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WEEK IN REVIEW:

Mon (June 8)	Tues (June 9)	Wed (June 10)	Thurs (June 11)	Fri (June 12)
5:00 PM Council Workshop, Room 267		12:00 PM Housing and Neighborhood Development Committee, Room 280	12:00 PM Community Safety Committee, Room 280	
6:30 PM Council Business Meeting/ Budget Adoption, Meeting Chamber		2:00 PM Environment Committee, Room 280	2:00 PM Economic Development & Global Competitiveness Committee, Room CH-14	

CALENDAR DETAILS:

Monday, June 8

- 5:00 PM Council Dinner Briefing, Room 267
- 6:30 PM Council Business Meeting/Budget Adoption, Meeting Chamber

Wednesday, June 10

- 12:00 PM Housing & Neighborhood Development Committee, Room 280
AGENDA: Emergency solution grant funding recommendations; Comprehensive neighborhood improvement program
- 2:00 PM Environment Committee, Room 280
AGENDA: Charlotte Water's major capital projects; Update on Focus Area Plan

Thursday, June 11

- 12:00 PM Community Safety Committee, Room 280
AGENDA: Towing and booting businesses ordinance; Public safety zones
- 2:00 PM Economic Development & Global Competitiveness Committee, Room CH-14
AGENDA: Applied innovation corridor update; Business investment grant update

June and July calendars are attached.



June-July 2015.pdf

AGENDA NOTES:

Agenda Item #19 – LYNX Blue Line Extension – Civil Construction and Construction Services Amendments

Staff Resource: Danny Rogers, CATS, 704-432-3033, drogers@charlottenc.gov

Attached is the Request for Council Action for Item #19 for the June 8, 2015, Business Meeting. Staff is requesting approval to amend the contract with Balfour Beatty Infrastructure, Inc./ Blythe Development Company (Joint Venture), HNTB North Carolina PC and STV Inc. to accelerate the construction work associated with the Blue Line Extension light rail project. The additional cost to accelerate the work is within the original budget for the project.

Action A will amend the contract for work in Uptown Charlotte associated with Civil Segment A of the project. Action B will amend the contract with the construction management company, HNTB, due to the accelerated amount of construction activity in the project overall. Finally, Action C will amend the contract for design services associated with the project.

These amendments are necessary to help maintain the project's planned opening of summer 2017, minimize construction impacts on residents, businesses and commuters, and maintain schedules for the follow-on contractors for track and systems work, station finishes and other work.

Please see the attached Request for Council Action for more detailed information. Also attached is a press release and Frequently Asked Questions that will be provided to the media.



PULLED Agenda Item #27 – University of Chicago Research Project for Charlotte-Mecklenburg Police Department

Staff Resource: Rodney Monroe, CMPD, 704-336-2337, rmonroe@cmpd.org

In partnership with the White House, and as a part of President Obama's 21st Century Policing initiative, CMPD was offered the opportunity to collaborate with the University of Chicago to design an Early Intervention System software prototype for law enforcement nationwide.

However, in light of the feedback received regarding the release of personnel data, CMPD has requested that this item be pulled from the agenda until further notice. CMPD staff will hold further discussions with the University of Chicago to develop additional data encryption and safeguards during file transfers.

Agenda Item #52 – Sale of Property: 1215 South Boulevard

Staff Resource: Tony Korolos, E&PM, 704-249-6148, tkorolos@charlottenc.gov

In Item #52 on the June 8 Council Agenda, City Real Estate staff recommends the sale of the property at 1215 South Boulevard to Lat Purser & Associates. Another party, Mr. Ray Farris, has signed up to speak to Council. Mr. Farris submitted an offer on the property but it was not the highest offer.

The .512-acre parcel and building, most recently used as a Fire Investigation facility, has a current appraisal of \$1,637,300. Lat Purser & Associates offered \$1,650,000 with 75 days of due diligence. This reflects the highest price and best terms compared to all other received offers. Council's approval of the sale will initiate the upset bid process, during which other interested parties can submit offers of at least 5% plus \$50 above the standing offer, with similar terms.

INFORMATION:

July 14 – CityLYNX Gold Line Service Grand Opening Ceremony

Staff Resource: John Muth, CATS, 704-336-3373, jmuth@charlottenc.gov

Please join U.S. Transportation Secretary Anthony R. Foxx and Charlotte Mayor and Metropolitan Transit Commission Chair Daniel G. Clodfelter for the ribbon cutting and grand opening of the CityLYNX Gold Line Phase 1 service.

When: July 14, 2015
Where: Time Warner Cable Arena
(on plaza adjacent to the Charlotte Transportation Center)
333 East Trade Street
Charlotte, N.C. 28202
Time: 10:00 A.M. – 11:00 A.M.



COME CELEBRATE

Join U.S. Transportation Secretary Anthony R. Foxx and Charlotte Mayor and Metropolitan Transit Commission Chair Daniel G. Clodfelter for the ribbon cutting and grand opening of the CityLYNX Gold Line service.

WHEN July 14, 2015

WHERE Time Warner Cable Arena
333 East Trade Street
Charlotte, NC 28202

TIME 10:00 A.M. – 11:00 A.M.



Catawba-Wateree Drought Management Advisory Group Regional Status Update

Staff Resource: Barry Gullet, Charlotte Water, 704-336-4962, bgullet@charlottenc.gov

On June 1, 2015 the Catawba-Wateree Drought Management Advisory Group (CW-DMAG) reported Normal Conditions for the region. Data suggests the region is close to an escalated drought stage but additional water management actions are not required at this time. The CW-DMAG checks the drought condition at the beginning of each month and will provide an update July 1 that includes the status of remaining usable water storage and streamflow.

Under the CW-DMAG's Low Inflow Protocol (LIP), 2015 data was collected through May 31 and used to determine if conditions warrant status escalation to Stage 0 or higher. The CW-DMAG

compares data such as lake storage indices and streamflow ratios to LIP thresholds to set the stage. Higher stage conditions call for specific water management actions such as strategic hydroelectric flow management, limited residential irrigation, and reduced vehicle washing, including up to mandatory water use restrictions in more severe stages.

During the intense drought that occurred 2007-2008, the CW-DMAG mobilized as a parallel group to the Catawba-Wateree Water Management Group to put into action the LIP drought response plan. The goal of the LIP is to reduce water withdrawals and make hydroelectric operational adjustments on a river basin-wide scale to conserve supplies until drought conditions have abated. The LIP classifies drought severity into five Stages (0-4) and describes minimum action to be taken based on drought stage. It is estimated that during the LIP implementation for the 2007-2008 drought, the Catawba-Wateree Water Management Group collectively conserved an estimated 25 billion gallons or an average conservation rate of 36 million gallons a day.

CW-WMG's membership is made up of representatives from agencies such as Duke Energy, NC Department of Environment & Natural Resources, SC Department of Health & Environmental Control, US Geological Survey, several non-profit organizations and many NC & SC municipalities, as well as the 18 public water supply systems in the Catawba-Wateree river basin.

Staff will notify council and discuss impacts if the stage escalates next month.

Regional Wastewater Treatment Plan Gets State Approval

Staff Resource: Barry Gullet, Charlotte Water, 704-336-4962, bgullet@charlottenc.gov

The North Carolina Department of Environment and Natural Resources has approved an Environmental Impact Statement (EIS) for a proposed regional wastewater treatment system. The EIS includes future construction of a new wastewater treatment plant that will protect water quality in Lake Wylie while providing needed wastewater treatment service for the City of Belmont, City of Mount Holly, and a significant portion of Mecklenburg County. The EIS covers several projects which will be constructed in phases over the next decade or longer to meet regional needs.

This regional solution calls for older wastewater plants in Belmont and Mount Holly to be eliminated when the new plant is completed. The new plant, which will be located on land that was formerly part of an industrial site near the U.S. National Whitewater Center, will provide a higher level of treatment including removal of nutrients (nitrogen and phosphorus) from the wastewater that will protect Lake Wylie's water quality as the population of the region grows.

Belmont, Mount Holly, and Charlotte Water have been working on the regional solution since before 2007. The regional system is needed because the older plants won't meet wastewater treatment needs to protect Lake Wylie without major upgrades and major costs, more capacity is needed to support growth in the region, and a regional approach has been determined to be

the most protective of the environment and the most cost effective for the partners. The next steps are to complete the environmental permitting process, finalize operating agreements between the partners, and develop a timeline for construction. It is expected that the regional system will be implemented in phases over the next 10 – 15 years and that it will serve the region's needs for many years to come.

Citygram Web Application to Include Rezoning Notifications

Staff Resources: Jeffrey Stovall, Innovation & Technology, 704-336-2460 jstovall@charlottenc.gov

Twyla McDermott, Innovation & Technology, 704-451-0555 tmcdermott@charlottenc.gov

Melony McCullough, Planning, 704-336-5993, mmccullough@charlottenc.gov

The City of Charlotte recently partnered with the Code for Charlotte Brigade to debut a new feature within the [Citygram](#) web application allowing residents to receive mobile updates when rezoning plans are submitted to the city for review. The announcement comes in conjunction with the National Day of Civic Hacking and the [Spark Conference](#) that provides training and networking opportunities for programmers.

With the addition of pending rezoning plans to the app, residents can subscribe to receive that information along with alerts for historic district reviews, land development, and accidents and roadway obstructions within an area of interest such as home or work. Subscribers can receive automatic notifications of nonemergency events within a specific area via text message or email.

To date, more than 200 residents have received 65,000 Citygram notifications. Citygram is the web application developed by Charlotte's 2014 Code for America fellows and managed by [Code for Charlotte Brigade](#), a network of local volunteers, which utilizes operational data within the city's [Open Data Portal](#) to present information to residents in a meaningful format.

Unified Communications & Collaboration – Telephony IP Infrastructure

Staff Resource: Bellverie Ross, Innovation and Technology, 704-336-2460, bröss@charlottenc.gov

The City's existing AT&T Centrex telephone system, which provides desktop phone service to City users, is reaching end-of-life and must be replaced as AT&T has officially informed the City of the sunset of the system in October 2019. Innovation & Technology intends to replace the system with a Cisco telephone system that operates using the City's data network ("voice over IP"). The existing Cisco voice over IP telephone system was put in place in June of 2012 to replace another end-of-life telephone system for five contact centers including 311, CMPD, CATS, Finance, Innovation & Technology, and Charlotte Water. Today, the existing system processes over 4 million calls annually from residents and employees.

To acquire the first Cisco IP telephone system, the City leveraged its existing Charlotte Cooperative Purchasing Alliance (CCPA) contract with NWN Corporation for Cisco products and services. The NWN contract was awarded by City Council on April 11, 2011 after a competitive bid process. The NWN contract was later amended in June 2012 to facilitate the hosted IP

telephony system. The contractual term of the existing telephony system expires June 15, 2015. Another contract amendment is required in order to continue using the system, and to expand the IP telephone system throughout the City.

The amendment to the NWN CCPA contract will include:

- Renewal of services for existing use by contact centers and standard users;
- Addition of e911 system mandated by the FCC to determine end user location in case of emergency;
- Expansion of the IP telephone system to other City departments. Expansion is estimated to take three years, and operational costs are accounted for by retirement of the AT&T Centrex system on a per user basis.

The contract amendment can be made administratively since the new services are within the funding authorized in the original Council approval. The yearly additional spend on the existing NWN CCPA contract from June 15, 2015 through the end of the existing contract term in April 2018 is estimated to be approximately \$833,000. There will be provision for the renewal of the IP telephony system after April 2018, and it is anticipated that this would be approved through a future Council action. This new contract will be paid with funds currently used for the retiring Centrex system.

2015 State Legislative Report #17

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

Attached is the latest State Legislative Report.



final week 17
report.pdf

ATTACHMENTS:

April 2 Economic Development & Global Competitiveness Summary



EDSummary4-2-15.p
df

May 7 Economic Development & Global Competitiveness Summary



EDSummary5-7-15.p
df

June

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
	1 3:00pm Intergovernmental Relations Committee Mtg., Room 280 4:00pm Budget Straw Vote Conclusion and Council Workshop, Room 267	2 <div style="border: 1px solid black; background-color: #cccccc; padding: 5px; text-align: center;">Optional Council trip to Raleigh</div>	3	4	5	6
7	8 5:00pm Council Dinner Briefing, Room 267 6:30pm Council Business Mtg./Budget Adoption, Meeting Chamber	9	10 12:00pm Housing & Neighborhood Dev. Committee Mtg., Room 280 2:00pm Environment Committee Mtg., Room 280	11 12:00pm Community Safety Committee Mtg., Room 280 2:00pm ED & Global Competitiveness Committee Mtg., Room CH-14	12	13
14	15 5:00pm Zoning Meeting, Room CH-14	16 6:30pm Mayor Pro Tem Barnes Town Hall Mtg., CFD HQ – 500 Dalton Ave.	17	18	<div style="border: 1px solid black; background-color: #cccccc; padding: 10px;">US Conference of Mayors Annual Meeting San Francisco, CA</div>	
21	22 12:00pm Governance & Accountability Committee Mtg., Room 280 2:00pm City Manager's Update Meeting, Room CH-14 5:00pm Citizens' Forum/Council Business Meeting, Room 267	23	24 5:30pm MTC Meeting, Room 267 <div style="border: 1px solid black; background-color: #cccccc; padding: 10px; text-align: center;">Chamber Inter City Visit Nashville, TN</div>	25	26	27 9:00am District 4 Shred Event & Sustainability Fair, IKEA – 8300 Ikea Blvd.
28 <div style="border: 1px solid black; background-color: #cccccc; padding: 5px;">US Conference of Mayors Annual Meeting San Francisco, CA</div>	29	30			<div style="border: 2px solid black; background-color: black; color: white; padding: 20px; font-size: 2em; font-weight: bold;">2015</div>	

July

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
			1	2	3 Independence Day Holiday	4
5	6	7	8	9	10	11
12	13 3:00pm Transportation & Planning Committee Mtg., Room 280	14	15	16	17	18
19	20 12:00pm Governance & Accountability Committee Mtg., Room 280 5:00pm Zoning Meeting, Room CH-14	21	22 5:30pm MTC Meeting, Room 267	23	24	25
26	27 12:00pm City Manager's Evaluation, Room CH-14 5:00pm Citizens' Forum/Council Business Meeting, Room 267	28	29	30	31	

2015

19. Blue Line Extension Schedule Acceleration Amendments

Action:

- A. Authorize the City Manager to negotiate and execute contract amendment #1 for an amount not to exceed \$7,300,000 with Balfour Beatty Infrastructure, Inc./Blythe Development Company (Joint Venture) for the LYNX Blue Line Extension project - Civil A Construction,**

- B. Authorize the City Manager to negotiate and execute contract amendment #3 for an amount not to exceed \$10,000,000 with HNTB North Carolina PC for construction management consultant services for the LYNX Blue Line Extension project, and**

- C. Authorize the City Manager to negotiate and execute contract amendment #5 for an amount not to exceed \$2,200,000 with STV Inc. for design and construction management services for the LYNX Blue Line Extension project.**

Staff Resource(s): John Muth, CATS
Jeb Blackwell, Engineering & Property Management
Danny Rogers, CATS

Explanation

Background

- The Blue Line Extension has always been on an aggressive schedule to quickly and reasonably implement the service as initially planned.
- To do so, contracts such as Advanced Public Utilities A,B and C, Civil B/C, Civil A, and Track and Systems must work sequentially with overlapping contracting times. Some work cannot proceed until other work is completed.
- The aggressive schedule was adopted with the understanding that significant risks existed that lead work by earlier contractors may not be completed in time to begin some critical work of other follow-on contracts.
- All of the costs associated with these amendments can be accommodated within the current project budget. The funds would be provided by the existing project contingency, which is currently approximately \$189 million and well above the Federal Transit Administration required contingency level of \$90 million at this phase of the project.
- Without these amendments for acceleration, the overall project would encounter the following:
 - Significant delays, which could jeopardize status of the Full Funding Grant Agreement
 - Increased construction impacts on affected residents, businesses and commuters;
 - Incur significant costs in claims from the Joint Venture as well as the follow-on contractors for track and systems, station finishes, and parking garages due to extended overhead, increased material costs, and storage fees.

Action A

- On January 27, 2014, the City Council approved a construction contract with Balfour Beatty Infrastructure, Inc./Blythe Development Company (Joint Venture) for \$107,967,958.13 to perform civil construction for Segment A of the Blue Line Extension.
- Construction on the Civil A segment has taken longer than scheduled due to:
 - Additional testing required by the operating railroads in the corridor; and
 - Greater than anticipated excavation needs in some areas.
- Staff has worked with the Joint Venture to develop a recovery plan to accelerate work to maintain the projected opening for summer 2017. The recovery plan is designed to lessen impacts to residents, businesses and commuters as well as to follow-on contractors.
- Staff has negotiated at length with the Joint Venture and is ready to execute a contract amendment that provides the best opportunity to recover the Civil A contract schedule.
- Contract amendment #1 in the amount not to exceed \$7,300,000 will:
 - Settle all Contractor claims up to June 8, 2015;
 - Provide for the acceleration necessary to recover the key deliverables in the contract schedule; and
 - Maintain the contract's overall committed goal of 17.53% DBE participation.
- The contract amendment includes incentives for early delivery and cost efficient prosecution of the work acceleration as well as increased liquidated damages for delivery delays resulting from poor contractor performance.
- The contract amendment will be funded with project contingency; **the project remains within budget.**

Action B

- On November 12, 2012, the City Council approved Phase One of the construction management agreement with HNTB in the amount of \$3,000,000. Phase One was executed to allow work to begin while the primary contract and its cost was defined and negotiated.
- On June 10, 2013, the City Council approved Phase Two in contract amendment #1, in an amount of \$35,312,798 to bring the total contract value to \$38,312,798.
- On July 28, 2014, the City Council approved contract amendment #2, in an amount of \$6,651,708 to bring the total amount to \$44,964,506.
- Due to the increased construction activity required to recover the project schedule, the staffing for construction oversight must increase to ensure schedule and quality oversight.
- Contract amendment #3 in the amount not to exceed \$10,000,000 will provide the additional staffing and longer period of work required of the construction management consultant.

