Council-Manager Memo #21
Friday, March 22, 2013

CHARLOTTE

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WEEK IN REVIEW:

Mon (Mar 25)	Tues (Mar 26)	Wed (Mar 27)	Thurs (Mar 28)	Fri (Mar 29)
3:30 PM Community Safety Committee, Room 280 5:00 PM Council Business Meeting, Room 267 6:30 PM Citizens' Forum, Meeting Chamber	5:30 PM Metropolitan Transit Commission, 4430 Mint Hill Village Lane Mint Hill, NC	NCLM Town Hall Day Local Government Federal Credit Union (LGFCU) Conf. Center Raleigh, NC	12:00 PM Transportation and Planning Committee, Room 280	GOOD FRIDAY HOLIDAY

CALENDAR DETAILS:

Monday, March 25

3:30 pm Community Safety Committee, Room 280
AGENDA: Draft FY14 Focus Area Plan; Firearms regulation

5:00 pm Council Business Meeting, Room 267

6:30 pm Citizens' Forum, Meeting Chamber

Tuesday, March 26

5:30 pm Metropolitan Transit Commission, 4430 Mint Hill Village Lane, Mint Hill NC
AGENDA:

Wednesday, March 27

NCLM Town Hall Day, Local Government Federal Credit Union (LGFCU) Conference Center, Raleigh NC

Thursday, March 28

12:00 pm Transportation and Planning Committee, Room 280
AGENDA: Blue Line Extension transit station area plans; Parking and housing issues hear colleges and universities; Park Woodlawn area plan

Friday, March 29

GOOD FRIDAY HOLIDAY 1

March and April calendars are attached (see "Calendar.pdf").

AGENDA NOTES:

Agenda Item #10 – Rezoning Petition 2013-039

Staff Resource: Tammie Keplinger, Planning, 704-336-5967, tkeplinger@charlottenc.gov

A public hearing on rezoning petition 2013-039 for a text amendment to Sections 2.201, Table 9.101, 9.1003, and 9.1103 of the Zoning Ordinance was held on March 18, 2013. The amendment proposes to add a new definition for brewery and modify the prescribed conditions for breweries in the U-1, I-1 and I-2 zoning districts.

Several potential or existing breweries approached staff last year with a desire to increase opportunities for microbrewery development. In January 2013, Planning staff invited interested citizens to participate on a Citizen Advisory Group to review and make recommendations for changes to zoning standards for breweries.

Staff proposes to expedite this text amendment to respond to pending development proposals.

On March 20, 2013, the Zoning Committee of the Planning Commission held a special meeting to consider a recommendation on this petition. The Committee unanimously found the petition to be consistent with adopted plans and policies and to be reasonable and in the public interest and voted unanimously to recommend approval of the text amendment **(see "2013-039 Recommendation.pdf", "2013-39 Amendment.pdf" and "2013.39 Matrix.pdf").**

Agenda Item #11 – Rezoning Petition 2013-005
Staff Resource: Tammie Keplinger, Planning, 704-336-5967, tkeplinger@charlottenc.gov

A new public hearing on rezoning petition 2013-005 for the Knight's Stadium was required due to an advertising error. The new hearing was held on March 18, 2013. In order to avoid further delays for the petitioner, staff has requested that the Council render a decision on this petition at the March 25, 2013 Business Meeting.

The property is surrounded by Graham Street, W. 4th Street, Mint Street and Martin Luther King, Jr. Boulevard. The proposed request would allow rezoning from UMUD-O, uptown mixed use district – optional, to UMUD-O, SPA uptown mixed use district – optional, site plan amendment. The property is located in Council District 2 (Mitchell).

On March 20, 2013, the Zoning Committee of the Planning Commission held a special meeting to consider a recommendation on this petition. The Committee unanimously found the petition to be consistent with the Charlotte Center City 2020 Vision Plan and to be reasonable and in the public interest and voted unanimously to recommend approval of the petition as modified.

The Zoning Committee recommendation with the noted modifications is attached **(see "2013-005 Recommendation.pdf").** In addition, the petitioner has provided a full site plan package for each Council member (included in Council's mail packets) and a letter of support from Third Ward attached **(see "Letter.pdf")** below.

Agenda Item #20G – Appointments to Charlotte-Mecklenburg's Arts and Culture Public-Private Task Force
Staff Resource: Stephanie Kelly, City Clerk, 704-336-4515, sckelly@charlottenc.gov

Enclosed in Council's mail packets is a memo from the City Clerk listing the names of nominees to the Charlotte-Mecklenburg Art and Culture Public-Private Task Force. Council is asked to vote on their blue paper for two of the six nominees.

