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WEEK IN REVIEW:

Mon (July 6)	Tues (July 7)	Wed (July 8)	Thurs (July 9)	Fri (July 10)

CALENDAR DETAILS:

July and August calendars are attached.



2015 Council
Calendar.docx

INFORMATION:

2015 Mayor and Council Election Website

Staff Resources: Sandy D'Elosua, Corporate Communications & Marketing, 704-336-2643, sdelosua@charlottenc.gov

Tabitha Warren, Corporate Communications & Marketing, 704-336-5526, twarren@charlottenc.gov

In preparation of candidates filing for office, which opens on Monday, July 6, Corporate Communications & Marketing will launch the City's website for information at <http://candidates.charlottenc.gov>. The site will launch when filing opens on July 6.

The site will house all responses to information requests from verified candidates for Mayor and City Council. Other information on the site includes the following:

- Electronic versions of all documents that will be included in the candidates' briefing packet, which will be mailed to candidates after filing closes on July 17
- Guidelines for campaigning, such as using the City of Charlotte's logo and campaign signage
- Detailed instructions on how to submit information requests

All requests for information and the City's response will be posted on the site. Any response to inquiries from a candidate, including incumbents, must be tracked and shared with all candidates.

#704th Social Media Campaign

Staff Resource: Ken Brown, Corporate Communications & Marketing, 704-336-5863 kebrown@charlottenc.gov

On Wednesday, July 2, the City of Charlotte will launch the social media campaign #704th, an online engagement effort to promote City services and local events taking place during the

Fourth of July Holiday. A play on the date (7/04) and the City's predominant area code (704), this campaign will allow the City to join residents in celebrating a major holiday in Charlotte.

The campaign will feature unique events happening in Charlotte, identify City services in place during Uptown celebrations and share the history of Charlotte's landmarks and locations with the independence namesake. A [#704th resource](#) page is available for residents to view City service impacts and holiday closures, event listings, and more. Charlotte residents will be encouraged to use the hashtag #704th to show how they're spending their Independence Day in Charlotte.

Be sure to [check out the video](#) for more on Charlotte's theme of independence. Follow the City of Charlotte on [Twitter](#) and [Instagram](#), and like the City of Charlotte on [Facebook](#).

Reminder of Red Bins Service Termination

Staff Resource: Victoria O. Johnson, Solid Waste Services, 704-336-3410, vojohanson@charlottenc.gov

Starting Monday, July 6, Solid Waste Services will no longer collect recyclables from red bins. Citizens have been advised of this change since May through direct mail, advertisements, social media and traditional media. Solid Waste Services created a video to help alert citizens of this change. The video has been promoted through social media and has received more than 300 views. WCNC, WSOC, Time Warner Cable News and WBTV have run stories or citizen reminders about the change. On June 30, Jon Wilson of [WCCB's Wilson's World](#) visited Solid Waste Services and did a 3.5-hour live broadcast about red bin elimination. Solid Waste was also featured on WBTV's morning show that morning to discuss the service change.

Warm Conditions and Low Streamflow Puts Catawba-Wateree Basin in Drought Watch

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

The Catawba-Wateree Drought Management Advisory Group (CW-DMAG) today announced that dry weather conditions and warm temperatures have placed the Catawba-Wateree River Basin (see map for basin geography) in Stage 0 of the Low Inflow Protocol (LIP). Stage 0 is the first of five drought stages outlined in the LIP and is a drought watch stage that alerts the CW-DMAG members to monitor conditions more closely.

Although wise water and energy use and voluntary conservation are encouraged year round, no actions are required of the community at this time. Instead, the LIP calls on major water users like Charlotte Water to review and update their Water Shortage Management Plans in the event that regional conditions warrant future drought stage escalations.

Below normal rainfall and above-average temperatures have dropped two of the three LIP drought indicators (triggers) to Stage 0. Water storage in the 11-reservoir Catawba-Wateree

River Basin has declined and stream flows that feed the reservoirs are below normal. In addition, the U.S. Drought Monitor trigger indicates most of the Basin is experiencing drought conditions.

The CW-DMAG 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 public water supply systems in the Catawba-Wateree river basin. The LIP is the regional drought management plan drafted by the CW-DMAG that major water users in the region employ to share responsibility and set priorities for conserving the limited water supply during drought conditions.

The CW-DMAG meets at least monthly when conditions reach Stage 0 or greater of the LIP. Another Drought Status update will occur on August 1.