Action C

- On March 26, 2012, the City Council approved up to \$38,500,000 for a contract with STV Inc. for Design Services and construction management services during construction for the Blue Line Extension. The contract was executed at a lower amount (\$38,033,949) as the work needed to begin and some areas of the scope of the work were still being defined.
- On November 1, 2013, staff executed contract amendment #1 in the amount of \$439,379 to bring the total contract value to \$38,473,328. The amendment was

- within the City Council's original authorization and covered those work elements that had not been fully developed at the time the original contract was executed.
- On May 27, 2014, the City Council authorized \$4,500,000 to be added to the contract in contract amendment #2, bringing the total authorized to \$43,000,000. That amendment addressed the design and construction management costs of elements added to the Project due to project budget savings. Contract amendment #2 was executed at \$42,319,128, an amount lower than the City Council's authorization.
 - On November 17, 2014, staff executed contract amendment #3 in the amount of \$680,872 to bring the total contract value to \$43,000,000. The amendment was within the City Council's authorization and covered work elements that had not been fully developed at the time contract amendment #2 was executed.
 - On May 29, 2015, staff executed contract amendment #4, which involved no monetary change leaving the contract value at \$43,000,000. The amendment updated construction design and management work elements that better align the services with actual project needs and deliverables.
 - Due to the acceleration of construction activity for schedule recovery and additional scope for additional design, more design services during construction are required.
 - The new total value of the contract amendments including the current request of \$2,200,000 is \$45,200,000.

Disadvantaged Business Enterprise

Because federal funds are being requested, the contracts are required to adhere to Federal DBE requirements. DBE goals will be established as contracts and/or amendments to existing contracts are developed. Previous goals established will be maintained.

Fiscal Note

- Funding: Federal and State Grants, CATS Community Investment Plan



MOVING CHARLOTTE FORWARD

Blue Line Extension: Northeast Corridor

IMMEDIATE RELEASE

Friday, June 5, 2015

Contact: Krystel Green, 704-432-0496, kmgreen@charlottenc.gov

CATS to Request Blue Line Extension Contract Amendment from City Council

Charlotte, N.C. – On Monday, June 8, 2015, Charlotte Area Transit System will request that Charlotte City Council approve the request for the City Manager to negotiate and execute an amendments to the LYNX Blue Line Extension Project Civil A construction contract with Balfour Beatty Infrastructure, Inc./Blythe Development Company (Joint Venture) for a total amount up to \$7,300,000; HNTB North Carolina PC for management consultant services for a total up to \$10,000,000; and STV Inc. for design and construction management services for a total up \$2,200,000. **The overall project budget of \$1.16 billion will not change because of these amendments.**

These amendments are necessary to keep the project on schedule with an opening date of summer 2017. Approving the amendments will not cost taxpayers additional money due to the budget savings the project experienced when the contract was awarded in January 2014. With these amendments the contractors are able to do more work simultaneously, increase staff and provide more design services during construction, while recovering the contract schedule. Without these amendments, we expect the community would experience increased traffic delays and congestion due to the elongated construction time period. The project would also incur significant costs in contract claims due to extended overhead, increased material costs and storage fees.

This delay is due to additional testing required by the railroads that currently operate in the corridor. There was also more excavation that needed to be done than originally anticipated. In a large project like the Blue Line Extension, it is not uncommon to experience delays due to unforeseen circumstances. CATS is committed to working through those situations and delivering the Blue Line Extension Project to the community on time and within budget. These amendments will provide the best opportunity to meet the projected schedule date of summer 2017.

To learn more about CATS and its projects and services, visit www.ridetransit.org, or call 704-336-7433.

###END###





MOVING CHARLOTTE FORWARD

Blue Line Extension: Northeast Corridor

Blue Line Extension Schedule Acceleration Amendments

Presenting to Council: June 8, 2015

Key Messages and FAQs

Key Messages:

- 1.) The overall project budget of \$1.16 billion has not changed
 - 2.) No additional taxpayer funds required
 - 3.) Project remains on schedule
 - 4.) These amendments are necessary to help maintain the project's planned opening of summer 2017.
- The contract amendments are needed due to construction delays and to meet an aggressive schedule.
 - The Balfour Beatty Infrastructure/Blythe Development (Joint Venture) amendment is for a maximum of \$7,300,000.
 - This contract amendment will be covered from budget savings realized over a year ago at the time of the contract award. Danny Rogers spoke to this savings at the Council briefing in November 2014.
 - The HNTB North Carolina amendment is for a maximum of \$10,000,000
 - This contract amendment will address the need for additional staffing and will provide a longer period of work required by the construction management consultant.
 - The STV, Inc. amendment is for a maximum of \$2,200,000.
 - This contract amendment will address the need for additional design due to the increased scope resulting from increased construction activity.
 - If we do NOT accelerate, additional project costs could be incurred that would exceed the proposed amendment amounts.
 - These amendments are necessary to keep the project in line to open in the summer 2017 schedule. We are asking the contractors to expedite their work so the project can stay on schedule.
 - In the BLE project, Civil Segment A runs from Uptown to Old Concord Road. Civil Segment B/C runs from Old Concord to UNC Charlotte.

Frequently Asked Questions:

Are we still within budget?

Yes

Is this costing tax-payers more money?

No, the project is still within budget.

What is the cause, why did this occur?

Construction activity for Civil Segment A is taking longer than originally anticipated due to additional testing needed that is required by the operating railroads in the corridor and greater than anticipated excavation needs in some areas. Also, due to increased construction activity resulting from the accelerated construction schedule and to recover the project schedule, the construction management company staffing must increase. Likewise, due to the increased construction activity and scope for additional design, more design services during construction are required.

Will this work?

Increasing resources and accelerating construction work gives the project the best opportunity to recover the schedule and maintain the projected completion date of summer 2017.

Why is the project behind?

Regarding Civil Segment A, additional testing was required by the operating railroads in the corridor and excavation needs were greater than anticipated in some areas. Regarding the construction management and design, this amendment will ensure the project does not fall behind due to previously approved accelerated schedule from January, 26, 2015.

What happens if this doesn't work?

Project leaders meet weekly to go over project schedule and monitor achievement. CATS, Engineering & Property Management, the FTA and contractors feel confident this schedule is achievable.

Will this add more congestion and traffic delays?

Without these amendments, we expect the community would experience increased traffic delays and congestion due to the elongated construction time period that would result without it.



**CITY MANAGER'S OFFICE
M E M O R A N D U M**

June 5, 2015

TO: Ron Carlee, City Manager
Ron Kimble, Deputy City Manager

FROM: Dana Fenton, Intergovernmental Relations Manager

SUBJECT: 2015 State Legislative Report #17

Trending Topics

- **Senate sales tax redistribution** proposal is rumored to be unveiled next week, possibly in a Senate committee or as part of the Senate budget bill. We have been hearing that a compromise proposal will convert the local sales and use tax to a “State” tax, which will subject the revenues to the annual appropriations process and the General Assembly will be able to change the sharing formula at any time of their choosing. This one change will insert a much greater level of uncertainty into the annual appropriations process at both the State and local levels of government. We are also hearing that the proposal will be phased in over a four to five year period, share the 1% Article 39, ½% Article 40 and ½% Article 42 sales and use taxes on an 80% per capita and 20% point of destination basis, and expand the sales tax base.
- **Senate budget proposal** may not be ready to be debated and voted on the floor of the Senate next week, which would push it off until the week of June 15.
- **HB 168 and SB 321, Builder’s Exempt Inventory**, which excludes from property taxes any increase to the value of improvements made to real property held for sale by a builder for up to five years, will reportedly be substantially amended to mitigate its fiscal impacts to cities and counties.
- **SB 25, Zoning / Design & Aesthetic Control** legislation will be heard Monday, June 8 in House Regulatory Reform Committee at 3 pm. Seven members of the Committee represent Mecklenburg County – Dan Bishop, John Bradford, Rob Bryan, Tricia Cotham, Carla Cunningham, Rodney Moore and Jacqueline Schaffer. Amendments prepared by the NC League of Municipalities narrowing the scope of the bill and ensuring the bill’s provisions only apply to future developments will be run in Committee. On May 19, the Time-Warner Cable Channel 14 “Capital Tonight” program hosted a discussion on SB 25 that can be viewed [here](#).

State Budget

The House passed version of the **2015 Appropriations Act** ([HB 97 – Dollar, L. Johnson, McGrady and Lambeth](#)) includes the following sections of interest to the City:

- Of the projected \$400 million FY 2015 general fund surplus, \$200 million is directed to the State's rainy day fund and the remaining \$200 million to a State building repairs and renovations fund (Page 1 of Committee Report)
- Appropriates State share of funding for construction of the LYNX Blue Line Extension (\$25 million) and preserves funding for the State transit maintenance assistance program that provides funding to transit agencies, including CATS (Page 532 of Recommended Base Budget for Transportation)
- Appropriates \$40 million annually for the film and entertainment grant fund (Page L-2 of Committee Report)
- Enacts new historic preservation tax credit that was in HB 152 passed previously by House (Section 32.3)
- 2% pay increases for members of the Teachers and State Employees, Legislative, and Judicial Retirement Systems (Section 30.21)
- Appropriates \$5 million over two years for body-worn camera grant match program for local law enforcement agencies; for every grant dollar provided by the State, two dollars must be provided by the locality (Section 6.12)
- Appropriates additional \$1 million for public transportation grants (Page K-2 of Committee Report)
- Raises new revenues for State roads maintenance and port access needs of approximately \$175 million per year by increasing fees charged by the Division of Motor Vehicles by 30% effective January 1, 2016 (Section 29.30)
- Further adjust motor fuels excise tax rates by raising rate for diesel fuel from 35 cents to 36 cents per gallon and lowering rate for all other motor fuels from 35 cents to 33 cents per gallon. The net effect of the changes is to lower revenues available for transportation purposes by \$30.5 million in 2016 and \$28.7 million in 2017. Changes would be effective January 1, 2016. (Section 29.29)
- Powell Bill program that directs funding to cities for local road maintenance would be reduced by nearly \$7.7 million starting in the second year of the biennium FY 2017 due to lower motor fuels excise tax revenues. (Page K-1 of Committee Report) The fiscal impact upon the City of Charlotte in FY 2017 is approximately \$1 million.
- Appropriates \$1 billion over the biennium for the contract resurfacing program (Section 29.17A) with a proviso that \$302 million of this amount must be allocated by NCDOT on the basis of pavement conditions. (Section 29.16)
- Appropriates \$50 million as a debt service reserve if the Governor's proposed transportation bond proposal is passed by voters (Page K-26 of Committee Report)
- Committee Report can be accessed [here](#)

Sales Tax Redistribution

As introduced, the **Sales Tax Fairness Act (SB 369 – Brown)** and **Simple and Fair Formula for Sales Tax Distribution (SB 608 – Rucho)** propose to convert local sales tax revenues to a state source of revenue that will be shared with local governments through State General Fund appropriations. The bills target the 1% Article 39, ½% Article 40 and ½% Article 42 sales taxes totaling 2%.

SB 369 will reportedly be amended to correct the inadvertent repeal of current laws regarding the Article 44 Medicaid hold harmless and sharing of revenues between counties and cities. SB 369 phases in sales and use tax changes starting in FY 2016 with full implementation scheduled for FY 2019. SB 369 calls for distributing sales and use tax revenues to counties on a per capita basis. The adjustment factors in effect for each county would be phased out starting in FY 2016.

SB 608 sets a base allocation using FY 2014 sales and use tax collections and distributes the growth in sales tax revenues above the base on a per capita basis. Each county and city would be held harmless at FY 2014 sales and use tax levels. The adjustment factors are repealed and it allows counties to distribute the revenues within their respective counties using either of the existing ad valorem or per capita methods.

Economic Development

New Historic Preservation Tax Credit (HB 152 – Ross, Hardister, Lewis and Glazier / SB 287 – Hartsell) would implement the Governor's recommendation for reforming the historic preservation tax credit program that was allowed to lapse at the end of 2014. HB 152 passed the House on a 98-15 vote and was referred to Senate Ways & Means. HB 152 was inserted into the House budget bill, HB 97.

NC Competes Act (HB 117 – S. Martin, Jeter, Collins and Steinburg) is the House Republican economic development incentives bill that proposes to continue the existing fuel sales tax cap for passenger air carriers by extending the sunset date from the end of 2015 to January 1, 2020, and make modifications to the Job Development Incentives Grant, One NC, and Site Infrastructure Fund programs. HB 117 passed the House and was referred to the Senate Finance Committee.

Omnibus Economic Development Improvements (HB 920 – Saine, Hamilton, R. Moore and Jeter) is the House bi-partisan measure that would, among other things enact state level new market tax credits program, reenact historic rehabilitation tax credits, amend the film grant fund and low-income housing tax credit programs, and raise the cap on the Job Development Investment Grant program. HB 920 has serial referrals to House Finance and Appropriations Committees. Portions of HB 920 were incorporated into the House budget bill, HB 97.

Job Creation and Tax Relief Act (SB 526 – Rucho, Rabon and Tillman) continues 2013 tax reform efforts by reducing personal and corporate income and franchise taxes, phasing in single sales factor apportionment for computing corporate income tax liability, and targeting more of the Job Development Investment Grant program resources to lower income communities and

transformative industries. According to the sponsors, SB 526 could result in State General Fund tax relief of approximately \$1 billion. Changes to the Job Development Investment Grant program limit the percentage of Job Development Investment Grant funds awarded for projects in a major market community (Durham, Mecklenburg and Wake counties) to no more than twice the county's share of population to the entire State. In the case of Mecklenburg County where the population is 10% of the State total, grants would be capped at 20% of all the grants that can be awarded statewide in any single calendar year. This proposal is in reaction to data showing that more than 80% of Job Development Investment Grant funds over the last two years were directed to projects in Durham, Mecklenburg and Wake Counties. New language has been added to allow the grant cap to be exceeded when a "high yield" project requires at least \$1 billion in private investment and creates 2,500 eligible positions (i.e. automotive or aerospace manufacturer) locating in a major market community. SB 526 was referred to Senate Finance.

Economic Development / Tax Modifications ([SB 338 – Berger, Brown and Tillman](#)) include the same amendments for the Job Development Investment Grant program as SB 526. SB 338 was introduced by Senate Republicans and would reduce corporate income taxes, in addition to making the aforementioned changes to the Job Development Investment Grant program. SB 338 was referred to Senate Commerce.

Fiscal & Administrative

Exempt Builder's Inventory ([HB 168 – Hager, Millis, Brody and Collins](#) / [SB 321 – Brown, Tucker and Gunn](#)) excludes from property taxes any increase to the value of improvements made to real property held for sale by a builder for up to five years. The bills broaden the definition of a "builder" by removing the requirement that they be licensed as a general contractor under G.S. 87-1. Based upon updated guidance received from the Mecklenburg County Assessor, the bills will cause a 1.5% decline in tax value resulting in an estimate of revenue loss for the City in FY 2016 of \$5.8 million growing to \$6 million in FY 2017. HB 168 was referred to House Finance. SB 321 has serial referrals to Senate Commerce and Finance.

DOT Condemnation Changes ([HB 127 – Stam, Jackson and Bryan](#)) would amend the "quick take" condemnation statutes that are in the General Statutes Chapter detailing NC Department of Transportation powers to award attorney's fees in "quick take" condemnation cases where the amount of the judgment exceeds by 25% or more any deposits made more than six months before the verdict is rendered. Accordingly, any deposits made within six months of the verdict would not be considered by the Courts regardless of whether any such deposits were based on new information or the discovery process. It is believed that the legislation would cause more cases to go to trial and raise local costs for property acquisitions. Since local governments have the power to use these statutes for their own property acquisition needs, this bill impacts all local governments. HB 127 passed the House and was discussed in Senate Transportation. It was clear from the questions being asked in Senate Transportation Committee that members are skeptical of the need for the legislation. The NC Department of Transportation and NC League of Municipalities are opposed to HB 127.

Repeal Business License Fees ([HB 739 – Brawley](#)) would remove the authority for cities to charge a regulatory user fee to businesses that are located in cities, which was intended by some

cities as a replacement for the privilege license tax. HB 739 passed the House. Due to the concern that HB 739, if enacted, would repeal local authority to charge specific regulatory user fees, Representative Brawley has agreed to work with the NC League of Municipalities and City of Charlotte on language that precludes that possibility.

Regulatory Reform Act of 2015 ([HB 760 – Millis, J. Bell and Riddell](#)) would make various regulatory changes including one that precludes the Environmental Management Commission from approving local stormwater programs that do not meet the State model stormwater management program. The City's stormwater management program exceeds the State model due to the need to meet federal clean water mandates. The sponsor, Representative Millis, said that it was not his intent to prevent local programs from meeting federal mandates and he has agreed to form a stakeholder's group to address this issue while the bill is in the Senate. The City is working with the NC League of Municipalities on amendments that would clarify that only State delegated stormwater programs are subject to the Commission action to meet the State model stormwater management program, not local programs such as those enacted by the City of Charlotte. HB 760 passed the House and was referred to Senate Agriculture / Environment / Natural Resources.

Environmental & Planning

Outdoor Advertising ([HB 304 – Hager, Collins, J. Bell and Hanes](#) / [SB 320 – Brown, Rabon and Tarte](#)) preempts local authority with statewide standards with respect to the location, height and size of relocated signs and conversion to changeable message signs. The legislation appears to open the door to relocating outdoor advertising from industrially zoned areas to commercially zoned areas, notwithstanding local ordinances to the contrary, and allowing such signs to be higher and larger than those allowed under existing local ordinance. HB 304 was referred to House Commerce and Job Development and SB 320 was referred to Senate Commerce.

Subdivision Ordinance / Land Development Changes ([HB 721 – Bryan, Stam, Bishop and Bradford](#)) would reform performance guarantee practices. HB 721 passed the House and was referred to Senate Rules. Due to the concern that some of the language would restrict the ability of cities to use performance guarantees for repair work prior to final inspection approval, Representative Bryan is working with the City of Charlotte in considering amendments in the Senate.