PULLED: Agenda Item #27 – Refuse Truck Tires
Staff Resource: Victoria Johnson, Solid Waste Services, 704-336-3410, vojohnson@charlottenc.gov

Staff has pulled this item, regarding the procurement of tires for refuse trucks, from Monday night's agenda. This item was pulled because all bids have been rejected due to an ambiguity in

the City's bid documents about how quantity would come into play in determining the lowest cost bid. Shared Services-Procurement is currently working on a contract amendment in the amount of $95,000 for the City Manager's signature that extends the current contract from March 31, 2013 through the end of April 2013. A new invitation to bid is currently being developed.

INFORMATION:

City Council Acquisition of Land South of the New Runway
Staff Resource: Jerry Orr, Aviation, 704-359-4000, tjorr@charlotteairport.com

The Airport's new third parallel runway opened in January 2010. In preparation for its design and construction, the Airport undertook an Environmental Impact Study (EIS) that considered, among other things, what impact noise from aircraft operating on the new runway would have on the community. Between 1995 and 2001, the Airport routinely communicated with Council and the community on the EIS process, explaining that a number of homes to the South of the new runway (Southern Properties) would be identified for acquisition by the City through the Airport Noise Mitigation Program (Part 150 Program) due to the anticipated new noise. However, the FAA did not ultimately approve the acquisition of the Southern Properties by the City through the Part 150 Program. However it did approve other Airport noise mitigation efforts. A map of the Southern Properties is attached **(see "Map.pdf")**.

Last year, a number of plaintiffs sued the City based on allegations of inverse condemnation due to aircraft noise. Eight of the 48 plaintiffs own homes in the Southern Properties. Settlement negotiations are ongoing in this litigation.

In the years since the EIS was submitted, the Airport has continued to grow and it is now clear that the land on which the Southern Properties are located is needed for future development of the Airport. The FAA agrees with this assessment and, on February 13, 2013, approved a new Airport Layout Plan (ALP) which includes the Southern Properties as land to be acquired.

FAA approval of the ALP means that the cost of acquiring the Southern Properties is now eligible for FAA funding through the Airport Improvement Program (AIP) grant process and with Passenger Facility Charge revenues. The Airport therefore intends to proceed with negotiating voluntary acquisitions of the Southern Properties which, if successful, could contemporaneously settle the lawsuits of the eight plaintiffs.

The Airport will pay for those properties that can be voluntarily acquired using Airport Discretionary Funds to be repaid by future issuances of General Airport Revenue Bonds, AIP Grants or Passenger Facility Charge revenues. The Aviation Director therefore anticipates coming to Council in April with a Request for Council Action seeking to appropriate approximately $35 million, the estimated total amount needed to acquire all the Southern Properties.

City Source Tells Stories of Citizen Service
Staff Resource: Sherry Bauer, Corporate Communications & Marketing, 704-336-2459, sbauer@charlottenc.gov

City Source is the City of Charlotte's unique 30-minute program for citizens to learn about the City's services as well as how its employees serve the community. The program airs the first and third Thursday of each month at 7 p.m. on Cable 16 (Time Warner Cable), AT&T U-verse and is streamed LIVE online at www.charlottenc.gov.

In the Mar. 21 – Apr. 4 edition, viewers can check out how Charlotte's Center City is helping to drive the region's economy. Viewers will also see segments on planning for the future 'Queen City, Clean Streams, Green Lawns, Water Watchers' app and CMPD's North Division.

This information is also promoted in CMail, the City's electronic newsletter emailed to more than 1,100 subscribers and distributed by City departments whose services, programs and employees are featured in an upcoming episode. (see "CitySource.pdf" for flier).

March 22 State Legislative Update
Staff Resource: Dana Fenton, City Manager's Office, 704-336-2009, dfenton@charlottenc.gov

Attached **(see "Legislative Report.pdf")** is the Week 8 Legislative Report, which includes updates on all bills of interest to the City of Charlotte.

Four topics of special interest in this week's report are: (1) the Airport Authority bill (SB 81) has not been calendared for a hearing by the House Transportation Committee as bill sponsors are awaiting the State Treasurer's report on the disposition of outstanding bonds issued by the City for airport purposes; (2) Panther's Stadium bill (HB 193) could be heard as early as Tuesday, March 26 by the House Finance Committee as the bill was reported favorably by the occupancy tax subcommittee of House Finance on Thursday, March 21; (3) first tax reform proposals were introduced in the Senate this week, which staff is analyzing and evaluating; and (4) Governor released his budget proposals on Wednesday, which staff is analyzing and evaluating. If there are any breaking updates to these and other issues, staff will inform Mayor and Council.