Comment Letter from Storm Water Advisory Committee

*Kim Eagle, Management & Financial Services, 704-336-3700, keagle@charlottenc.gov
Daryl Hammock, Engineering & Property Management, 704-336-2167, dhammock@charlottenc.gov*

Attached is a comment letter from the Storm Water Advisory Committee (SWAC) regarding a Council Business Agenda Item proposed for July 27 to revise the stormwater ordinance. The proposed ordinance change would exempt the City from paying a stormwater fee for City streets. A Public Hearing was held on May 11 and there were no comments.

Also attached is an overview of exempting City streets from the stormwater fee.



Storm Water - GF Contribution White Paper



SWAC_Stormwater Ordinance Revisions Letter

2015 State Legislative Report #21

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

Attached is the latest State Legislative Report.



2015 week 21 report.pdf

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

2015

August

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

2015

City General Fund Contribution to Storm Water Services

The stormwater program is based on the premise that all rate payers are charged in accordance with their impervious surface and its impacts on stormwater runoff and surface water quality. When the program began in 1993, the City ordinance created certain categories which were exempt from paying a stormwater fee. Although state roads have been *exempt* from paying a fee since the program began, the City's public street rights-of-way were *not exempt* in the ordinance. However, since the beginning of the stormwater program, the City's General Fund has paid a contribution to the program in lieu of paying a fee specifically based on City street impervious area.

- In FY1994, Council approved a \$2.5 million annual contribution to Storm Water Services for City maintained streets and general government facilities and also dedicated one cent of the property tax rate to Storm Water Services.
- In FY1995, the \$2.5 million annual contribution was split between General Fund and Powell Bill (\$2.0 million and \$500,000 respectively).
- Beginning in FY1997, the annual General Fund and Powell Bill contribution rose proportionately with the percentage of annual stormwater fee increases, but did not rise to reflect increases in impervious area.
- In FY1998, the City began phasing out dedicated property tax revenues at a rate of 25% annually through FY2001.
- In FY 2007, City Council capped future General Fund and Powell Bill contributions to the stormwater program at \$5.68 million (\$4.54 million General Fund, \$1.14 million Powell Bill).
- Between 1993 and 2014, the General Fund and Powell Bill combined contributions to the stormwater program have totaled \$111.7 million.
- The FY2015 contribution was \$5.7 million, consistent with the cap adopted by Council in FY2007.
- The FY2016 contribution in the Adopted Budget is \$5.7 million, consistent with the prior year.

In addition to the \$5.7 million contribution, the City's general fund also invests in stormwater system improvements through neighborhood improvement projects, transportation improvement projects, and transit projects. The City's general capital contribution to stormwater system improvements through these projects allows Storm Water Services to direct more stormwater fee revenue to the maintenance and repair of existing systems.

If the City's contribution to the stormwater program from the General Fund and Powell Bill were based on actual impervious surface of all City-maintained streets and general government facilities, the FY2016 contribution would total \$14.9 million, equivalent to a property tax rate of approximately 1.68 cents per \$100 valuation. This would require a \$9.2 million increase over the FY2016 contribution of \$5.7 million. This increase amount equates to 1.04 cents on the property tax rate.

It is uncommon for large NC cities to pay a stormwater fee based on impervious surface for public street rights-of-way. Raleigh, Durham, and Winston Salem do not pay stormwater fees for city-maintained streets. The surrounding Mecklenburg towns also do not pay such a stormwater fee. However, all six Mecklenburg towns, including Charlotte, do pay County stormwater fees for their city street impervious surfaces. The City's payment to the County for the major stormwater system utility is budgeted at \$1.6 million in FY2016.

Ordinance Correction Recommended

Staff recommends that City Council amend the stormwater ordinance to include an exemption for public rights-of-way within the City. This technical modification to the ordinance will make it consistent with the long-standing 20 year practice of not including City-maintained streets in the City's stormwater fee payment.

A Public Hearing on the ordinance amendment to exempt City-maintained streets from the City's stormwater fees, was held by City Council on May 11th. There were no comments from the public during the Public Hearing.

The FY2016 budget for Stormwater Services is consistent with the above described long-standing practice and does not include revenue from fee payment from the City for City-maintained streets. In order to allow time for the Stormwater Advisory Committee to discuss the ordinance change more thoroughly, the item will appear on Council's business agenda on July 27.

The City's \$5.7 million annual General Fund contribution to the stormwater program includes payment of \$417,706 in stormwater fees for impervious surfaces of City-owned general government facilities.

June 25, 2015

Mayor of Charlotte and Charlotte City Council
Charlotte-Mecklenburg Government Center
600 East Fourth Street
Charlotte, NC, 28202

Re: City of Charlotte Proposed Stormwater Ordinance Revisions

Dear Mayor and City Council:

The Charlotte-Mecklenburg Storm Water Advisory Committee (SWAC) reviewed the proposed Stormwater Ordinance revisions at the June 18 SWAC meeting and offer the following comments.