Zoning Changes / Citizen Input ([HB 201 – Stam, Goodman, Jackson and Fraley](#)) repeals the protest petition provisions that trigger the requirement for a three-fourths vote of governing body members to approve a rezoning in the event of a qualified protest against a zoning map amendment and replaces it with a requirement for a simple majority vote for all zoning decisions. HB 201 also implements an affirmative requirement for written communications regarding all zoning cases to be submitted to governing body. HB 201 passed the House and was referred to Senate Rules.

Zoning/Design and Aesthetic Controls ([SB 25 – Gunn, Apodaca and Tarte](#)) passed the Senate and was referred to House Committee on Regulatory Reform. SB 25 is identical to legislation from the 2013 session ([2013 HB 150 Edition 4](#)). SB 25 specifies when local

governments can apply design and aesthetic controls to structures subject to regulation under the NC Residential Code for One- and Two-Family Dwellings. SB 25 exempts structures located in local historic districts, or historic districts on the National Register of Historic Places, local, State or national historic landmarks, and requirements to meet life safety codes, manufactured housing regulations, and conditions of participation in the national flood insurance program. On May 19, the Time-Warner Cable Channel 14 “Capital Tonight” program hosted a discussion on SB 25 that can be viewed [here](#).

Infrastructure

Reestablish North Carolina as the “Good Roads State” ([HB 927 – Torbett, Iler, Shepherd and Tine](#)) as introduced, would raise approximately \$500 million to \$600 million more per year starting in FY 2016 for road maintenance needs throughout the State. Revenues would be raised through across the board increases in fees, new tax on gross premiums tax on auto insurance policies, and phases out transfers of transportation revenues to the General Fund. HB 927 also reduces the motor fuels excise tax and indexes it to population growth and the consumer price index – all urban consumers, which causes a decrease in Powell Bill funding for local governments. However, another part of HB 927 appears to make up the lost funding by providing funding for municipal resurfacing projects. HB 927 received serial referrals to House Transportation, Finance and Appropriations Committees. Portions of HB 927 are in the House passed version of the 2015 Appropriations Act, HB 97.

Public Safety

Rental Registration ([HB 530 – Brawley](#) / [SB 442 – Gunn, Ford and Wade](#)) prohibits mandatory registration of all rental properties in favor of registration of only those units that meet certain crime and disorder thresholds. City currently requires all owners to register their properties so that Police can inform them of when crime occurs on the property, regardless of whether any of their properties meet the crime or disorder thresholds enumerated in the legislation. Without a database of rental properties and owners, the City will not be able to comply with its own requirement that all owners or managers be notified of crimes that occur on their properties. Legislation also prohibits local governments from imposing criminal penalties for noncompliance. Violation of the local ordinance is classified as a misdemeanor, which is only charged as a last resort for flagrant violators. By charging a misdemeanor, it triggers the judiciary to adjudicate the end result and affords due process to both the City and the owner or manager of the property. HB 530 was reported out of House Local Government and has serial referrals to the House Regulatory Reform and Finance Committees. The NC League of Municipalities is working with Representative Brawley on compromise language.

Regulate Transportation Network Companies ([HB 680 – Brawley, Bradford, Saine and Hanes](#) / [SB 414 – McKissick and Meredith](#) / [SB 541 – Rabon](#)) provides for a Statewide regulatory regimen for transportation network companies and drivers administered by the Department of Motor Vehicles and addresses liability insurance requirements and background checks for drivers. HB 680 referred to House Commerce & Job Development, SB 414 to Senate Commerce and SB 541 to Senate Transportation. Reportedly, SB 414 will be the vehicle to make these changes. City staff is working with bill proponents on mutually agreeable language

for Airports to contract with transportation network companies for the appropriate use of airport facilities.

City Requested Legislation

Charlotte Firefighters' Retirement System ([HB 70 – Bishop, Bradford, Alexander, Bryan, Jeter and R. Moore](#)) amends the City's firefighters' retirement system legislation in accordance with the provisions of the Heroes Earnings Assistance and Relief Tax Act of 2008, Pension Protection Act of 2006, and Worker, Retiree, and Employer Recovery Act of 2008 in order to maintain conformance with the Internal Revenue Code. HB 70 passed both House and Senate and has been enacted into law (SL 2015-42).

Stormwater Management ([HB 141 – Jeter, Cotham, Cunningham, Bradford, Bryan, Carney, Earle and R. Moore](#)) adds statutory authority for municipalities in Mecklenburg, Wake, Durham, Forsyth and Guilford Counties to utilize the statutory authority extended to Mecklenburg and Wake Counties in 2014 to implement flood reduction techniques that result in improvements to private property. HB 141 passed the House and was referred to Senate Rules.

Civil Service Board ([HB 143 – Bishop, Cunningham, Cotham, Bradford, Alexander, Carney, Earle, Jeter and R. Moore](#)) is local legislation amending the City Charter provisions for the Civil Service Board consistent with the City's legislative request. HB 143 passed both House and Senate and has been enacted into law (SL 2015-33).

Street Gang Nuisance Abatement ([Part XIII of 173 – Stam, Faircloth, Glazier and Turner / SB 391 – Tarte](#)) would make amendments to the NC Street Gang Nuisance Abatement Act to authorize the Courts to extend temporary injunctions for good cause shown against criminal street gang activity. Amendments are in Part XIII of HB 173, the Omnibus Crime Control Bill, and a standalone measure SB 391 sponsored by Senator Tarte. Both bills are supported by the City of Charlotte and NC League of Municipalities while the NC Metropolitan Police Chiefs Association is in the lead lobbying position. HB 173 passed the House and was referred to Senate Rules. SB 391 passed the Senate and was referred to House Rules.

Metropolitan Transit Commission Requested Legislation

Special Assessments for Critical Infrastructure Needs Act ([SB 284 – Hartsell](#)) extends the sunset date of the Special Assessments for Critical Infrastructure Needs Act to July 1, 2020. SB 284 is supported by the Metropolitan Transit Commission and the Town of Apex. The Act allows counties and cities to form districts to finance the construction of public transportation, streets and sidewalks, parking facilities, stormwater facilities, renewable energy and many other types of infrastructure. SB 284 passed the Senate and received serial referrals to House Transportation and Finance Committees.

**CHARLOTTE****2015-2016 BILL MONITORING LIST**

June 5, 2015

Bill #	Bill Description	Primary Sponsors
CITY LEGISLATIVE REQUESTS		
HB 70 SB 137	Charlotte Firefighters' Retirement System	Bishop, Bradford, Alexander, Bryan, Jeter & R. Moore / Tarte, Ford, Jackson & Waddell
HB 141	Stormwater Management	Jeter, Cotham, Cunningham, Bradford, Bryan, Carney, Earle & R. Moore
HB 143 SL 2015-33	Civil Service Board	Bishop, Cunningham, Cotham, Bradford, Alexander, Carney, Earle, Jeter & R. Moore
HB 173 SB 391	Street Gang Nuisance Abatement (language in HB 173 is in Part XIII)	Stam, Faircloth, Glazier & Turner / Tarte
MTC LEGISLATIVE REQUEST		
SB 284	Special Assessments for Critical Infrastructure Needs Act	Hartsell
FISCAL & ADMINISTRATIVE		
Appropriations:		
HB 97	2015 Appropriations Act	Dollar, L. Johnson, McGrady & Lambeth
Economic Development:		
HB 14	Startups Act / New Market Tax Credit	R. Brown & Bryan
HB 89	Omnibus Economic Development Improvements	Hamilton, R. Moore & Hanes
HB 117	NC Competes Act	S. Martin, Jeter, Collins & Steinburg
HB 152 SB 287	New Historic Preservation Tax Credit	Ross, Hardister, Lewis & Glazier / Hartsell
HB 171 SB 193	Modify Film Grant Fund	Davis, Lewis, Saine & Iler / Lee & Rabon
HB 245	Utilities / The Energy Freedom Act	Szoka, Dollar, McGrady & L. Johnson
HB 454 SB 447	Energy Investment Act	Jeter, Saine, Setzer & Goodman / B. Jackson, Hartsell & Tarte

Bill #	Bill Description	Primary Sponsors
HB 575	Reenact Qualified Business Investment Credit	B. Brown, Saine, Jeter & S. Martin
HB 848	Modify Utility Account	Hanes, Jeter & R. Moore
HB 890	Attract National Headquarters to North Carolina	Hanes, Jeter & R. Moore
HB 907	Strengthen Military in North Carolina / Mitigate BRAC Risk	Whitmire
HB 920	Omnibus Economic Development Improvements	Saine, Hamilton, R. Moore & Jeter
SB 35	Jumpstart Business Startups / New Market Credits	Gunn & Hise
SB 187	Air Carrier Fuel Tax Exemption	Rabon
SB 202	Reenact Preservation Rehab Tax Credits	Lowe
SB 204	Reenact Film Credit	Lowe
SB 326	Increase JDIG Program Funding	Gunn, Meredith & Apodaca
SB 338	Economic Development / Tax Modifications	Berger, Brown & Tillman
SB 340	Economic Development / Job Catalyst Fund	Lowe
SB 342	Economic Development / JDIG Extension	Lowe
SB 372 SL 2015-11	Renewable Energy Safe Harbor	Rucho, Tillman & Rabon
SB 472	Local Incentives for Historic Rehabilitation	Rucho & Brock
Elections:		
HB 402	Study Municipal Elections in Even Years	Ford
HB 621	Public Financing of Municipal Campaigns	Insko & Fisher
SB 650	Elections Transparency	Rabin, Tarte & Sanderson
HB 710	Allow Special Elections in Odd-Numbered Years	G. Martin & Jackson
Eminent Domain:		
HB 3 SB 74	Eminent Domain	McGrady / B. Jackson
HB 127 SB 425	NC Department of Transportation Condemnation Changes	Stam, Jackson & Bryan / Wells, Krawiec & Daniel
HB 875	Restrict Municipal Eminent Domain (Now Local for Ashe and Watauga Counties)	Jordan, McGrady & Hunter
Employee Relations:		
HB 274	Retirement Technical Corrections Act of 2015	Gill, Bell, Elmore & Waddell
HB 277	Retirement Administrative Changes Act of 2015	Ross, Gill, Goodman & McNeil
HB 419	Protect Officers from Retaliation	Conrad, Avila, Dollar & Cotham
HB 443 SB 612	Nondiscrimination in Public Employment	Luebke, Cotham, Glazier & Willingham / Van Duyn & Smith-Ingram
HB 605	Reduce Unfair Barriers to Public Employment	R. Johnson
HB 612	Ban the Box	Pierce, G. Graham, Willingham & Floyd

Bill #	Bill Description	Primary Sponsors
HB 616	Local Government Employees Retirement Cost of Living Adjustment	McNeill
HB 646	Insurance Coverage for Autism Treatment	McGrady, Hager, Jeter & Jackson
HB 759	Retirement System Cost of Living Allowances	L. Bell
HB 862 SB 3	State Employees / No Payroll Deductions	Lewis / Hise
SB 99	Definition of Firefighter	Meredith, Daniel & Newton
SB 676	Autism Health Insurance Coverage	Apodaca & Krawiec
Ethics:		
HB 252	Conflict of Interests / Certain Relationships	Glazier, Faircloth, G. Martin & Daughtry
HB 617	Lobbyist Expenditure Reports – Transparency	Cotham & Lewis
HB 677	State Ethics Commission Revisions	Glazier, Faircloth, Daughtry & Carney
HB 749	Voters’ Right to Know	Cotham
SB 664	Study / Local Government Contract Lobbyists	Apodaca
Finance:		
HB 41 SL 2015-6 / SB 19	Revenue Laws Technical Changes	Howard, Brawley, Lewis & Setzer / Rabon, Rucho & Tillman
HB 128	Referendum for Certain Local Debt	Speciale
HB 168 SB 321	Exempt Builders’ Inventory	Hager, Millis, Brody & Collins / Brown, Tucker & Gunn
HB 362	Cities / Business Registration	Faircloth & Brockman
HB 518	County Sales Tax Flexibility	Hunter, Saine, Hanes & Setzer
HB 739	Repeal Business License Fees	Brawley
HB 903	County Tax Flexibility / Municipal Revenue Options	Saine
HB 911	Various Changes to the Revenues Laws	Brawley & Saine
HB 922	Video Sweepstakes Regulation & Taxation	Malone, Fraley, Baskerville & Jeter
HB 929	Taxpayers’ Bill of Rights	Blust, Riddell, Jones & Holloway
HB 934	Tax Relief Act of 2015	Saine, Brawley & Szoka
HB 938	Comprehensive Gaming Reform	Warren, Waddell, Hardister & Lambeth
SB 20 SL 2015-2	Internal Revenue Code Update / Motor Fuels Tax Changes	Rabon, Rucho & Tillman
SB 246	Increase Options for Local Option Sales Tax	Smith
SB 369	Sales Tax Fairness Act	Brown
SB 526	Job Creation and Tax Relief Act	Rucho, Rabon & Tillman
SB 566	Disposition of Minimal Tax Refunds	Tarte

Bill #	Bill Description	Primary Sponsors
SB 608	Simple and Fair Formula for Sales Tax Distribution	Rucho
SB 700	Limit Sales Tax Refunds to Nonprofits	Wells & Rucho
Legal:		
HB 156 SB 129	Legal Notices / Require Internet Publication	Avila, Malone, Davis & Harrison / Sanderson, Apodaca & Hise
HB 348 SB 550	NC Religious Freedom Restoration Act	Schaffer & Bishop / Daniel, Newton & Soucek
HB 405 SB 433	Property Protection Act	Szoka, Whitmire, Jordan & R. Moore / Rucho, Tucker & B. Jackson
HB 483	Land Use Regulatory Changes	Jordan
HB 702 SB 394	Preemption Affirmation Act	Speciale / Tarte
Procurement:		
HB 783	Define Locally Sourced / Public Contracts	L. Hall
SB 397	Open & Fair Competition / Water & Wastewater	Sanderson & Rabin
Public Records:		
HB 477 SB 516	Law Enforcement Officer Privacy Protection	Malone, Saine, Faircloth & McNeill / Tucker
HB 508	Alarm Registration Information Not a Public Record	S. Martin & Farmer-Butterfield
HB 797	Alarm Registration Information Not a Public Record	S. Martin, Farmer-Butterfield, Stam & Jones
SB 441	Public Records – E-Mail Disclosure	Clark
SB 485	Law Enforcement Privacy Public Web Sites	Woodard & McKissick
SB 553	Public Records / Access for NC Residents Only	Daniel
SB 633	State & Local Government Transparency Act	Brock
SB 699	Protect Law Enforcement Officer Home Address & Other Information	McKissick
Regulatory Reform:		
HB 760	Regulatory Reform Act of 2015	Millis, J. Bell & Riddell
HB 763	Task Force on Regulatory Reform	Millis, J. Bell & Riddell
HB 836	Local Government Regulatory Reform	Robinson, Bishop & Fraley
SB 453	Regulatory Reform Act of 2015	Wade, Brock & B. Jackson
SB 617	Local Government Regulatory Reform	Wade, Brock & B. Jackson
Risk Management:		
HB 482	Employee Fair Classification Act	Pendleton, Blust, Szoka & Bishop
HB 666	Worker's Compensation / Firefighters' Presumptive Cancer	Saine, Hardister, Boles & Faircloth

Bill #	Bill Description	Primary Sponsors
HB 674 SB 576	Fair Competition and Employee Classification Act	Glazier, G. Martin, Harrison & L. Hall / Tucker & Stein
HB 688	Workers Compensation / Limit Benefits of High Earners	Brawley & Hager
HB 854	Workers Compensation / Amend "Employment" and "Employer" Definitions	Wray
SB 15	Unemployment Insurance Law Changes	Rucho
SB 16	Unemployment Insurance Law Changes	Rucho
SB 694	Employee Misclassification Reform	Newton, Lee & Daniel
SB 697	Industrial Commission / Establish Prescription Drug Fee Schedule	Hise & Pate
ENVIRONMENTAL & PLANNING		
Annexation / Extraterritorial Jurisdiction:		
HB 51	Justice for Rural Citizens Act	Pittman, Speciale & Ford
HB 491	Charlotte / Annexations	Jeter
Building Codes:		
HB 255 SB 324	Building Code Regulatory Reform	Brody, Riddell, Cotham & Watford / Brock, McInnis & Clark
HB 635	Property – List Subterranean Pipes / Plat & As-Built	Adams
Environmental:		
HB 44 SB 53	Cities/Overgrown Vegetation Notice	Conrad / Krawiec
HB 61	Land Application of Biosolids	Pittman, Ford & Speciale
HB 157 SL 2015-1	Amend Environmental Laws	McElraft & Catlin
HB 304 SB 320	Revisions to Outdoor Advertising Laws	Hager, Collins, J. Bell & Hanes / Brown, Rabon & Tarte
HB 440 SB 363	Expand Outdoor Food Service at Public Events	Setzer / Hartsell
HB 576	Amend Environmental Laws – 1	McElraft
HB 593	Amend Environmental Laws – 2	McElraft
HB 613	Clarify Political Sign Ordinance Authority	Brawley
HB 634	Stormwater / Built Upon Area Clarification	Torbett
HB 638	Capitalize on Wetland Mitigation	Millis, J. Bell & Pendleton
HB 639	Risk Based Remediation Amendments	Millis & Adams
HB 656	Amend Coal Ash Management Act of 2014	Harrison, Reives, Ager & Meyer
HB 708	Preservation of Historic / Heritage Trees	Hamilton & Torbett
HB 732	No Recovery for Coal Ash Costs	Ager
HB 765	Environmental Technical Corrections	McElraft
HB 795	State Environment Policy Act Reform	Torbett, Hager & Millis
SB 7	Allow Seating for Food Stand Customers	Tillman

