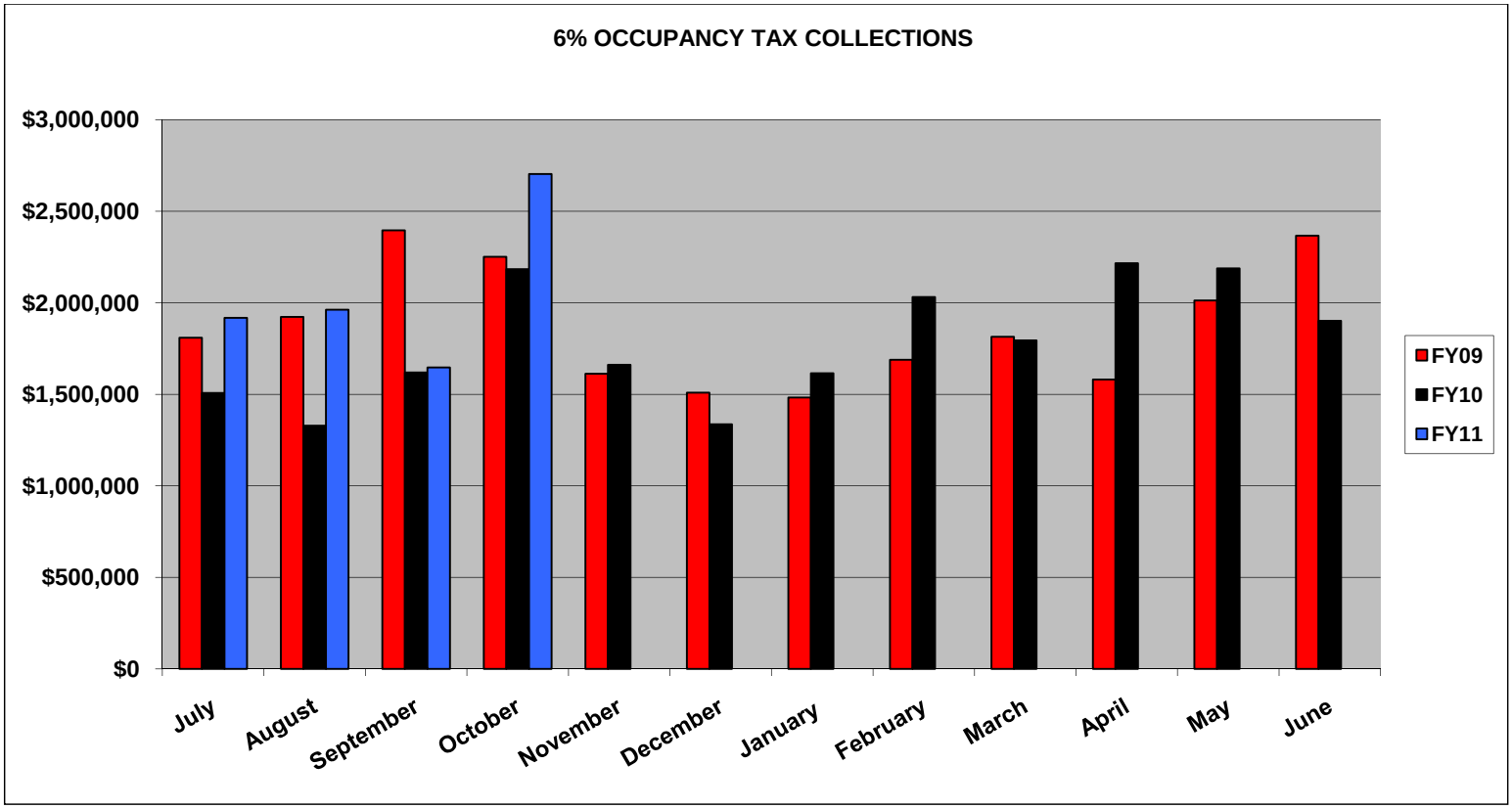
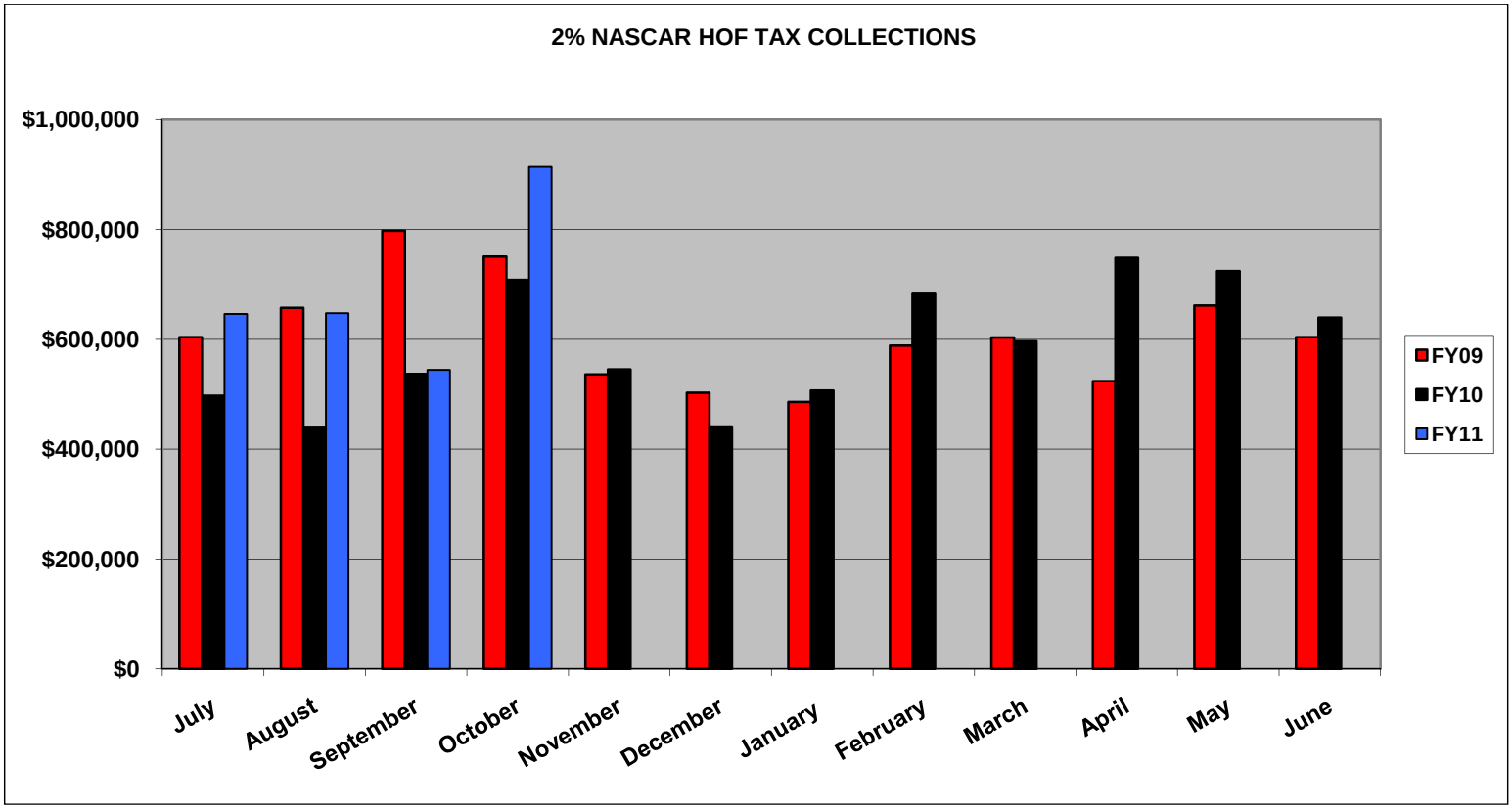
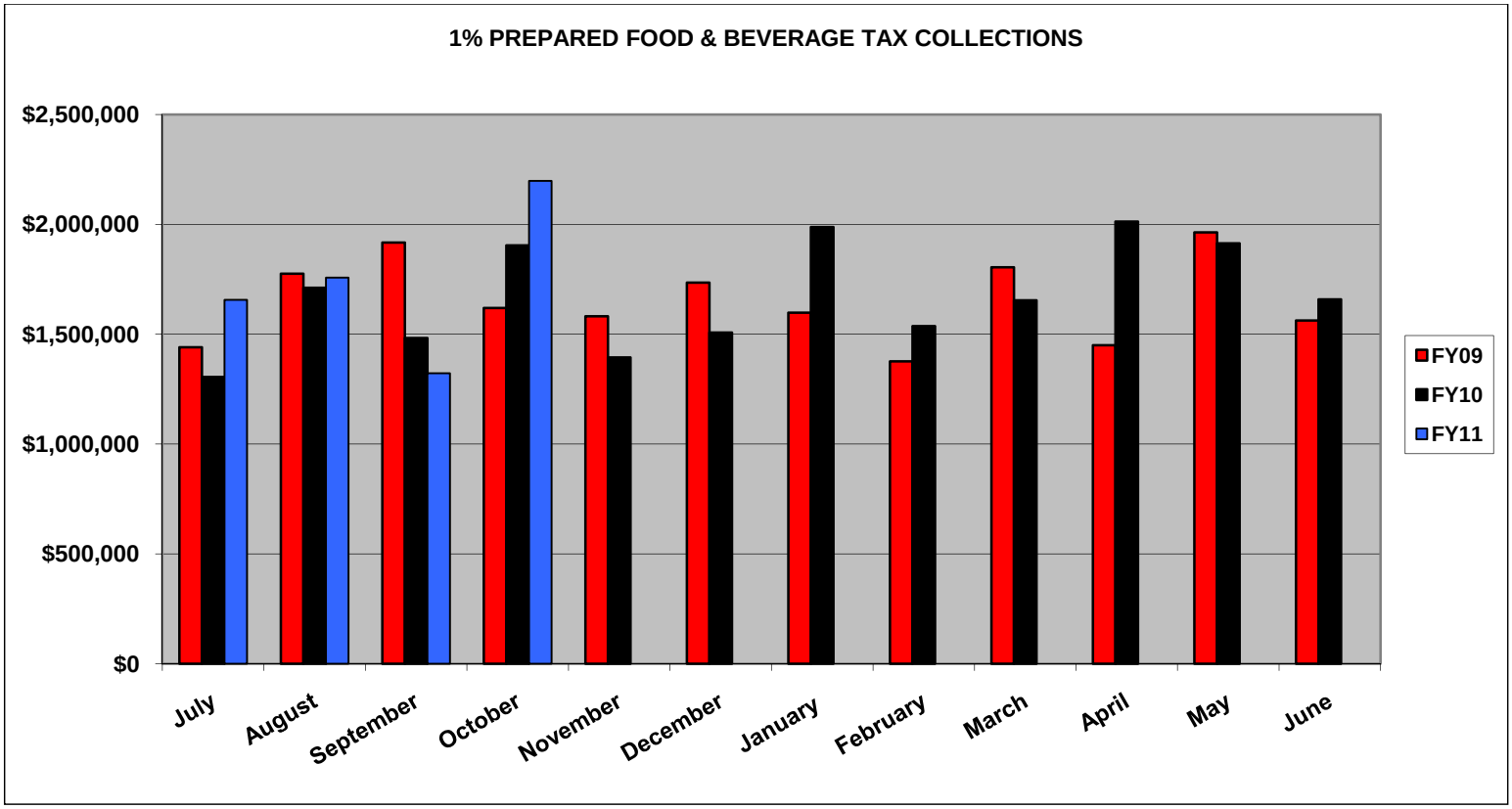
Pace Target	312,766	203,059	127,882	78,582	47,443	26,233	10,806	5,571	812,342
Pace Percentage	119%	107%	97%	66%	103%	51%	0%	107%	103%
Total Demand Room Nights	1,083,799	805,025	674,230	393,186	291,753	207,441	133,548	54,464	3,643,446
Lost Room Nights	711,994	586,824	550,146	341,621	242,920	193,958	133,548	48,527	2,809,538
Conversion Percentage	34%	27%	18%	13%	17%	6%	0%	11%	23%
Peer Set Conversion Percentage	27%	23%	18%	19%	18%	24%	24%	18%	23%

Peer Set Data includes Charlotte, Baltimore, Louisville, Pittsburgh and Tampa


6% OCCUPANCY TAX COLLECTIONS
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
July
August
September
October
November
December
January
February
March
April
May
June
FY09
FY10
FY11


2% NASCAR HOF TAX COLLECTIONS
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
July
August
September
October
November
December
January
February
March
April
May
June
FY09
FY10
FY11



THE ECONOMY
October 2010

	2009	2010	% Change
Consumer Confidence Index	49.5	49.9	0.8%
Consumer Price Index (CPI)	216.177	218.711	1.2%
Unemployment Rate			
- National	10.1	9.6	-5.0%
- State	10.9	9.6	-11.9%
- Local	12.0	Available 12/7/10	Available 12/7/10