The stormwater program is based on the premise that all rate payers are charged in accordance with their impervious surface and its impacts on stormwater runoff and surface water quality. The City is proposing that City Council revise the stormwater ordinance to include an exemption for public rights-of-way within the City. SWAC objects to this change for many reasons, but the primary reasons for our objection include:

- Roads produce stormwater runoff and impact surface water quality and the drainage system. The City should pay the costs of storm drain maintenance and replacement associated with the city's road system.
- There is already a significant and growing backlog of stormwater repair work, so a reduction or elimination of the city contribution would be a negative effect on the stormwater program.
- The City's General Fund invests in new transportation and neighborhood infrastructure. The General Fund is not used to maintain the resulting storm drain infrastructure. Maintenance is where the main need is, and will be in the future for the life of these new investments.
- The stormwater fee in Charlotte is higher than some peer cities, as documented by the independent review of the stormwater program. Having the city pay for its streets will help keep this rate as low as possible.



Average Residential Fee (Raftelis Financial Consultants, 2015)

SWAC recommends not revising the Ordinance, but acknowledges that the City likely cannot pay the full amount in the first year, based on the current impervious area based rate. The City should continue to pay some portion for city road impervious surfaces with the goal of increasing the rate paid until it is the same rate as other private and public fee payers. The corrective action can span several years given that the payment gap grew over many years.

On behalf of the SWAC, I would like to thank you for the opportunity to provide advice, guidance and general oversight on Storm Water Services programs.

Respectfully submitted,

Jamey Baysinger, Chairman
Charlotte-Mecklenburg Storm Water Advisory Committee

Cc: SWAC Members
Ron Carlee, City Manager
Jennifer Smith, Charlotte Storm Water Services



CHARLOTTE™

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

July 2, 2015

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

FROM: Dana Fenton, Intergovernmental Relations Manager

SUBJECT: 2015 State Legislative Report #21

Trending Topics

- **SB 534, 2015 Continuing Budget Authority** was passed to ensure the State has sufficient budget authority through August 14 while the House and Senate resolve differences in their competing versions of the 2015 Appropriations Act.
- **HB 97, 2015 Appropriations Act** was reviewed by subcommittees of the House Appropriations Committee and the House Finance Committee; many subcommittees will hear additional testimony from Department representatives the week of July 13.
- **SB 284, Special Assessments for Critical Infrastructure Needs Act**, was signed into law by the Governor on June 29 (SL 2015-121).
- **HB 168, Exempt Builder's Inventory** was amended in Senate Commerce to add an exemption for commercial properties where a builder may exclude for up to years the increase in value due to subdivision and improvements – excluding buildings, which worsens the fiscal impact; HB 168 has serial referrals to Senate Finance and Appropriations/Base Budget Committees.
- **HB 127, DOT Condemnation Changes** was reported unfavorably by the Senate Transportation Committee; according to Senate Rule 46, an unfavorable report means that HB 127 is tabled and can only be considered by the Senate upon a two-thirds vote of the Senate.
- **HB 765, Regulatory Reform Act of 2015** was transformed into the third regulatory reform bill of the session by the Senate Agriculture, Environment and Natural Resources Committee; it was substantially amended on the Senate floor in order to meet objections from the NC Department of Environmental and Natural Resources.
- **SB 541, Regulate Transportation Network Companies** was reported favorably out of Senate Transportation.
- **HB 201, Zoning Changes / Citizen Input**, which repeals the “protest petition” statute, was passed by the Senate and sent back to the House for concurrence.

- **SB 639, Transportation Funding / I-77 Toll Lanes Restriction** would stop the I-77 HOT lanes project and require passage of a local referendum before any toll project is established or constructed, on or after August 1, 2015; it was to have been heard in Senate Transportation on July 1 but the Committee did not have time to hear it.
- The House and Senate will not meet during the week of July 6.

State Budget

2015 Appropriations Act ([HB 97 – Dollar, L. Johnson, McGrady and Lambeth](#)) is being conferenced by the House and Senate.

Starting on July 1, 2016, the Senate sales tax redistribution proposal maintains the sales tax as a local source of revenue and phases in a 20% point of collection / 80% per capita distribution system over a four year period from the current 75% point of collection / 25% per capita system. The current adjustment factors are repealed and the sales tax base is expanded. Transition would be complete by FY 2020. The Senate added a proviso that the net proceeds of the tax revenue received by a county from the per capita allocation must be used for public education and community college purposes. The legislation doesn't speak to how cities must spend their per capita allocation. Local sales tax base expansion would be accomplished by reducing the purchases subject to the non-profit sales tax refund starting on July 1, 2016, and repealing exemptions for installation, repair and maintenance of tangible personal property, veterinary services, and pet care services (other than veterinary services) effective October 1, 2015. By FY 2020, these changes are expected to raise local sales and use tax collections by \$162.4 million.