Bill #	Bill Description	Primary Sponsors
SB 14 SL 2015-7	Academic Standards / Rules Review / Coal Ash / Funds	Brown, Harrington & B. Jackson
SB 66	Amend Environmental Laws	Brock, Cook & Wade
SB 552	Sedimentation Control / Civil Penalty Reforms	Daniel
Planning & Zoning:		
HB 36 SB 25	Zoning / Design & Aesthetic Controls	Dollar, Brawley, Jordan & Glazier / Gunn, Apodaca & Tarte
HB 201	Zoning Changes / Citizen Input	Stam, Goodman, Jackson & Fraley
HB 548	Zoning / Modernize & Reorganize	Bishop, Stam, Bryan & Hamilton
HB 721	Subdivision Ordinance / Land Development Changes	Bryan, Stam, Bishop & Bradford
HB 799	Zoning / Changes to Historic Preservation Procedures	Brody & Ager
SB 285	Zoning / Protest Petition Changes	Woodard, Foushee & McKissick
SB 300	Zoning Changes / Majority Rule	Wells, Lee & Smith
INFRASTRUCTURE		
General:		
HB 268	Amend Transportation Laws	Iler, Torbett, Shepard & Tine
HB 551	DOT Sales of Unused Property	Brawley, Iler, Adams & Bishop
Finance:		
HB 203	Phaseout of Fuel Tax	Jeter, Dobson, B. Brown & Szoka
HB 874	Cities / Availability Charge / Improved Property	Jordan, Ross, Setzer & Watford
HB 927	Reestablish North Carolina as the "Good Roads" State	Torbett, Iler, Shepherd & Tine
SB 188	Adjust Cap on Turnpike Projects	Rabon, Meredith & Ford
SB 500	NC Infrastructure Development Act	Stein
SB 639	Transportation Funding Bill	Tarte
Planning:		
HB 74	Study Metropolitan Planning Organization and Rural Planning Organization Oversight	Floyd
HB 183	Repeal Map Act	R. Brown, Conrad, Lambeth & Watford
HB 232	Study / Update Bicycle Safety Laws	Whitmire, Shepard & Jeter
HB 645	Study / No Emission Testing for Hybrid Vehicles	Floyd, C. Graham, G. Graham & R. Johnson
HB 672	Strategic Transportation Investments and Ferry Tolling Revisions	Tine, Shepard, Mills & Torbett
HB 718	DENR Study of Interbasin Transfer Laws	Bradford

Bill #	Bill Description	Primary Sponsors
SB 364	Map Act Revisions	Rabon, Meredith & Ford
SB 373	Repeal Map Act	Krawiec, Daniel & Wells
SB 383	Study / Fund Improvements to Interstate Highways	Rabon, Meredith & Clark
SB 396	Limit Number of Studies by Metropolitan Planning Organizations and Rural Planning Organizations	Tarte
SB 581	Study / Subdivision Street Maintenance	Pate
SB 654	Map Act Clarifications	Lee
SB 689	Public Infrastructure Oversight Commission	Hartsell
PUBLIC SAFETY		
General:		
HB 6	Autocycle Definition and Regulation	Torbett
HB 102	Utility Vehicles / Move-Over Changes	Davis
HB 148	Insurance Required for Mopeds	Shepherd, R. Brown, Waddell & Adams
HB 193 SB 613	Prohibit Discriminatory Profiling	R. Moore, Brockman, Farmer-Butterfield & Meyer / McKissick & Bryant
HB 318	Protect NC Workers Act	Cleveland, Millis, Whitmire & Conrad
HB 328	Highway Safety / Citizens Protection Act	Warren, B. Brown, Collins & Jordan
HB 530 SB 442	Local Government / Inspections of Buildings and Structures	Brawley / Gunn, Ford & Wade
HB 595	Military Experience / Law Enforcement Officer Certification Requirements	Whitmire, McNeill, Cleveland & G. Martin
HB 664	Safer Communities	Brawley, McNeill & Saine
HB 827	Alcohol Consumption & Overcrowding / Clubs	Faircloth, Blust, Brockman & R. Johnson
Animal Control:		
HB 159	Regulate Commercial Dog Breeders	Saine, McGrady, Catlin, & Harrison
HB 271	Amend Dangerous Dog Law	R. Moore, Alexander, Lucas & Tine
HB 460	Reporting of Animal Incidents	Warren
HB 553	Ordinances Regulating Animals	McGrady, Whitmire, Langdon & Dixon
HB 554	Protect Public from Dangerous Wild Animals	McGrady, Hurley, Hardister & Saine
HB 751	No Breed Specific Dog Laws	Wray
SB 314	Reform Abandoned Livestock Procedures	Woodard & McKissick
Criminal Law:		
HB 449	Strengthen Law Enforcement Access/Domestic Violence Crimes	R. Moore, Fisher & Alexander

Bill #	Bill Description	Primary Sponsors
HB 479	Auto Salvage Dealer Protection Act	Pittman, Speciale, Ford & Saine
SB 520	Amend Indecent Exposure Law	B. Jackson
HB 552	Graffiti Vandalism	McGrady, Glazier, B. Brown & J. Bell
HB 565	Threaten Law Enforcement Officer or Correctional Officer	Faircloth, McNeill, Hurley & G. Graham
SB 310	Domestic Violence / Bail & Aggravating Factor	Daniel & Stein
SB 391	Enjoin Street Gang / Expires in Three Years	Tarte
SB 432	Electronic Pawn and Metals Database	Randleman
Firearms:		
HB 562	Amend Firearms Laws	Schaffer, Burr, Cleveland & Faircloth
HB 563	Strengthen Firearms Background Checks	Schaffer, Faircloth, Burr & Cleveland
HB 699	Gun Rights & Privacy Act	Pittman & Speciale
HB 725	Gun Safety Act	Luebke, Harrison, Insko & R. Moore
HB 798	Concealed Handgun Permit / Other Weapons	Cleveland, Whitmire & Faircloth
HB 886	Second Amendment Preservation Act	Setzer & Adams
HB 891	Handgun Permit Standardization	Adams, Cleveland, Szoka & Pendleton
SB 78 SL 2015-5	Off-Duty Correctional Officers / Concealed and Carry	Randleman, Daniel & Newton
SB 212	Handgun Standards for Retired Sworn Law Enforcement Officers	Tillman
SB 708	Homeland Security Patriot Act	Tarte & Rabin
Technology:		
HB 4	Clarify Unmanned Aircraft System Law	Torbett
HB 395	Body and Dashboard Cameras / Law Enforcement	Alexander, Brockman, Floyd & Hanes
HB 506	911 Fund Distribution	Boles
HB 512	Amend/Clarify Back-up PSAP Requirements	S. Martin, Steinburg, Saine & B. Brown
HB 537	Protect Law Enforcement and Community Relationships	Hanes, Alexander, Jeter & Saine
HB 680 SB 541	Regulate Transportation Network Companies	Brawley, Bradford, Saine & Hanes / Rabon
HB 713	Body and Dash Cam Recordings / Public Access	Faircloth, Daughtry, Boles & Hurley
HB 730	County Provided 911 Services	Saine
HB 804	Kelsey Smith Act	Hurley, Glazier, Schaffer & Lambeth

Bill #	Bill Description	Primary Sponsors
HB 811	Study / Law Enforcement Body-Worn Camera	Floyd, Faircloth, Brockman & McNeill
HB 829	Automatic License Plate Readers	B. Turner, Speciale, Hardister & Glazier
HB 876	Cell Phone Location Tracking	Jordan, Glazier, Jeter & Brockman
SB 182	Automatic License Plate Readers	McKissick, Barefoot & Daniel
SB 414	Regulate Transportation Network Services	McKissick, Meredith & Rabon
SB 567	Regulate Transportation Network Companies	Tarte
SB 571	Expand Uses of 911 Fee	Bryant, J. Davis & Foushee
SB 622	Unmanned Aircraft Systems / No Law Enforcement Officer Surveillance of Private Property	Krawiec

COMMITTEE AGENDA TOPICS

I. Subject: Grameen Bank Update

Action: On November 22, 2010, Council awarded a \$230,000 grant to Grameen as part of a fundraising campaign to capitalize a micro leading fund in Charlotte. On December 28, 2012, Grameen America opened its eleventh U.S. branch with its location in Charlotte, and at today's meeting, representatives from Grameen will share an update on their unique operating platform and discuss their financial advocacy activity for Charlotte's low income women to date. No action is required.

II. Subject: FY2016 ED Strategic Focus Area Plan Discussion

Action: Staff will propose items for recommendation to add or amend the FY2016 Economic Development & Global Competitiveness Focus Area Plan including revisions discussed from the March 19th meeting, and if ready, make a recommendation to the full Council for adoption at a future business meeting.

III. Next Meeting Date: Thursday, April 16, 2015, at Noon, Room CH-14

COMMITTEE INFORMATION

Present: Michael Barnes, Al Austin, Claire Fall, Vi Lyles and LaWana Mayfield
Guests: Councilmember Ed Driggs, Joe Mynatt of Wells Fargo, (Tanzila Salahuddin & Howard Axel of Grameen America, Inc. in New York -- via speaker phone)
Time: 2:00p.m. – 3:30p.m.

ATTACHMENTS

1. Grameen America Presentation
2. Economic Development & Global Competitiveness FY2016 Strategic Focus Area Plan

DISCUSSION HIGHLIGHTS

Chairman Barnes welcomed everyone to the meeting and asked for introductions.

I. Grameen Bank Update

Barnes: Our first item is an update on a project the City Council undertook back in 2010, almost five years ago regarding Grameen Bank. Mr. Mynatt is here, Managing Director at Wells Fargo, but also a key partner of the Grameen Bank effort. We want to welcome you to our meeting and we will begin with the Deputy Manager to see if he has any additional comments to kick us off.

Kimble: Just to remind you that you spent quite a bit of time in the Economic Development Committee many years ago and then Council voted and the City has participation in Grameen Bank to the total of \$230,000. I think you will hear a great presentation that shares how that funding has really

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helped the organization. We are pleased that Mr. Mynatt is here today.

Barnes: Mr. Manager, let me ask you a question before we get started. Will there be a very, very brief discussion of how we got into this relationship and the makeup?

Kimble: Yes. There is background information.

Barnes: Ok, this Council was not around in 2010 when we originally approved it.

Mynatt: I have on the phone my colleagues from Grameen America which is headquartered in New York City, Howard Axel and Tanzila Salahuddin. Howard and Tanzila have worked with us all along the way since we first arrived in 2010 to visit with the Committee. Let me talk for a second about my role; I'm on the Board of Advisors and I was probably one of the first people to come here to talk about Grameen and its efforts at that point to start a microfinance branch in Charlotte and from that point, the branch opened in December 2012. We will run through the results today, which we think have been really good and talk about what comes next. Its part of my role, my day job is at Wells Fargo as you said, and I'm a volunteer. Howard and Tanzila are full-time employees. How many employees are here in Charlotte now Howard?

Axel: We have 11 or 12.

Mynatt: Okay, so full-time folks here in addition to the borrowers. With that, we will kick off with the presentation and everyone probably has a copy of that. We will walk through how Grameen works, what it does and then the results.

Grameen, for those of you that don't know, is a microfinance entity that began about 30 or 35 years ago in Bangladesh. The founder is Muhammad Yunus and Dr. Yunus was a Vanderbilt-educated Bangladeshee who once he came here received his PhD. He observed the wealth in the United States went back to Bangladesh and saw exactly the opposite. He started this concept of microfinance which was to lend very small amounts of money to people who had no other resources so that they could begin their own little entrepreneurial enterprise and then be able to make some extra income to begin to lift themselves out of poverty. From that that spread worldwide; he has won the Nobel Peace Prize in 2006 then the Congressional Medal of Freedom and the Presidential Medal of Honor in the U.S. and he has now become a well-known celebrity.

From that, Grameen America opened in 2008 beginning in New York City, right in the teeth of the financial downturn. So interesting time to come to the heart of finance but Grameen America follows the exact same model that the rest of the worldwide Grameen does, which is that it makes micro loans to low income women who use the funding to start their own businesses. The money has to be accounted for only to buy either their product, to resell or some equipment to use for their business for whatever it may be. Because these borrowers are low income, the businesses are always neighborhood-based. They basically work out of their neighborhood in their homes and it tends to also be a family-oriented affair so everyone is involved.

The way the program works, Grameen is built on being self-sustaining; it reaches a point where it does not need additional funding in the U.S. that's implemented on grants level and we will get to that

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in a second. In counter to global loan products where there is collateral, credit scores, all kinds of paperwork and background checks to go through, Grameen doesn't do any of that. There is no collateral, no credit score required. In fact, the method that it follows is to find those who are unbanked and not part of the financial system so when they are left outside, they really have no access to any other kind of financial services. The loan terms, when it makes a loan the first time maximum amount is \$1,500, what we found in the U.S. especially in Charlotte, is most people on their first loan only want \$1,000 because they don't want more than they can take on and repay. There are weekly payments required, weekly meetings required where you make your repayments and make savings deposits and then there is a 15% interest rate on the loans themselves so that the program becomes self-sustained. Without that interest income, there wouldn't be income to cover the costs of the branch and so the branch in Charlotte should break even in about four years. We are not quite there yet; the projector is good we will take a look at that. What really makes this work is this last thing on the left which is the group model and we will cover that in a second, but the group model is to begin with Grameen you have to work in a group of five so if someone comes to Grameen, I want to start my business, I would like to get a loan what they are told is you need to find four friends who can form a group. Your lots are altogether basically from a support standpoint, you are going to meet weekly, we will train you, do the financial training together, you will make your payments at the same time and probably more than one group will meet at a time too, just for efficiency sake. That is the process and that is really what makes it work is that whole group model.

The results which you will see on the right which are financial training; there is five days of financial training to begin so before anyone begins the program, they have to open their savings accounts, they learn how to keep up with interest that's being paid, they learn how to keep up with interest that goes into their savings deposits that they are required to have, which happens to be at Wells Fargo here in town. They also have their peer network that they build and they build a credit score. We talked a minute ago about people being outside the financial system, no access to financial services. Grameen reports the financial payments and the deposits so that people begin to build a credit score and the average is in the mid six hundreds which is pretty good for someone who can get a score from nothing within about six months. So it puts them kind of squarely in the middle of being able to access additional financial services.

Barnes: Is there a credit only report to experiment, not the other too?

Mynatt: Yes, only to experiment for the time being.

Barnes: Why is that?

Mynatt: Do you guys know that Howard? The question was why only experiment for credit reporting?

Axel: Hi this is Howard Axel, Executive Vice President and we work on the credit side.

Salahuddin: We are in the process of building a partnership with Credit Unions. We have historically start with experiment. Equal Dot only takes at least business loans so we're going worry the Credit Union at some point hopefully this year, but we have not done anything in the past.

Barnes: Ok, thank you.

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Mynatt: So here is the model; let me move through this fairly quickly so we can get to the results. To start, the group of five is formed and it's always in the neighborhood so one person finds four friends, they form a group of five, they begin their training for a week and as part of that training, they open savings accounts, they learn basic bookkeeping concepts and they also determine at that point what business they would like to enter into. The businesses that we see people in a lot are simple food service, sewing, hair care, personal care, nails, basically anything that can be done in a very personal level within a neighborhood. Also ethnic products for people that have ethnic clothing, trinkets, jewelry, things that can't be found within their community and when they see a need for that they can find things such as that. Step number three is microloan is made to the first time borrower, the group of five selects the first person to get the loan and then after that person begins to successfully make their payments on a weekly basis and the group is meeting, then others are also eligible and get their loans. Not everyone at one time is sequenced and it is basically a democratic process where it begins to build group discipline and support is necessary to make the program work. That continues with weekly meetings and then beyond weekly meetings, we find people tend to finish their first cycle of six month loan payments, they finish their loan and they move on to the next cycle where they can increase the loan size and continue to build.

This is just a quick map, when Grameen came to Charlotte one of the things was to determine where to locate and the branch is on Central Avenue, is to look at check cashing centers and other places that low income people tended to go to for quick financial services. Plato's and that really lays out where the low income population is. We have a fair amount of other demographics as well to borrow from at the time. You see the statistics on the left; it will be no surprise to you that 25% of all children live in poverty and about 28% of households are underbanked or unbanked entirely.

So how have we done? When we first started, we had a game plan and the game plan was based on Omaha, Nebraska's branch, which was opened about two years prior to Charlotte on one big check that was written by Warren Buffet's daughter, Susie Buffet and so when Grameen opened there with it being the only mid-size city in the U.S., the Charlotte model was kind of built on that. You can see in the left-hand column in the gray with the original projection on the right is the actual results. I'm a banker so I love this kind of stuff and I don't know if you guys do or not, but to me this is really meaningful so what I will come to is in December 2014, we had expected to have 1,250 entrepreneurs which is a very fast ramp in its own method, but there are actually 2,392 so nearly doubled that total. The progress has been remarkable and then by the end of 2015, that progress is continuing today we hope and plan to have about 3,500 entrepreneurs in Charlotte. You can see the size of the loan portfolio on the right. To date, there have been almost \$8 million in loans disbursed. Most of those get repaid because of the six month repayment period. It's very difficult to keep loans outstanding because they pay back so fast.

One thing I failed to mention earlier which again for me as a banker, repayment rate worldwide is between 98% and 99%; in the United States it's 99% plus and in Charlotte this says 99% but I think it is actually 100% in Charlotte. Remarkably good repayment rates due to the system, the way it works and the community.

Driggs: Actually my first question, not knowing the background is I think it is great that loans are made to women but why they are made only to women?

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Mynatt: Howard, do you guys want to take that? Did you hear why are loans only made to women?

Axel: Sure. When Grameen America was founded our mission stated that we were going to target a special group of disadvantaged population and that population of disadvantaged was women living in poverty so part of our Equal Credit Opportunity Act encourages lenders to lend to a disadvantaged population so that part of the program that we were under so from a mission driven piece, we chose women. Women have been shown in all of the literature both internationally and a little bit in the U.S. that investing in women is also an investment in the family. So beginning when they earn extra income but what they build at that and when they join the financial mainstream through credit, a lot of their resources go toward family wellbeing, including healthcare, education, nutrition and that's what Grameen is about supporting family wellbeing on that path to the American dream. Women are the biggest weaver that has shown through interventions to make the biggest change.

Driggs: Interesting. The 99% repayment rate does that mean that includes delinquencies or is that timely repayment?

Mynatt: That is end of point of repayment that the loan is repaid at the end of its term so someone could slip; they may miss a payment or two. The group is responsible for helping ensure the person makes their loan but the 99% repayment rate really is the end point of the six months as the loan has been repaid in that six month period.

Driggs: The Department of Education, for example, on student loans is reporting rates that don't reflect a three-year grace period that people are given and calling those current. So you are saying these are actually 99% paid on the original schedule?