A reminder to Council that the North Carolina League of Municipalities will hold Town Hall Day on Wednesday, March 27. The League will start off the day with briefings at 9 a.m.,10 a.m. and 11 a.m. at the Local Government Federal Credit Union (LGFCU) Conference Center. Afterwards, Council members are encouraged to visit with Delegation members. Intergovernmental Relations staff will be on hand to provide assistance.

February 27 Metropolitan Transit Commission Meeting Summary
Staff Resource: Carolyn Flowers, CATS, 704-336-3855, cflowers@charlottenc.gov

At its meeting on Wednesday, February 27, 2013, the MTC had one action item and heard two information items:

Regional and UNC Charlotte Services
MTC members unanimously approved a resolution to continue the cost sharing agreements for express bus and shuttle services with the City of Concord, City of Gastonia, City of Rock Hill, Union County, the University of North Carolina at Charlotte and Wells Fargo. The contracts will begin in FY2013. Each contract term will be one year with options for four one-year renewals.

LYNX Blue Line Extension (BLE) Project Financing
Greg Gaskins, Director of Finance for the City of Charlotte, presented the City's proposed financing plan for the BLE. The Interlocal Agreement that formed MTC provides for the City of Charlotte to finance debt for CATS projects. The BLE is funded with federal, state and local funds. Both the Federal Transit Administration and the North Carolina Department of Transportation have signed Full Funding Grant Agreements with the City of Charlotte to fund a portion of the project. However, there are factors in the market place that cannot be controlled. Sales tax revenue is sensitive to economic conditions. In addition, revenue challenges with federal and state funding partners have led to a gap in the project's projected revenue stream. The state has indicated that they will pay $25 million a year over a ten-year period rather than reimbursing costs in the year in which funds they occur. The President's budget last year included an appropriation for $70 million for the BLE, but those funds were not appropriated. To provide necessary cash flow for the project in potentially challenging economic times, the City's proposed financial plan creates a new method of allocating sales tax to debt service, operating and revenue reserves. This system will leave CATS' existing $100 million reserve to deal with challenges on the capital side and creates a traditional revenue bond model for the operations side, creating a reserve based on sales tax projections on a level scale. The sales tax allocation will follow the trend line to smooth volatility; the reserve can be drawn on to make the model level.

The financial model is conservative in terms of money flow. The primary goal is to ensure that bonds hold the highest rating possible, that they receive Local Government Commission approval and impact operations minimally. The City feels that there may be better results than the model suggests. There will be three separate parts to the bond. If there are better results than the model suggests, later borrowings may be less than projected. However, MTC members expressed concern over the plan's operating reserve, to be funded from sales tax projections. The model has a shortfall of $20 million, which would impact operations.

FY2014-2015 Operating Program
Staff provided an overview of core services in bus and rail. CATS is managing bus operations for efficient management with limited growth. Growth is possible within existing budget parameters through managing costs and reallocating service hours to maintain service quality. CATS seeks service funding partners and grant opportunities to fund service expansion. Technology now allows Special Transportation Services passengers to schedule rides through web scheduling. Rail Operations will move forward with the Capital State of Good Repair program to maintain LYNX cars and Automatic Train Protection upgrades and modifications, in addition to other maintenance expansion areas needed to keep the system in good running

order.

CATS CEO Report
Under the CEO's report, Carolyn Flowers discussed:

a. **March MTC Meeting**:
   March 27, the scheduled date for the March MTC meeting, is Town Hall Day in Raleigh. The Town of Mint Hill volunteered their Assembly Room for a rescheduled meeting. In order to ensure a quorum, members agreed to meet at the Mint Hill Town Hall at 5:30 p.m. on Tuesday, March 26.
b. **MTC Financing Policy**:
   The BLE Financing model may lead to recommended changes in the debt policy. There is a full LGC meeting on April 2. In order for the BLE's Financing model to be considered at that meeting, MTC members must consider and act on proposed financial policy changes at the March meeting. There is a need to present the plan at the April 2 LGC meeting; since the project did not receive Federal appropriations last year and State allocations are constrained, there will be no funding to continue the BLE project after April.

The next MTC meeting will be Tuesday, March 26, 2013 at 5:30 p.m. at the Town Hall in Mint Hill, 4430 Mint Hill Village Lane, Mint Hill, NC

ATTACHMENTS:

City Council Follow-Up Report **(see "Follow Up.pdf")**

Contents include:
--Blue Line Extension Schedule and Financial Update
--Credit Card Machines in Taxis/Black Town Cars at Hotels