The Senate also makes substantial changes to the state's economic development programs, especially the Job Development Investment Grant program. While the cap on awards initially proposed for the three largest counties, Durham, Mecklenburg and Wake, was not included in HB 97, the Senate nonetheless created a Major Market Community tier for these three counties and requires higher thresholds for job creation, average weekly wages, incentive awards and diversion to the utility account for projects in this tier.

Fiscal & Administrative

Exempt Builder's Inventory ([HB 168 – Hager, Millis, Brody and Collins](#)) was amended in Senate Commerce on June 30 to add a property tax exemption for commercial properties where a builder may exclude for up to five years the increase in value due to subdivision and improvements – excluding buildings. This provision is in addition to what was included in HB 168 passed by the House on June 17, which allowed a property tax exemption for any increase in the value of single family homes and duplexes and held for sale by a builder for up to three years, and broadened the definition of a "builder" by removing the requirement that they be licensed as a general contractor under G.S. 87-1. HB 168 is effective for taxes imposed for taxable years beginning or after July 1, 2016; and applies to subdivision of or other improvements made on or after July 1, 2015. HB 168 will be heard in Senate Finance and Appropriations/Base Budget Committees prior to Senate floor debate. City Finance is working with Mecklenburg County to determine an updated fiscal impact.

DOT Condemnation Changes ([HB 127 – Stam, Jackson and Bryan](#)) was reported unfavorably by the Senate Transportation Committee on July 1. When it was passed by the House on April 14, it 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, where it was clear from the questions being asked 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 and was referred to Senate Rules. 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

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 received serial referrals to Senate Agriculture / Environment / Natural Resources and Finance Committees.

Local Government Regulatory Reform Act 2015 ([HB 44 – Conrad, Lambeth, Hanes and Terry](#)) makes several regulatory changes affecting local governments. HB 44 passed Senate and was sent back to House for concurrence, but the House rejected the changes. Sections of interest to the City are notification to property owners prior to beginning local government construction projects, conversion of travel lanes to bike lanes, riparian buffer reform, and county control of development. City staff is working with the NC League of Municipalities and other local governments on potential amendments to these sections.

Regulatory Reform Act of 2015 ([HB 765 – McElraft](#)) was passed by the Senate on July 2 and sent back to the House for concurrence. Before passage by the Senate, several sections of the bill were removed at the request of the Department of Environmental and Natural Resources, including one that is identical to Section 3.2 of HB 760. That section 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 Department requested removal so that the work of a stakeholder process that is currently underway can be completed before additional changes are made to stormwater laws. HB 765 also requires local governments undertaking water, wastewater and storm water construction to consider the use of all piping materials, which has been sought by PVC piping manufacturers.

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 received serial referrals to House Commerce and Finance Committees, and SB 320 received serial referrals to Senate Commerce and Finance Committees.

Subdivision Ordinance / Land Development Changes ([HB 721 – Bryan, Stam, Bishop and Bradford](#)) would reform performance guarantee practices. HB 721 passed the House and received serial referrals to Senate Judiciary II and State and Local Government Committees. 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 on amendments to HB 721.

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 Senate and was sent back to the House for concurrence.

Public Safety

Regulate Transportation Network Companies ([SB 541 – Rabon and McKissick](#)) was reported favorably out of Senate Transportation on July 1 with language allowing Airports to contract with transportation network companies for the appropriate use of airport facilities. SB 541 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.

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 favorably from 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.

City / MTC Requested Legislation

Legislation requested by the City or Metropolitan Transit Commission that has been enacted into law includes: **Charlotte Firefighters' Retirement System ([HB 70 – Bishop, Bradford, Alexander, Bryan, Jeter and R. Moore](#))**; **Civil Service Board ([HB 143 – Bishop, Cunningham, Cotham, Bradford, Alexander, Carney, Earle, Jeter and R. Moore](#))**; **NC Street Gang Nuisance Abatement Act ([Section 4 of SB 60 – Bingham](#))**; and **Infrastructure Assessments / Extend Sunset ([SB 284 – Hartsell](#))**.

Stormwater Management ([HB 141 – Jeter, Cotham, Cunningham, Bradford, Bryan, Carney, Earle and R. Moore](#)) authorizes 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.