Mynatt: Yes.

Driggs: Great, excellent.

Austin: How do you reach your targeted audience?

Mynatt: It is really interesting; you cannot find a phone number for Grameen. It's all neighborhood-based so when Grameen came the first thing it did was open the branch with a branch manager who came from New York. He from Bangladesh Shah Alam; Mr. Alam found his first center manager which is basically what we would consider a loan officer in a branch, but the center manager, rather than having an office and being in a chair at a desk is responsible for working within the community to develop its borrowers. Ursula was the first center manager, she is now the Branch Manager and she canvases the neighborhood with people that she knows with a flyer, basically a three-fold flyer that says we are Grameen, we make loans to low income people to start their own businesses and it all begins by word of mouth. So today from that humble beginning, there are about ten loan officers or center managers in Charlotte who are doing that very job.

Austin: Did you also say you have a presence at these locations; I was looking at all the red dots. Do you have a listing of all the locations here in Charlotte?

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Mynatt: We tried to develop a map that has all of those. At this point, there are tens mostly where you would expect to be along Central Avenue, Independence and a lot on South Boulevard.

Austin: They are not in the northwest corridor?

Barnes: No, those are predatory lenders, the prime was the predatory lenders and they have one branch on Central. It is hard to see that.

Lyles: I had two questions and I was wondering if at some point you could tell us the zip codes where those loans are made or some kind of geographic disbursement of the loans; not today, but if we could get that as a follow-up item that would really I think help us understand where people are getting the word out. The second question I have which is probably a more global question, if I am a resident of a Charlotte Housing Authority site and I am considered on some type of transfer or assistance plan, do I qualify to participate in this or are there any disconnects between people that receive transfer payments and the ability to make this loan or receive this loan?

Mynatt: Howard and Tanzila, the question regarded people who are on assistance of some sort and how they interact with the Grameen Program.

Axel: Great question; we do not ask about any sort of public benefits, it's really simply easy underwriting. We ask generally can you give us your yearly salary and on or around the Federal poverty line and if you can find four people that can vouch for you and know you, friends or neighbors, then you can all join the group. We don't ask any other questions so that is no impact on joining or receiving a loan.

Lyles: I asked that because the Housing Authority has a very active working program for the residents and a large number of the residents are single women with children and it seems to me there would be a real market there, especially for the type of product that you could start off with a small business. I forget what the program is called, Moving to Work or something like that but they are required to actually go out and do this so I would suggest that perhaps that's a connection that we could make that might help that program be successful.

Axel: We would love that. I think this presentation is giving the staller performance as how it performed at our other locations in the U.S. but it is really just the very beginning so new markets, new neighborhoods is fantastic so we would be very eager to follow-up on that. This is just the very beginning; this is nowhere where it's going to be when we come back in two or three years from now.

Lyles: That is great news.

Mynatt: Just to clarify one thing too, the Grameen program nationwide has found its best success rate with first generation immigrants who have the ability to work, need to work and are looking for a way to step out into a different economic lifestyle and so one of the taglines is it is not a handout, it is a hand-up and it has really turned out to be true in the case of Grameen borrowers.

We are to the evaluation and impact report. Howard, do you want to run through this quickly?

Axel: Sure of course. Do you want to skip to slide eight with the impact and retention?

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Mynatt: Sure that's where we are.

Axel: We've been doing this about two years. What we do is we collect members' surveys and ask them specific questions; it is not a long survey. You can only ask people so many questions and then they get bored with you so it is a short survey and is based on being able to moditize the impacts and this will be a growing nonprofit nationally of improving these forums and improving the data collection but we ask them how many people they hire, ask about their income and then the other pieces we can figure out by this map. So from Charlotte specifically in the data points that we've got, we have to have two data forms by the change so it takes about a year to get that data on one borrower so these are the numbers you have in front of you. I think the member hire is really high in Charlotte. My guess is that will come down that we have more data points and a little more national between five and 15% of people hiring for their Grameen/entrepreneurial business or in Charlotte is also off the chart from this category like in many others and it really will stay there. We are seeing every one of our members in Charlotte report some sort of income boost so this is beyond so they are not counting a loan they got so working from the data nationwide ranges from about 1,000 where we are in Charlotte to 1,500 dollars. We will have more data as the years goes on and as we get bigger so we are getting better data on this, but the exciting news is that people are coming back and their incomes are increasing.

Community building is really about how many times in Charlotte right now there are groups of women every morning from 7:00am to 9:00am coming together for a ½ hour or 45 minutes doing a repayment, talking about all sorts of family issues are all over Charlotte. This is something that didn't exist in Charlotte before because the Charlotte funders they have now supported this program where women are coming together and that's part of the peer model that appears to the group. The last number is multiplying the five hours times the number of members of the Financial Education during those five continuous days. The really exciting piece is I think although is the member retention so these are really coming back for a first to second and second to third loan and again as Charlotte gets ages, we will show what happened to that retention, but I think it shows you if you are willing and you are taking a \$1,500 loan out, you did it the first time and it worked okay, but you had to go to 25 meetings every Monday at 7:00 a.m., you are willing to do that again in the second loan cycle and in a third loan cycle because there is some benefit to you. You can see there are benefits in those meetings and to your business. The retention is really exciting to me.

Mynatt: I agree with that and I think this is an important thing to keep in mind is number one that these built over time and the branch hasn't been open that long in Charlotte the results are good. I think the membership retention says a lot to people who are making the commitment.

Fallon: Is there a cap on how many loans you can get or a cap on how much money you can get as an aggregate?

Mynatt: Not currently; there is a point where the program is outgrown, but so far no one has really hit that either in New York or here or anywhere else. The program is that with each loan cycle, you can increase by 20% so if you get \$1,500 the first time, you could do 20% more the second time through those six month cycles.

Fallon: So you basically don't have a cap?

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Mynatt: No cap so far. One thing I'm going to brag about quickly, I kind of blew over this really quickly but you can see Charlotte has developed the best borrower and has by far grown faster than the other mid-size branches in either Los Angeles or the Brooklyn, New York branch. We like to point that out.

I'm going to skip here, I think this is slide 11 or is it ten. It has on the right hand side it talks about the sustainability so Grameen has its first branch in Queens, New York and it was the first one to reach sustainability and this shows its results which Charlotte is well on the way toward; the top line, the blue line are expenses to hire people and run the office and so on and the bottom line or the gray bar is the interest income from repayment of the loans. There is a point where the branch no longer needs financial support and that is what we are shooting for here.

These are our stars; Mr. Alam who came here from New York by way of Bangladesh and Ursula who is now the Branch Manager, her energy is unbelievable. She was the first Center Manager working through her neighborhood and around South Boulevard and they've been great. They are a pleasure to be around, energetic, love the people they work with and I've heard a lot from them.

This is a quick borrower's story of one of the very first borrowers I think in the first cycle in December 2012, Perla. Perla has actually opened her own little store now with some clothing and you can see some of her things behind her and her daughter. Every time I go to the branch, this is essentially what I see is a young women with her children and this is a way for them to prove themselves and they are glad to have it. It's remarkable to hear them talk about the program and what it means to them.

Then the rest; we've got some information on the contributors in Charlotte. Just for a quick synopsis there for the branch to open, we needed \$2 million in grants; we've got about \$2.5 million now and have about another half million to go over time and we need about \$3 million in loans so those come from people like Wells Fargo who have been very generous, thankfully. I'm proud of my bank for doing that and then the Chief Financial Officer within Grameen is also working on some larger nationwide financing that will be shared in the loan branches. So the loans are still to come but we are well on our way. This is the Board and then you can see where the other branches are spread over the U.S.

Austin: Just a quick question around demographics. Are you finding that more younger women are going after these or it is more older established? You also highlighted immigrants are more likely to do this? Do you have demographics on that?

Mynatt: The immigrant population is primary Hispanic; there are African immigrants as well. There is a branch in Harlem in New York that has focused mostly on African immigrants or Haitian but primarily the Hispanic. For the women, we've asked this question a number of times and it kind of suppressed gamut; we have everything from really young, teen-age moms to women who are middle age that this gives them another chance to do something else and they take so it kinds runs the whole course.

Barnes: Thank you so much; I'm impressed with the way the program is turning out and operating and congratulations. Thank you guys for participating and thank you guys on the phone as well.

Fallon: You know what it reminds me of, you know the ethnic groups, I know in New York they get together and they fund by homes and businesses when people can't go to banks because they've never gone to banks and besides the banks won't let them, they don't have a history. I know my house was bought by a Slavic group who had houses in the neighborhood and they lived there and they were buying it for their children, so they stayed in the neighborhood. So they do the banking within themselves and this reminds me of it.

Mynatt: That is really a great point and let's face it, many people don't trust banks and there is a pretty good reason for that so this is a safe place for a lot of people, for low income people to find a way to work into the financial system.

Barnes: Thank you so much.

Kimble: The City's funds leverage more than ten times more money to make this program successful and remember we like ten to one leverage ratios.

II. FY2016 ED Strategic Focus Area Plan Discussion

Barnes: The next item on the agenda is an update on the Focus Area Plan, which I believe reflects accurately all of the comments from the Committee but let's make sure.

Cronin: Yes, thank you. You have before you a hard copy and this will be third time I believe we have discussed this, but this take into account all of the suggested revisions and incidentally the initiatives and the key indicators will be presented in the Council Workshop on Monday evening. This is an opportunity to go through it one more time. The Committee will be asked to recommend these to the Council; the super measures will still be staff-generated but you've all had a hand in that thus far and they will remain the same. I would like to just for the sake of time and ease just address the items that we added to it if that makes sense.

Barnes: That makes sense.

Cronin: With the 2016 initiatives in the first category, facilitating the growth of small business and high growth entrepreneurs in our community, we added the item to increase the utilization of our web portal which is the CharlotteBusinessResources to source solutions for the City's needs from our local start-ups and by utilizing Code for America, and again this is to work directly with the start-up community for things that help the City. Then we added the participation in community collaboratives to advance the technology to promote digital inclusion to start-up companies in light of Google Fiber's planned investment. We also added implementation of key Immigrant Integration Task Force recommendations as approved by City Council, not yet knowing what those items would be.

Fallon: Would you explain holistic to me? Why we use that word?

Cronin: You could use the same word comprehensive or all inclusive.

Fallon: Nobody understands what holistic means, other than us.

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Cronin: We can change it if you like.

Barnes: I like it. This Council will be done in a few months and we are still trying to this Focus Area Plan going.

Cronin: With regard to that holistic development in the targeted business districts and neighborhoods, we had a handful of the business corridors named instead with your advice we changed that to Business Corridor Revitalization Plan so we included all of the above. In the next initiative, the global competitiveness, we added the word "and" job creation as we determined that was really all about was to create jobs and investment. With that, we included the item of re-tooling the Business Investment Grant Program which is on its way with the Business Advisory Committee. The next initiative, we added the introduce youth and young adult, we added the word "young adults" and expanded the item to include the creation of an apprenticeship strategy. Under the last initiative item, we added rugby, lacrosse and swimming.

Austin: Going back up to where we talked about business corridor revitalization, I'm sorry I had a different remembrance of that conversation. I thought we were going to list Eastland and Beatties Ford Road and was going to talk about West Boulevard.

Cronin: As a matter of fact, they are all in there but that is correct too we were going to do both.

Austin: What I said Michael was as you pointed out this Council may not be here so moving forward; I wanted to make sure that we are very clear about where we were going. That was my remembrance and so I'm confused.

Cronin: No, that is accurate and we actually got into a space issue on the page.

Barnes: The reason I thought we had come to the BCRP was that there are corridors that aren't necessarily included that we might have listed that should be a part of the BCRP that aren't necessarily, but may yet at some point be a part of it. Rather than have people say well you are not including this area and that area, I was thinking Tryon may be one of the ones we talked about or sections of it, where you want to include areas of part of the revitalization plan and rather than point out specific areas to put it under the umbrella of an official current Council policy. So instead of pointing out a particular street, we just point to an existing policy as part of the key indicator.

Fallon: We can always say it's contained in a policy.

Barnes: Yes, because it is already in a policy.

Austin: I don't like that at all, but that is me and I think we need to be more specific, that's all.

Barnes: O.k. What I'm saying though if you read the BCRP, all of that is in there.

Mayfield: This is just going back to a question that I asked two meetings ago regarding the actual breakdown when we are looking at our Business INclusion Program so we have bullet number three,

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increase contracting opportunities for small businesses and local minority and women-owned firms through the Charlotte Business INCLUSION Program. When we go into the detail, the subset of that, it would be great if we are highlighting some specifics. For example, \$800,000 grant if we say that the goal is 10% of that then very clear is it 10% of that \$800,000? What is it 10% of and are we hitting those? I think it is still very much a challenge when it comes before us and we have this 10% when you have a lot of other communities that have a much higher percentage, but when you come back and it is 5%, 6% or 7% but you're splitting it between six or seven companies, 10% of what. Is it 10% of the total of the contract? If it has been broken where out of this \$800,000, we've identified \$250,000 of it should go to MWSBE's. That is for that second page for the more detail so that we can really start tracking some numbers.

Kimble: Sometimes we really do listen so April 13th is your first City Council Agenda where you will start to see on the agenda items, this is related to Mr. Austin's and Ms. Mayfield's comments, where you will actually see the dollar amount and the percentage and the company and they will be broken down into SBE, WBE and DBE so we are trying to take to heart what you are saying and convert it to actual on a printed page in your agenda to give you that information. We are going to try our best and if you still think there are things that aren't answered tell us because we want to be responsive to what you want to see in your agenda.

Mayfield: Thank you so much.

Driggs: On your first point here, facilitate the growth of small businesses and high growth entrepreneurs, one tangible thing the City has done is to commit \$500,000 to the Charlotte Regional Fund for Entrepreneurship and I think only a small amount of that has actually been taken down for a study so far. I'm wondering if an indicator, if we are talking about a matrix would be the kind of productive deployment of those funds. That commitment has been in place for a little while and we are not seeing much action there.

Cronin: I will address that directly. I think the fact that it hasn't been drawn down yet and they are also still in the funding era too, it would be really difficult to determine what the total amount will be for those awards as they are still going out to get investors and is that a measure that the City influences because it is an indicator of how we are doing in the community, but it may not be the only fund out there funding the entrepreneurship. We do have in our super measures an item to actually push and market the actual CRFE fund in order to get increased utilization, but we still don't even have a track record yet in terms of working with the entrepreneurs as it is just up and running.

Kimble: And there was a restriction on our monies; they can't be used for the actual loan, they are for the marketing and for the impetus and the growth of it as they make their loans so they are still ramping up and more of our money will be needed as they ramp up.

Driggs: I just think that is a tangible thing we've done involving a substantial amount of money and it would be good as we are talking about this to keep an eye on it.

Cronin: On the reverse page, the super measure associated with this item does actually focus on the marketing of the CRFE. If we could touch on the super measures as well so for the first item, again talking about the Business INCLUSION aspect, the goal that is set for 2016 is 12% so they've already

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looked at increasing the goal and as Mr. Kimble mentioned, we will be breaking out those costs. The second item of the super measures that we've added, one has to do directly with the CRFE, the marketing of it and alignment of that program as well as raising awareness of our eco system as a whole for high growth entrepreneurship and then the second item still with the ten to one private to public investment. The third item, create and adopt the new and improved Business Investment Grant Program and that will be something that will come from the Business Advisory Committee to you and then to the Council.

Fallon: Is that loan money or is that also to be used for other things?

Cronin: No, this is the grant money that is used on the competitive economic development projects that is basically a reimbursement on those property taxes for confidential projects.

Fallon: I was wondering with the thing before why is only used for marketing stuff?

Kimble: Because the Council specifically said that you did not want to put public dollars at risk in entrepreneurship start-ups so you put a provision that our money shall be used for this purpose only. That is on the entrepreneurship piece.

Cronin: The jobs and investment goals were net new jobs, 5,625 jobs, \$458 million for fiscal year 2016 and again that is in sync with the Chamber's goals for net new jobs also. The next item, continue with that pre-apprenticeship program for transit maintenance that was established earlier this year and then creating that apprenticeship strategy would be a second item focusing on not pre-apprenticeship, but actually apprenticeship.

Mayfield: First I want to say congratulations; you definitely hit the ground running in a short period of time in hearing from us and working with staff to bring it all together so I appreciate that. This is a question that there may or may not be an answer for. When we are looking at creating or adopting without me knowing the full policy guidelines for the grant and assist with the recruitment of net new business, is there any way for us to start looking at tying those net new businesses to our current unemployment rate? At the end of the day that is still the biggest challenge is local people getting access to jobs opposed to the creation of new jobs. As an example, Snoopy comes to town, Snoopy has created 285 jobs but 25 of those actually are available to the local community so we are still not really addressing when we have so many moving parts for communications around our upward mobility and other pieces; we have Charlotte Works working with Central Piedmont, with UNC-Charlotte, with UNC-Center City so where is that final connector where we are pulling all these pieces together where we are clearly showing an impact, not only in growth of business, but growth of opportunity for those who live here opposed to those who are moving to the area. I know just recently in the last year and a half at least three different people that ended up moving outside of the City of Charlotte and outside of the State because of lack of employment opportunities and these were people with Masters or greater or multiple degrees so not even thinking about those that may have work experience versus a degree. It just seems like we are having all these moving parts but there is no clear connector where we are able to track.

Cronin: So the question is more to do with the measurement and monitoring and is it making a difference?

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Mayfield: Right and unemployment.

Cronin: That includes not just the new businesses coming here but businesses that leave because it is not in a vacuum and then also those people that may switch jobs too because of unemployment and how you measure unemployment is different in a lot of states as well too. If you're collecting unemployment, is that what you are measuring or are you measuring the people that are off unemployment and can no longer collect as unemployed so there's a lot of measurements in there. Yes, we can measure things. Let's say we have a great year of 20 or 30 companies that we recruit, are we going to see the needle move because of the jobs they create, even if they created 500 to 1,000 jobs each, we are a pretty big community so would that move the needle on unemployment directly. I don't know.

Mayfield: So the follow-up to that would be; let's just narrow it down. Let's just say Charlotte Works and look at the client base that comes through Charlotte Works tracking job opportunity, since Charlotte Works has been the one that is at the table for a number of these announcements, getting those local people connected to jobs.

Cronin: Measure the clients that were actually working with already on the unemployed workforce development.

Mayfield: I want to create something measureable; Charlotte Works jobs first, the programs we already have in place. They are sending people through trainings are these trainings translating into employment.

Lyles: I really appreciate Ms. Mayfield's comments on this so I'm going to take another direction on it. When we talk about the coordinated intake program to place apprenticeship candidates, when you are beginning to work with the companies that come in for the BIG's, we often talk about they require CPA's and four years and six years of college but I wonder if we often think about how we connect the administrative people, the people that work in, I think there are still mailrooms out here in the world, but there are all kinds of centers like that so I wonder in a small way in an incremental step if we could actually talk about that coordinated intake and connect it to the BIG's and see how we could do on that to plan and prepare for people. I know it is kind of a new idea so it may not be something you can do right away, but I would like to see very much that connection between what we do to work with apprenticeship programs which are primarily people that are living here, they are not moving here for apprenticeship programs, or they may move here for apprenticeship programs, but generally that connects training and development to a job. My suggestion, if Ms. Mayfield wouldn't mind, I don't want to make it really complicated, are we connecting our BIG's at the point of recruitment to the apprenticeship program to prepare and can we track that. I think that would help us be more specific.

Cronin: Actually as far as the new companies coming to town, especially those larger projects that are giving grants or incentives, at the State level they are also usually getting that type of service from helping them to find the staff and employees for that as part of even North Carolina Workforce Solutions or the local program.

Lyles: I know that.

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Cronin: But not necessarily part of an apprenticeship and those companies have to agree that they are going to offer an apprenticeship program at that point in time.

Lyles: Work with me on this; I agree with all of that, but what I'm saying is that when you get that idea of that business coming, if you start thinking where those people are already being trained and they are local people how do we connect. It is not a definite commitment necessarily, but I do think there is an opportunity there. You guys kind of mull it around and see how it could work, but I think there ought to be a connection between our BIG's and employment at the local level and doing appropriate placement of people that live here. I think your intake system locally helps a lot to do that.

Barnes: I can appreciate that. Is there some way perhaps to connect Charlotte Works with the Chamber?

Cronin: They are already doing that.

Barnes: But they do it more intentionally. One of the challenges is and what we are talking about is the nature of the employment market is extremely full; there are people being laid off, fired and hired and moving around all the time. It will become somewhat challenging to measure that net number because people are always coming and going in the market place. But in terms of actually saying at the end of 2015 or 2016 that by way of this direct effort, we have employed 1,000 young adults or other people in an apprenticeship program that might be one way.

Lyles: Where do we go, how do we track? I'm not saying it has to be a direct connection but I think it strengthens that part of the intake to know some outcomes as well and where those outcomes were.

Barnes: But if we are not intentional about it, it won't happen. That is what I'm worried about.

Fallon: The other part of it is you have the underemployment of people who have lost their jobs and will never get those high paying jobs back. How do we deal with them?

Cronin: I think that is actually how the apprenticeship program provides a better solution because it helps those companies get that next level of employment that they may not otherwise be able to offer without some type of structured program.

Fallon: In other words, somebody has to have some kind of background to get it.

Cronin: Lots of times they are going to be working for the company in a lower level and they will take them as an apprenticeship to get into a higher level too.

Driggs: Wearing my Budget Committee hat, what kind of resources are we kind of assuming will be available and do we need to think about that in the context of the crunch we are experiencing?

Cronin: In terms of the creation of the strategy?

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Driggs: Just the commitment to the things like the job creation goal, the amateur sports goal and some of these things I think would take money to realize. At the moment that is a sore subject, so I'm wondering whether this whole thing is affected by the conversations we are having on the budget side about the outlook for these.

Cronin: And resources in terms of people as headcounts.

Driggs: You could repurpose people, you can direct their efforts with some of these objectives, other ones I think would require some investment and investment will be a tough one.

Lyles: I think that is accurate for all of the Focus Area Plans.

Driggs: I'm just pointing it out in the context of this conversation.

Kimble: The plan on Monday night is for each of the Focus Area Committee Chairs to speak to these individually. We will assist but the expectation Monday night is that the Committee Chairs will be delivering each of their respective Focus Area initiatives and I don't think we get into the measures.

Lyles: Are we going to get into what is possible?

Kimble: I think that is a conversation that you can have at that meeting on Monday night.

Barnes: Your last measure was Amateur Sports?

Cronin: Yes and we added a couple of sports.

Barnes: I like this. Do we need a motion?

Kimble: I think the approval will come but if you want to approve that will be fine. We will be ahead of everybody else.

VOTE: Motion was made by Councilmember Austin, seconded by Councilmember Mayfield to make a recommendation to the full Council to approve the FY2016 Strategic Focus Area Plan. The vote was recorded as unanimous.

Barnes: One last item for me for the Committee as we are going through the budget exercise of determining where we might want to cut, one of the things that I had some discussion with staff about is the idea of us either moving our meetings to a non-lunch hour or keeping the meetings at 12:00 which works well for many of us, but bring our own lunch. Doing that would save us about \$7,200 per year for this Committee. I imagine Ma'am Chair of the Transportation Committee; it might save money for you guys as well. You meet at 3:30 don't you?

Lyles: We meet at different times all the time.

Barnes: For the Committees that have these meetings at noon, they may want to consider it. I wanted to ask you guys whether you would be willing to consider that for this Committee, as a part of

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that savings process. If you have any strong objections to it, would you just call Mr. Kimble and let him know? Otherwise, I would like to suggest that we do it.

Lyles: I would just suggest that we start later at 12:30; I just really feel like you have to have some time to get something to eat and if we are going to do it our own.

Barnes: Would 12:30 work?

Lyles: If we are going to meet at lunch time 12:30, what's the difference? We usually start at 12:15 anyway.

Barnes: Do you all generally support the idea of the savings? I'm trying to find a way to save money. The record isn't clear on this issue; do you all support the idea or not?

Mayfield: Moving the time back yes.

Austin: Moving the time back yes.

Barnes: It is the idea of moving the time back without the lunch. Okay, we will work on that. The next meeting is on April 16th at 12:30pm.

Meeting adjourned at 3:35 p.m.

City Council
Economic Development & Global Competitiveness Committee

Thursday, April 2, 2015
2:30pm

Charlotte-Mecklenburg Government Center
Room CH-14

Committee Members: Michael Barnes, Chair
Vi Lyles, Vice Chair
Al Austin
Claire Fallon
LaWana Mayfield

Staff Resource: Ron Kimble, Deputy City Manager

AGENDA

I. GRAMEEN BANK UPDATE - 30 minutes

Guest: Joe Mynatt, Managing Director at Wells Fargo Bank

Action: On November 22, 2010, Council awarded a \$230,000 grant to Grameen as part of a fundraising campaign to capitalize a micro lending fund in Charlotte. On December 28, 2012, Grameen America opened its eleventh U.S. branch with its location in Charlotte, and at today's meeting, representatives from Grameen will share an update on their unique operating platform and discuss their financial advocacy activity for Charlotte's low income women to date. No action required.

II. FY2016 ED STRATEGIC FOCUS AREA PLAN DISCUSSION - 20 minutes

Staff: Bill Cronin, Neighborhood & Business Services

Action: Staff will propose items for recommendation to add or amend the FY2016 Economic Development & Global Competitiveness Focus Area Plan including revisions discussed from the March 19th meeting, and if ready, make a recommendation to the full Council for adoption at a future business meeting. **Attachment**

III. NEXT DATE: Thursday, April 16, 2015 at Noon, Room CH-14

GRAMEEN AMERICA

Small loans, Big Impact.



What is Grameen America?

HISTORY

Grameen America builds on the legacy and proven model of Nobel Peace Prize Laureate Professor Muhammad Yunus and the Grameen Bank. Since 2008, we have been at the forefront of providing the poorest in the United States with essential resources to leverage their own initiative, skills and hard work to improve their lives.

MISSION

Grameen America is a 501(c)(3) domestic microfinance organization dedicated to helping women who live in poverty build small businesses to create better lives for their families. We offer microloans, training and support to transform communities and fight poverty in the United States.



Professor Yunus founded Grameen America with the belief that social business is the key to solving the pressing injustices of our time.

In addition to the 2006 Nobel Peace Prize, Professor Yunus received the Presidential Medal of Honor and the Congressional Gold Medal, putting him in the company of a handful of people in history to all three awards. With this, Professor Yunus joins the ranks of Nelson Mandela, Mother Teresa, and Martin Luther King, Jr.

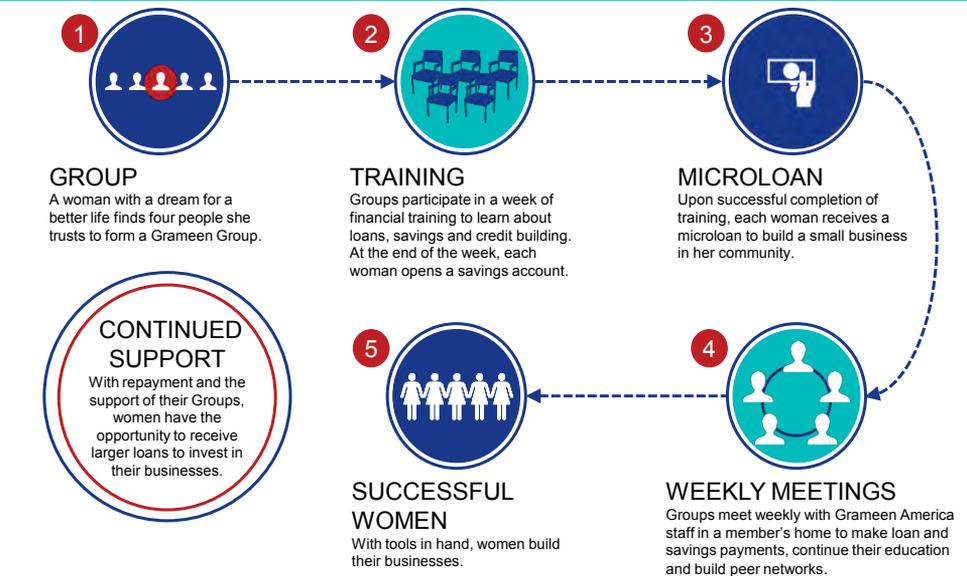
Microloan and Financial Identity

Products and services to build a small business

LOAN PRODUCT		FINANCIAL IDENTITY & ASSET BUILDING	
REQUIREMENT	No collateral or credit scores required	FINANCIAL TRAINING	5-day formal training; weekly meetings facilitate continuing education
TERM	6 months or 12 months	SAVINGS	Members open no-fee, no-minimum balance savings account with local bank
COST	15% on declining balance; no fees	PEER NETWORK	Forum for peer learning and collective problem solving
LOAN SIZE	Maximum first-time loan: \$1,500	CREDIT BUILDING	Repayments reported to Experian
GROUP MODEL	All members must form a group of five and agree to meet weekly		

Group model

Provides holistic approach to fighting poverty



The need for Grameen America in Charlotte

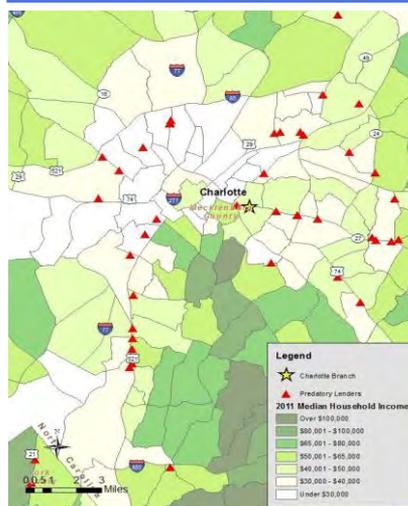
Program targets low-income neighborhoods with prevalence of predatory lenders

POVERTY¹ & BANKING LANDSCAPE²

- 18.1% of residents live in poverty
 - Increase of 7.1% since 2011
- 35.1% of families with a single female head of household live in poverty
- 25.4% of all children live in poverty
- 8.9% of all households are unbanked
- 27.8% of all households are underbanked

1. U.S. Census Bureau, 2011 American Community Survey
 2. 2011 FDIC National Survey of Unbanked and Underbanked Households
 3. 2011 Median House Hold Income

CHARLOTTE PREDATOR DENSITY³



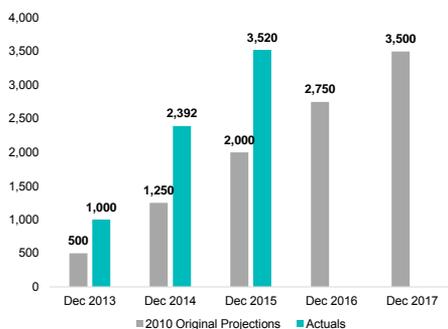
Charlotte Snapshot

Grameen America surpasses original projections in Charlotte

OVERVIEW

- Launched in December 2012
- Disbursed over 4,422 microloans totaling \$7.9MM to more than 2,392 low-income women in Charlotte
- Average loan size in Charlotte is \$2,000
- A \$5-6 million portfolio will help us to reach sustainability in Charlotte
- Maintained a 99% repayment rate

WOMEN SERVED



LOAN PORTFOLIO



Branch Comparison

BRANCH COMPARISON

Launched in December 2012, the Charlotte, Brooklyn 2 and Los Angeles Branches are all two years old. However, the Charlotte Branch:

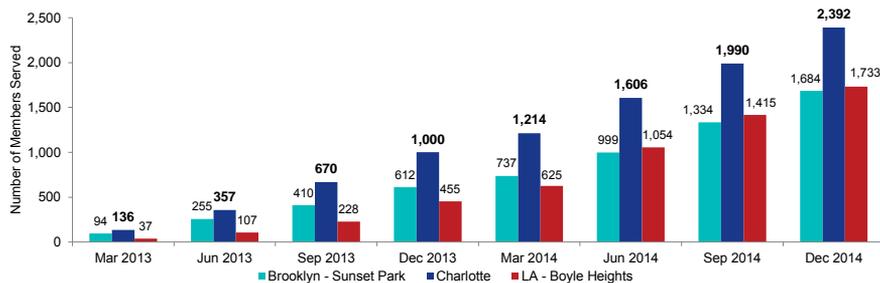
- Surpassed our first goal of reaching 500 members within eight months
- Hired five Center Managers instead of two
- Currently serves 40% more members than Brooklyn 2 and LA

WHY CHARLOTTE?

Key learnings:

- Placing Branch Manager with both U.S. and Bangladesh experience can decrease ramp-up time
- Strong community support, especially from a strong local advisory board, in advance of opening facilitates staff and borrower recruitment

GROWTH TRENDS



GRAMEEN AMERICA

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Charlotte Impact Evaluation Initial Report

IMPACT METRICS

% of Members Hiring¹ **33%**

Based on data collected from members surveys, we found that 33% of our members hire at least one full time or part time paid employee for their business.

Average Income Boost¹ **\$974**

Based on survey data from 125 members with at least two loan cycles, we found that loans produce an average growth in income of \$974.

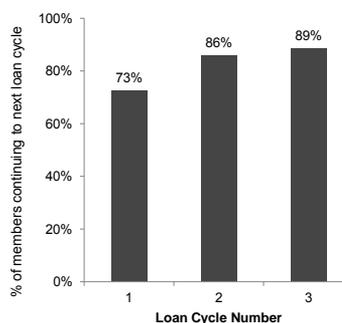
Hours of Community Building in 12/2014 **4,483**

Members meet on a weekly basis with their peers to make loan repayments. 30 minutes of the meeting are devoted to discussing shared challenges in their businesses, finances and community. We provided 4,483 hours of Center Meetings to members in Charlotte in December 2014.

Hours of Financial Education Provided in 12/2014 **630**

Every new member receives five hours of Continuous Group Training where she learns about our program, interest rates, credit scores and savings. In December 2014, we provided 630 hours of financial education to new members in Charlotte.

MEMBER RETENTION BY CYCLE



Building communities and developing a culture of membership has significant ramifications for this business model. Reaching sustainability with short-term small loans requires high member retention and repayment rates. It is also necessary that members in Charlotte become advocates for the program in their communities. Membership creates a "double bottom line" – additional services for our members and loan portfolio growth for Grameen America.

¹ Based on member self-reported survey data

GRAMEEN AMERICA

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PayNearMe Pilot in Charlotte

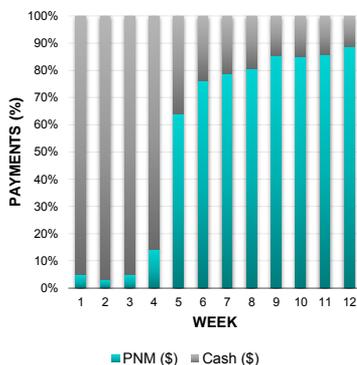
OVERVIEW

Grameen America partnered with PayNearMe, a remote cash payment system, which leverages an agreement with 7-Eleven to allow our members to make loan repayments at the company's stores.

PILOT DETAILS

- Program began in April 2014
- Over 90% of the nearly 2,400 Charlotte members repay every week at 7-Eleven
- Brief survey of members of their customer attitude and behavior during their 7-Eleven in store experience:
 - Fast and convenient payment method
 - Good customer service
 - Convenience to home

UPTAKE: PAYMENTS BY WEEK



Sustainable program

All Grameen America branches are on the path to sustainability

SUSTAINABLE MICROFINANCE

Social Enterprise

Grameen America's goal is to alleviate poverty through a self-sustaining program

Financial Model

Our financial model is designed to create sufficient income from our outstanding loan portfolio to cover operating expenses

Community Asset

This self-sustaining model creates ongoing community resources for low-income women entrepreneurs

MODEL IN ACTION: QUEENS BRANCH



1. Included HQ costs

As of December 2014

Management Update

Grameen America shifts to a Regional Structure

SHAH ALAM, REGIONAL DIRECTOR



- Recently promoted to Regional Director of Central and Southeast Region
- Launched Grameen America Charlotte in December 2012
 - Today, Grameen America Charlotte is the fastest growing branch in the country, serving nearly 2,400 members in only two years of operation
- Prior to Charlotte, he was the Branch Manager of Grameen America in Jackson Heights, NY
- Has over 25 years of experience working at Grameen Bank in Bangladesh

URSULA LALONE, BRANCH MANAGER



- Recently promoted to Branch Manager of Grameen America Charlotte
- Joined Grameen America Charlotte in December 2012 as a Center Manager
- Has over two years of experience working with Grameen America borrowers in Charlotte
- Previously worked as a Teacher at St. John's Baptist Church and Plaza Road Pre-Kindergarten Center in Charlotte
- Has extensive experience working in marketing, sales and promotion working at Universidad Cientifica del Sur in Lima, Peru and at Compu Copier in Guayana, Venezuela

GRAMEEN AMERICA

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How Perla started her business

PERLA AT HER BUSINESS



"I am so thankful to Grameen," says Perla. "Before it was like I had no one behind me, supporting me, but now I do and that's given me the confidence to start a business and provide for my family."

ABOUT PERLA

- A 29 year old, mother of three from Yorkmount neighborhood in Charlotte.
- Joined Grameen America in December 2012.
- Prior to Grameen America, Perla worked for a large national hotel for \$25/per shift that started at 4am.
- Had very limited job options as she did not have strong English skills.
- With her first loan of \$1,000, she set up a clothing rack at a gas station to sell dresses and other goods. On weekends, she set up at Charleston Beach.
- Today, she is on her fifth loan of \$3,600 and rents a storefront, where she sells dresses, shoes and accessories with regular hours and a steady income.

GRAMEEN AMERICA

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Major Contributors

Grameen America has raised nearly \$3.3MM in grants and loans in Charlotte

GRANTS¹

Z. Smith Reynolds Foundation	\$450,000
The Merancas Foundation	\$450,000
Whole Planet Foundation	\$250,000
City of Charlotte	\$230,000
The Leon Levine Foundation	\$200,000
The Ginter Foundation (a FFTC Fund)	\$100,000
Advantage Carolina	\$100,000
Individual	\$100,000
Hearst Foundations	\$75,000
Grants below \$75K	\$503,000
Total Grants	\$2,458,000

LOANS

Wells Fargo	\$500,000
Foundation For The Carolinas (FFTC)	\$250,000
Goodwill Industries	\$50,000
Total Loans	\$800,000

1. Includes multi-year gifts

Charlotte Advisory Board Members

William Baker

SCORE Charlotte, Certified Mentor and Past President

Peter Keane

Keane Capital Management, President and Owner

John Lassiter

Carolina Legal Staffing, President and Owner

Jennifer Mease

James Madison University, Assistant Professor of Communication Studies

Joe Mynatt

Wells Fargo, Managing Director

Sara Garces Roselli

Packard Place, Co-Founder



National Footprint

Grameen America has disbursed over \$237MM to more than 43,000 women in 11 cities

★ **Current Cities**

- Austin
- Boston
- Charlotte
- Indianapolis
- Los Angeles
- New York
- Omaha
- San Jose
- San Juan
- San Francisco
- Union City

● **Expansion Cities**

- Chicago
- Houston
- Miami



Grameen America
By The Numbers

<p>DISBURSED \$237MM IN LOANS</p> <p>- TO -</p> <p>43,947</p>	<p>\$32MM in Outstanding Portfolio</p> <p>114,587 Loans Disbursed</p> <p>PAR>30 of 0.9%</p> <p>Avg. Loan Size: \$2,200</p>	<p>SUSTAINED 52,736 - AND - CREATED JOBS</p> <p>20,000 SAVINGS ACCOUNTS</p>	<p>670 AVERAGE CREDIT SCORE</p>
<p>WOMEN IN ELEVEN US CITIES</p> 	<p>INCOME BOOST ↑\$286MM</p>		

GRAMEEN AMERICA 17

Recent Press and Events



Why American Small Businesses Are Singing Microcredit's Praises

BY JEREMY QUITNER

Grameen America has helped multiple neighborhoods in the U.S. thrive. Here's the story of one business owner in Queens, New York.

"I'm 37 years old, and now I can say I have my dream," Ugalde says. "I have my family and my house and the business--I have everything."

Grameen America Launches Branch in Harlem



WATCH: At the 2014 Clinton Global Initiative Annual Meeting, Secretary Clinton, President & CEO Andrea Jung and Chairman Muhammad Yunus announced Grameen America's \$50 million commitment to Harlem.



WATCH: President & CEO Andrea Jung discussed the Harlem Branch opening on Bloomberg TV's Taking Stock with Pimm Fox.

Grameen America Board of Directors

Professor Muhammad Yunus (Chair)

Grameen Bank
Founder

Sila M. Calderón

Sila M. Calderón Foundation
Former Governor of Puerto Rico

Michael D. Granoff

Pomona Capital, L.P.
Founder and CEO

Antonia Hernández

California Community Foundation
President and CEO

Vidar Jorgensen

World Health Care Congress
President

John Megrue

Apax Partners, L.P.
CEO

Andrea Jung

Grameen America
President and CEO

Hope Knight

Upper Manhattan Empowerment Zone
COO

Professor H.I. Latifée

Grameen Trust
Managing Director

Mahmoud Mamdani

Morgan Stanley
Vice Chairman

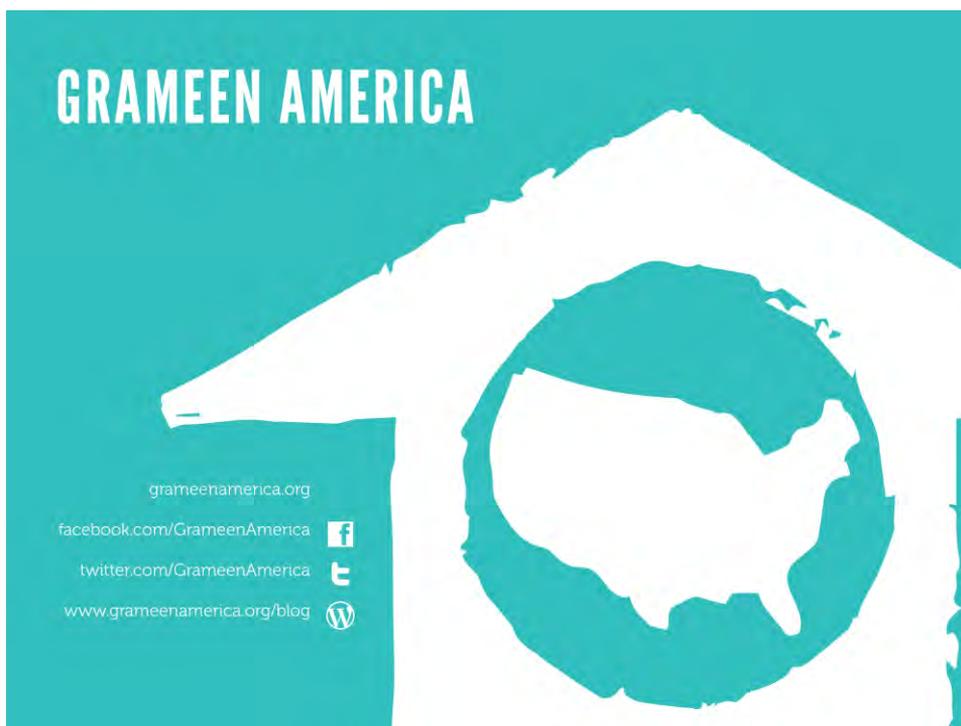
Director Emeritus

Ray Dalio

Bridgewater
Founder and CIO

GRAMEEN AMERICA

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Economic Development & Global Competitiveness FY2016 Strategic Focus Area Plan

“Charlotte will strengthen its position as a city of prominence in the global marketplace by building upon its competitive advantages.”

To achieve its vision, the City must leverage partnerships to seize new opportunities in a global marketplace. The City’s economic development strategy will focus on:

- Developing a global logistics center at Charlotte/Douglas International Airport,
- Enhancing relationships with our universities and education system to support and commercialize research and technology,
- Targeting industry growth in high-potential sectors, capitalizing on Charlotte’s unique profile,
- Developing neighborhoods and business districts to create places attractive for people to live and businesses to invest,
- Encouraging business expansion by streamlining the regulatory environment, and
- Preparing youth and young adults for employment success.

FY2016 Initiatives	Key Indicators
Facilitate the growth of small businesses and high growth entrepreneurs in our community	<ul style="list-style-type: none"> • Increased utilization of the City’s web portal (CharlotteBusinessResources.com) to meet the needs of emerging and growing small businesses • Source solutions to the City’s needs from local start-ups and small businesses by using the Small Business Services program and Code for America Charlotte Brigade • Increased contracting opportunities for small businesses and local minority and women-owned firms through the Charlotte Business INClusion Program • Participation in Community Collaborative(s) to advance technology and promote digital inclusion to startup companies in light of Google Fiber’s planned investment • Implementation of key Immigrant Integration Taskforce recommendations as approved by City Council
Promote the holistic development of targeted business districts and neighborhoods	<ul style="list-style-type: none"> • Private investment stimulated in targeted areas of opportunity and within areas identified by the Community Investment Plan and the Business Corridor Revitalization Plan
Work with universities and the education system, local industry leaders, and other economic development partners to drive global competitiveness and job creation in the energy, finance, information technology, logistics, and advanced manufacturing sectors	<ul style="list-style-type: none"> • Creation of a Global Logistics Center Strategy for the area surrounding the airport • Increased leads for foreign direct investment through the International Relations Office • Collaborative partnership with E4 Carolinas in support of Charlotte’s emergence as the center of a two-state energy hub • Re-tooling of the Business Investment Grant program to better align with business needs
Introduce youth and young adults to employment opportunities with potential for long-term growth and development	<ul style="list-style-type: none"> • Increased number of work experiences and summer internships through Mayor’s Youth Employment Program • Creation of an apprenticeship strategy
Grow Charlotte’s tourism industry through amateur sports development and programming	<ul style="list-style-type: none"> • Implementation of the Bojangles/Ovens Redevelopment Plan • Identified solutions for needs associated with amateur sports such as swimming, tennis, baseball, rugby, lacrosse, and soccer • Maximized utilization of community-use days at Bank of America Stadium and BB&T Ballpark



Economic Development & Global Competitiveness FY2016 Strategic Focus Area Plan

“Charlotte will strengthen its position as a city of prominence in the global marketplace by building upon its competitive advantages.”

Goals	Super Measures	
Promote diversity and inclusion of Minority Women Small Business Enterprises (MWSBEs) in the City's contracting and procurement through the Charlotte Business INclusion Policy	<i>Target: Achieve 12% MWSBE Citywide Direct Spending</i>	
Promote High Growth Entrepreneurship through increased communications and marketing Leverage public community investment plan investments with the private sector	<i>Target: Create a Marketing and Communications Strategy to raise awareness of Charlotte as a high-growth ecosystem in alignment with the Charlotte Regional Fund for Entrepreneurship and other local programs</i> <i>Target: Achieve 10:1 Private to Public Investment</i>	
Participate with other local partners to grow jobs and investments in the energy, finance, information technology, logistics, and advanced manufacturing sectors	<i>Target: Create and adopt new and improved policy guidelines for Business Investment Grant Program</i> <i>Target: Assist with recruitment of net new business - Jobs goal: 5625 jobs Investment goal: \$458 million in incremental private investment in Charlotte</i>	
Work with community partners and approve an appropriately sized/resourced pre-apprenticeship program	<i>Target: Continue to grow Pre-Apprenticeship program for Transit Maintenance</i> <i>Target: Create a coordinated intake program to place apprenticeship candidates with appropriate organizations</i>	
Grow facilities and participants for amateur sporting events in Charlotte	<i>Continue to work through the expansion of amateur sports (indoor amateur sports, soccer, swimming, rugby, lacrosse, tennis, and baseball)</i> <i>Target: Grow the economic impact of amateur sports by 50% by the end of calendar year 2016</i>	

COMMITTEE AGENDA TOPICS

- I. **Subject: Small Business Month**
Action: Receive an update on activities planned for Small Business Month in May. No action required.
- II. **Next Meeting Date: Thursday, May 21, 2015 at 12:30, Room CH-14**

COMMITTEE INFORMATION

Present: Michael Barnes, Al Austin, Claire Fallon and Vi Lyles
Absent: LaWana Mayfield
Time: 12:30 p.m. – 1:10 p.m.

ATTACHMENTS

1. Small Business Month Calendar

DISCUSSION HIGHLIGHTS

Chairman Barnes welcomed everyone to the meeting and asked for introductions. We are meeting at 12:30 because the Committee, including Member Fallon agreed that we would meet at a non-lunch beginning lunch hour, thus the reason we are starting at 12:30; we are trying to close a \$22 million and the Committee agreed to forego lunch, sorry for the people who were depending on it.

Fallon: The last thing I heard it was supposed to be \$5,000 for travel expenses. How did we raise it to \$10,000 yesterday?

Barnes: Actually, I thought \$10,000 was low. I'm willing to go to \$5,000, but now we are talking about the budget. We have gone down to \$5,000 on Council travel expenses and we will take up this agenda item at another time, but what Ms. Fallon is asking about is the cost saving efforts of the Council. One of the things that all the Committees, I believe to help the Manager agreed to do was to hold Committee meetings at non-lunch hours.

Lyles: Did you say all Committees agreed to do that?

Barnes: I thought so.

Lyles: No, it is a choice.

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Fallon: You do that at dinner meeting Michael because you are there from 5:00 and sometimes until 12:00 at night.

Barnes: But we do save three grand with the table cloths, but anyway this Committee chose to forgo lunch and anything else I can think of to save cash. You could go to Panera Bread like Ms. Lyles did and get yourself some tea.

Fallon: I didn't have time.

Austin: I went to the House of Prayer.

Barnes: Councilmember Austin went to the House of Prayer for lunch and I'm sure Ms. Cappetta is sitting there wondering what is going to happen to our record as I talk through this. Deputy Manager had leftovers. We will begin with introductions and then deal with the one thing, thank God, low stress item on our agenda for the first time in about a year and a half.

For the purposes of the record, we are being somewhat light hearted because we have one brief agenda item and it is a low stress item as I said for first time in about a year and a half.

Kimble: A very important one, but low stress.

Barnes: Very important one, but a low stress item; there is no one mad about anything that will happen with this item, which is a good thing.

Kimble: We will turn it over to Natasha Warren in Neighborhood & Business Services to walk you through the great things and Alexis Gordon joins her today.

I. Small Business Month

Warren: Thank you very much; it is actually a pleasure to be here, it has been quite a while since we've gotten to talk to you all about what we are up to. We will definitely jump into Small Business Month but I would like to if I can take just a few minutes to talk a little bit about the website. I'd love to share with you a little bit of data about how it is actually performing because so much of what we do goes through the website; so much of how we appear to the community is through the website. I think it would be important to just touch on that a little bit with you and tell you a little bit about how we are trying to get feedback in the community as well.

You all remember why CharlotteBusinessResources.com exists; it is because you all said this is important and you actually adopted a strategic plan some years ago that says you thought this was an important tool that you could provide to the community so staff has carried that out. The site was actually rebuilt in 2013 and that's the version that you see here on the screen. I'm happy to report that the site has been performing above average and I want to give a shout out to my team; Christi Floyd is here with us today; she actually manages the content of the site and she actually handles our relationship that we have with our website support providers, the service provider that handles our bug fixes and things like that. And then Jerrienne Jackson as well; she is not here today, she is actually at a Small Business Month event representing us. She is the one that handles a lot of our

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event planning and implementation. Without them, it would be really hard to carry out some of the things that I'm going to share with you today that are going so well.

The site as I said is performing above average; it has done that consistently. Typically what you would see on a site is that a site will experience a 5% to 10% increase in site visitors annually; that is what most sites would experience. What we've found is that CBR has actually seen a 48% increase in site visitors so if you compare the first few months of this year to the first few months of last year, we've had a 48% increase in site visitors. That is phenomenal and then we also have seen our social media grow tremendously. That's a new avenue for us; the site in its original iteration did not have a social media presence, but now we've had that since 2013 and we've seen a 47% increase in Twitter followers and a 354% increase in Facebook followers. Now mind you, we started at zero so you can't help but go up in those situations but it just makes all the difference that we are continuing to let the community know that we are out there, they are finding us, and they are seeing us. The marketing strategies that we are embarking on are actually working and so those folks that are following us those numbers are increasing.

Austin: That is great news. You guys track what kind of key item component of the website people are going to mostly?

Warren: Yes, and I am going to touch on that. That is actually the next thing on my list to tell you what the most visited pages are. They are getting started; we have a page called getting started and the next most visited is licensing and permitting. I will just take a second to remind you that we knew that one of the things the site needed to accomplish was to assist folks who just had maybe a small idea of what they might want to do businesswise all the way to the folks that are maybe in business a year or two, so we are talking about start-ups. That's the focus of the site so we are not surprised at all that those are the pages that are most frequently visited. Now to be sure there is other content on here that can help folks that are in later stages of their business life cycle, but we know that mainly those are the folks that are coming to the site. The calls that we get in our office from folks who happen to know about our small business services office and the website, they usually are asking about things like how do I get a street vendors license uptown and then you get that very basic so broad question of how do I start a business. We are able to walk people through how to solve those things but also refer them to the other resource partners in the consortium, the Charlotte Business Resources Consortium to help them.

Fallon: When you walk them through, do you speak to them face to face or is it computer?

Warren: It depends, most of the time we will get somebody referred to us. Some of you all have actually referred folks to us who were interested in starting a business and in those cases depending on what their challenge is, we might actually invite them in and we might bring in a team of others across the County and the City who deal with maybe food regulations or finding a site or location for their business. We might actually get in a room and hear about their business idea and talk through it that way. We are trying to do the most that we can to save them time and effort of running around and trying to find their answers other places. It could be by phone, sometimes we can talk them through that on the phone if it is kind of a little piece, but if it is a much deeper conversation we try to get them in a room with them.

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Fallon: So it is face to face basically?

Warren: It can be any of that.

Fallon: That's very good.

Warren: If I could, I'm going to move on and talk a little bit about what we've done to try to get some feedback from the community about the site. We recently deployed a survey to find out; here is a list of questions, what do you guys think about the site, what do you think about the services that our resource partners, SCORE, SBA, the Library, the County, what do you think about what they are providing to you as a small business? I'm happy to report we got really, really good feedback; people really liked the site. They are pleased with how it is presented, they are pleased with how they can navigate through it fairly easily, but I will offer that we do have some work to do still. We need to better reach. There are people out there that you can just ask them and they have no idea the site exists, they don't know about this tool at all. We've been really good about making sure though that in this current mobile idea that we have that folks can literally type into Google, start a business and the first thing they are going to get as a search result is our website. We've been really good about positioning ourselves in that way, but we still have this challenge of making sure we've penetrated deep enough into the community so we have some work to do there and the survey result said that and validated that for us.

Lyles: Blue Star pages; do we actually try to go through that process and do that as well?

Warren: Yes, we have a robust marketing strategy that literally each year we go through and we say what did or didn't work last year, what do we need to do differently. It includes everything from on-line marketing to at times some print strategy; we do a little less of that because we are finding that is now not how people want to engage with us. But a lot of it is about those sorts of things, how are we showing up on different websites, how are we using Google and being in their paper click programs to use the site. We are constantly working at that and it's kind of an ongoing thing.

Lyles: I think you are right in trying to find the space and as much as everyone gets and how do you make sure that you are able to get your message through, even online it is getting harder and harder.

Warren: It's a challenge. There is so much more out there and it is really a challenge.

Austin: I know there is a lot on the website. Have we ever considered apps, just like phone apps? Because that is becoming the new generation of things as opposed to me now going to the website, I'd rather look for apps that will give me everything I want.

Warren: Two things that occur to me when I hear your question. We decided that probably the most important thing for us to do when we re-built the site was to not create an app and I will tell you why in a second. We didn't want to create an app; we thought it was more important that the site itself be able to adjust and show up in a mobile format no matter what type of mobile device you are using. If you have an iPhone or a Windows phone or whatever, it should reposition itself in having mobile presence; it should look right and you should be able to use the sorting tools and all of those things. It is tricky though and we found that in the case of the iPhone in particular, if you held your phone the

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way you would take a call, there is not enough room to get everything you needed so you have to orient it in the right direction. There are still some things we haven't been quite able to figure out, but we are always working on that. The reason we didn't do an app was because we weren't sure what the app would do quite frankly. We really had some good discussion about that and we revisit that idea every year, but we didn't want to put something like that out there, another tool unless we knew that folks would find it useful. We haven't quite gotten there yet, but we could.

The other thing that we learned from our survey results is that in addition to really trying to do more outreach and penetrate further into the community is that we think there is a group of folks that need our help a bit more than maybe some others. These are the folks who have what they call a side hustle. We are finding that there are a lot of folks out there who are working full time at other jobs but they are trying to get this business off the ground and they just aren't finding the support they need right now. I'm not suggesting that the City of the Charlotte is the one that needs to provide that support, but what I am suggesting is that among our 18 resource partners maybe we can work with them to figure out how to fill that gap. That was one of the things that kind of rose to the top for us a well and we got all sorts of others but I just wanted to highlight those two pieces of feedback.

Austin: I did go on the website and it looks good.

Warren: Good. To increase participation in our survey, it is always a challenge to get people to actually fill the darn thing out. We actually held a give-a-way; it wasn't a big give-a-way, it was like a little basket of CBR-branded stuff and there was a gift card like \$20 from Target, it was small. So we hosted a give-a-way and picked a winner and let me tell you what the winner said. This is really interesting; the winner was Mike Simmons from Wynn's Consulting; its business consulting firm that helps businesses create websites, write business plans, help with their marketing, anything they need, kind of what we do as a consortium, but one stop. He is a single person shop and he has a contractor here or there that might make up a list of things but he actually found our site by one of our Google ads when he was in Florida so he was based in Florida and he said that one of the things that encouraged him to come here was because of all the business support that we had. He was sort of thinking us over in his head and this site was one of the convincing things for him.

Barnes: And he moved to Charlotte?

Warren: He moved to Charlotte so he is now in Charlotte and he said the site itself provided a lot of valuable information that helped him get started here so now he refers his clients to our site regularly. I think with that, unless you have other survey questions, we will dive into Small Business Month.

Mumford: You probably have seen this in your agenda; there is an item on Monday night where support of this site is coincidentally so if you have additional questions, we will answer that Monday night, but that is on there for approval of the outsource partner that we have that's done a phenomenal job over the last year and a half.

Warren: So from my team's perspective and the Resource Partners' perspective, we are locked and loaded; we are already into Small Business Month. Alexis is going to help me talk about that. We've been doing this since 2011 and you've probably seen us do just a week worth of stuff sometimes, a month sometimes, but we think we are solidly in the lane of doing a month because there is so much

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stuff to celebrate, there are so many events, it's hard to collapse it all into one meeting. Again, clearly it is about recognizing the contributions of the entrepreneurial community and really just stopping and taking a minute to enjoy that. The Small Business Month content is loaded onto the website, our contest is live; we are running a contest and the contest right now is for our winner, whoever wins it, wins a free app so you are talking about an application we are going to give away an application. We had someone donate 40 hours worth of design time to build this app for our winner and then our Small Business Month billboards are up at the center as well with a billboard on each side. Along with the other things that are there those are rotating.

Speaking of that billboard, which is a tool that we were really glad to be able to add to our arsenal of ways to promote the site. In November of last year, we gave away space on that site and somebody was able to win space on that site to promote their small business. I wanted to share with you what our winner said. The winner was Search Solution Group and they are a recruiter primarily for fulltime employees for businesses, they do a little bit of temp recruiting and so they won that billboard space contest and they actually have told us that they've had really great growth since they won that visibility. They said that people mention their billboard often, seeing that when they call in for services and they said they have doubled their staff. They also said that because the capacity is not what it needs to be they actually had to turn some people away. Now they are fans and they promote our site all the time and they have actually asked Christi what they can do to help us in our effort. Again, I wanted to make it clear I don't think we are the only thing that contributed to them doubling in size, clearly they were doing some things right already, but it is nice to be able to say that some of the folks that now show up at their door are because they won this opportunity to do that contest so I think that is really a cool story.

Now Alexis and I are going to talk about the Small Business Month calendar which you should have at your places I believe. You see here under Friday on the site, the pull-down menu you have Small Business Saturday so when that comes around we will have a new contest there. All of the small business content is there right now and then the app give-a-way is there as well. We are also going to be talking about "Staying in the Game", which is the event card that you have in front of you.

Gordon: I'm going to start off, actually my group had the honor of having the first event for Small Business Month this year and also this week is Small Business Week so when you look on here that is why it continues on for over a page this week because this is the week that nationally is considered Small Business Week. We in Charlotte celebrate it for a month because as you will see there are so many events going on we try to encourage people to spread them out so that people can attend as many things as possible. I want to thank those of you who were able to come on Tuesday for the Mayor's International Community Awards.

Lyles: It went really well.

Gordon: Thank you very much.

Lyles: I forgot to Tweet about it but I will later.

Gordon: There were a few people who told me they were so interested in the speaker that they stopped tweeting because they were listening so intently to him. Somebody asked me if I was worried

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he might walk off the edge of the stage but he was really wonderful and we were very glad that we had him. This is our second year of being a part of Small Business Month, making sure that M.I.C.A. is part of that and it really was a wonderful way to continue. On May 20th is the International Entrepreneurs and Small Business Owners Meeting. We actually moved this meeting; annually the Office of International Relations used to have this meeting in September but to bring our programming more in line with what is happening in NBS and with Economic Development, we swapped our calendar around and pulled this meeting into May. So this meeting is to help focus with our international community that new immigrants and also some of their generation folks who still very much identify with their background and their family members that came to our country and help them with their small businesses and some of the things they are facing. This year, we are focusing mainly on connections so one will be connecting to other businesses, how do you work together to create organizations such as a merchants association to really help you grow together as companies and as businesses and then also how are you connecting with your customers, what are some free ways for you to do that better. The last one is seeing how our landscaping is changing and connecting in transportation; what will the Gold Line bring in. I kept catching the trolley in front of my vendor today and then with the extension of the Blue Line, what questions do people have. So CATS will be there to really help those small businesses. We do have quite a few international and immigrant businesses along North Tryon and so we are hoping to catch some of them in this discussion so they can ask questions about the Blue Line in particular. That was how we are trying to help and of course we are also encouraging people to come to "Staying in the Game".

Warren: Just to back up a little bit, if you go back to page two, I just want to highlight just two or three of these events for you that we really encourage you to come out to. On Tuesday, May 12th, you will see a "Doing Business with the City" event that is going to be hosted. This is a really great opportunity for folks to learn how in the world do I do work for the City, how do I create a good bid, how do I respond to an RFP. It is such a critical thing for the community and I think they are always really appreciative when we take the time to walk them through how to successfully make a good path to get work, so I wanted to highlight that for you. Then on Tuesday, May 19th, the card that you have in front of you is the "Staying in the Game" event and we are really excited. We are going to have Torry and Terrence Holt, former NFL players that will be joining us to give a key note and really try to help the crowd to be energized and learn how it is they can stay competitive and stay involved in the game of business. We are really excited about that and it will be hosted at the Knight's Stadium so if you plan to come to that please let us know as quickly as you can because the Knight's Stadium has some really strict guidelines around capacity and we want to make sure we can get you in there before all the seats fill up.

On the back page, I wanted to point out the Latin American Chamber of Commerce, their monthly luncheon where our Mayor will be speaking. Those are always wonderful so that is a good one to come to.

Gordon: To add to that one actually the First Lady of Guatemala will also be in attendance.

Warren: The last two that you see there are interesting; Packard Place and Queen City Forward, they are folks that are part of the high growth community and they've been partners of ours for quite a long time where the Packard strategy is concerned so it is really great to be able to feature some of their events during Small Business Month as well. Again, they are not small business oriented

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necessarily, but the ability for us to partner with them to make sure that if folks land on our doorstep or their doorstep and need to be ushered to the other area that is what we want to be able to do, make sure we have a good enough connection that if people kind of are lost that we get them to the right folks. They actually see a lot of folks in their monthly meetings, introduction to the start-up community who really need us and not them and so we try to stick close to each other where that sort of thing is concerned. We do have couple of things highlighted that we think the general business community and small businesses might be interested in. The demo day for QC Fintech and RevTech Labs, those are always really great and then the Impact3 Demo Day which is also around social entrepreneurship.

Kimble: We've come a long ways in three years to put together a good spread across the whole line.

Warren: The only other thing I would add, unless there are questions about the calendar is that on Monday, as Pat said, the contract is coming forward that is related to the website so you will see that.

Barnes: I suppose it will be somewhat devastating night in light of the budget cuts.

Warren: The other thing that is going to be happening is the proclamation of Small Business Month; that will be read. If I have an opportunity, I may be able to show you a really great video of one of the small businesses that some of our partners and we, actually CBI specifically has worked to help get them going and up and running so hopefully if that works out we will be able to show you that.

Barnes: Anything else?

Mumford: I would just like to thank this Committee and previous Committees to give us the time to develop this. It took a while and as do all things that are good. Your direction, your guidance and your support hopefully you've seen really ended up in a good place so thank you for the guidance.

Barnes: Let me tell you guys what I think at least from my perspective has been great about what you do. Now when I meet people who have just come to Charlotte or who are thinking about coming to Charlotte, I say go see Charlotte Business Resources, call Natasha Warren in Neighborhood & Business Services. You give us a place for people to go that can actually respond to their questions from the start-up questions to now that I've been in business for a couple of years but need some other assistance type perspective. That's actually huge because it makes Charlotte appear to be more business-friendly and confirms that we are business-friendly and welcoming. People really do appreciate that when they move to a city or who are thinking about moving here, so thank you guys for your work here.

Fallon: It is a wade through the forest because that's the problem with bureaucracy, people don't know where to go and this way there is one place that you direct them.

Kimble: How many partners do we have that participate?

Warren: I think we are up to 19.

Kimble: That is a good collaboration of all those various partners in one spot.

II. Next Meeting: Thursday, May 21, 2015 at 12:30 p.m., Room CH-14

Barnes: I see that our next meeting is on Thursday, May 21st at 12:30 in this room. Perhaps we should follow the lead of the Transportation & Planning Committee and have steak and lobster. I'm teasing. Any other Committee business, Mr. Manager, anything?

Kimble: On May 21st, you have the Charlotte Business INClusion update and you also have an update on the progress and process of Eastland.

Fallon: Are we hearing about Bojangles at all?

Barnes: We will have an update on that too.

Kimble: It is dormant for now.

Meeting was adjourned at 1:10 p.m.

City Council
Economic Development & Global Competitiveness Committee

Thursday, May 7, 2015
12:30pm

Charlotte-Mecklenburg Government Center
Room CH-14

Committee Members: Michael Barnes, Chair
Vi Lyles, Vice Chair
Al Austin
Claire Fallon
LaWana Mayfield

Staff Resource: Ron Kimble, Deputy City Manager

AGENDA

- I. **SMALL BUSINESS MONTH - 30 minutes**
Staff: Natasha Warren & Alexis Gordon, Neighborhood & Business Services
Action: Receive an update on activities planned for Small Business Month in May. No action required. **Attachment**
- II. **NEXT DATE: Thursday, May 21, 2015 at 12:30pm, Room CH-14**
Potential Topics:
- CBI Update
 - Update on Eastland



For additional information about Small Business Month, visit CharlotteSmallBusinessMonth.com.

Tuesday, May 5

[Mayor's International Community Awards](#)

Hosted by the City of Charlotte in partnership with the Charlotte International Cabinet at Booth Playhouse

4:00 p.m. – 7:00 p.m.

- Event honoring foreign-owned firms and three individuals or organizations for their outstanding contributions to the international community.

Tuesday, May 5

[NAWBO 30th Annual Awards Gala](#)

Hosted by NAWBO Charlotte at Charlotte City Club

6:00 p.m. – 9:00 p.m.

- Applauds the success of honorees, provides visibility and recognition of their leadership and innovation, and recognizes best practices in business.

Tuesday, May 5 (Tuesdays and Thursdays 5/5 – 5/14)

[The Fine Arts Entrepreneur 2: Launching Your Creative Career](#)

Hosted by CPCC's Small Business Center at CPCC Central Campus

6:00 p.m. – 9:00 p.m.

- Combine business skills with your arts background and go from feasibility to a functional plan.

Wednesday, May 6

[Resources and Growth: A Small Business Symposium](#)

Hosted by Congresswoman Alma Adams at CPCC Harris Conference Center

8:30 a.m. - 12:30 p.m.

- An opportunity to further the endeavors of the small business owners and entrepreneurs at any stage.

Thursday, May 7

[2015 Small Business Seminar](#)

Hosted by Pride Magazine at Wake Forest University's Charlotte Uptown Campus

10:00 a.m. – 3:00 p.m.

- Event to educate new and potential business owners about best practices and provide them with helpful resources from Wells Fargo and other organizations.



Thursday, May 7

[Charlotte-Mecklenburg Crowns of Enterprise Awards](#)

Hosted by the City of Charlotte and Mecklenburg County at The Palmer Building

6:00 p.m. – 8:00 p.m.

- A reception honoring the successes and achievements of small, minority and woman-owned businesses.

Monday, May 11

City Council Small Business Month Remarks

- The Small Business Month proclamation will be read at the Council Business Meeting.

Tuesday, May 12

[Doing Business with the City of Charlotte](#)

Hosted by CPCC's Small Business Center at Charlotte Mecklenburg Government Center (CMGC)

6:30 p.m. – 8:30 p.m.

- A City representative will describe vendor programs and its purchasing process models: Request for Quote (RFQ), Invitation to Bid (ITB) and Request for Proposal (RFP). Find out what you need to know to locate contract opportunities.

Wednesday, May 13

[Ballantyne Chapter Luncheon: How Small Businesses Can Succeed in Ballantyne & Beyond](#)

Hosted by Charlotte Chamber at Ballantyne Country Club

11:30 a.m. – 1:00 p.m.

- Small business owners in the Ballantyne area will provide key strategies, tips and lessons learned on how to succeed in business.

Friday, May 15

[Small Biz Expo](#)

Hosted by the Charlotte Business Journal and The Employers Association at The Employers Association

12:00 p.m. – 3:45 p.m.

- Meet with Charlotte-area small businesses and professionals to expand your network, find resources to help grow your business, learn, and generate new business leads.

Tuesday, May 19

[Staying in the Game](#)

Hosted by CharlotteBusinessResources and CPCC's Small Business Center at BB&T Ballpark

11:00 a.m. – 2:00 p.m.

- Networking luncheon with keynote remarks and a Q&A session with former NC State and NFL stars Torry and Terrence Holt of Holt Brothers, Inc.



Tuesday, May 19

[Simple Steps for Starting Your Business](#)

Hosted by Charlotte Mecklenburg Library and SCORE at South County Regional Library

5:30 p.m. – 7:30 p.m. (visit CharlotteSmallBusinessMonth.com for additional dates and locations)

- Learn about business plans, how to develop your business, and SCORE's support services in addition to free library research services for collecting reliable information on competitors, prospects, suppliers, market data.

Wednesday, May 20

[International Entrepreneurs & Small Business Owners \(IESBO\) Meeting](#)

Hosted by the City of Charlotte's Office of International Relations at Charlotte Mecklenburg Government Center

7:30 a.m. – 10:15 a.m.

- Free seminar on connecting and promoting an international business.

Wednesday, May 20

[LACC Luncheon](#)

Hosted by the Latin American Chamber of Commerce at Mint Museum Uptown

11:30 a.m. – 1:00 p.m.

- LACC monthly luncheon featuring Charlotte Mayor Dan Clodfelter as keynote speaker.

Wednesday, May 20

Hosted by Packard Place at UNC Charlotte Center City – Atrium & Auditorium

- [QC Fintech and RevTech Labs Demo Day](#) caps a three month program focused on identifying and accelerating growth of early state companies.

Thursday, May 21

[Impact3 Demo Day](#)

Hosted by Queen City Forward at Johnson & Wales University, Hanes Auditorium

5:00 p.m. – 8:00 p.m.

- Demo Day is the culmination of Impact3, a 12-week accelerator program for high-growth, high-impact social entrepreneurs.