



WHAT'S INSIDE:	<u>Page</u>
<u>Information:</u>	
2016 Draft City Council and Budget Meeting Calendar.....	2
Water Supply Drought Stage Update	2
November 14 – Thunder Road Marathon Road Closures.....	3
Solid Waste Services Residential Recycling Waste Management Performance Improvements.....	4
City of Charlotte Environmental Dashboard.....	4-5
Correction – Neighborhood Revitalization Strategy Listening Tours Schedule.....	5
<u>Attachment:</u>	
October 15 Economic Development & Global Competitiveness Meeting Summary	5

INFORMATION:

2016 Draft City Council and Budget Meeting Calendar

Staff Resource: Stephanie Kelly, City Clerk's Office, 704-336-4515, sckelly@charlottenc.gov

Attached for Council's review is the proposed 2016 draft City Council and Budget Meeting Calendar. This draft calendar has also been shared with members of Council's Budget Committee prior to this communication. This is one of two business items Council will be asked to consider at the December 7 Organizational Meeting and Swearing-In.

Please let the City Clerk know if there are any questions or concerns about any of the dates or meetings on the draft.



2016 DRAFT Council
and Budget Mtg Calendar

Water Supply Drought Stage Update

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

Charlotte Water remains under voluntary water conservation recommendations. Despite improved conditions, the Catawba-Wateree Drought Management Advisory Group's (CW-DMAG) November 2 drought status remains Stage 1.

Under the CW-DMAG's Low Inflow Protocol, data is collected and used to determine if conditions warrant status escalation. The Low Inflow Protocol is the drought management plan major water users in the Catawba River Basin employ to share responsibility and set priorities in order to conserve the limited water supply during drought conditions. In order to determine the water supply drought stage, the CW-DMAG compares:

- Lake storage indices – the amount of water in the lakes as a ratio of what amount of water is expected to be in the lakes
- US Drought Monitor levels – published by state and federal agencies, and
- Streamflow ratios – the amount of water flowing into the river and lakes as a ratio of what is usual.

All data evaluations indicate a trend towards normal status, however the inherent design of the Low Inflow Protocol ensures that short-term conditions do not overly influence long-term water supply needs. As long as the precipitation continues and reservoir and stream targets are met, Charlotte Water expects de-escalation in Drought Stage in the coming months. The next CW-DMAG drought update will occur December 1.

More information about the drought and voluntary conservation can be found at <http://charlottewater.org> by clicking on Drought Central.

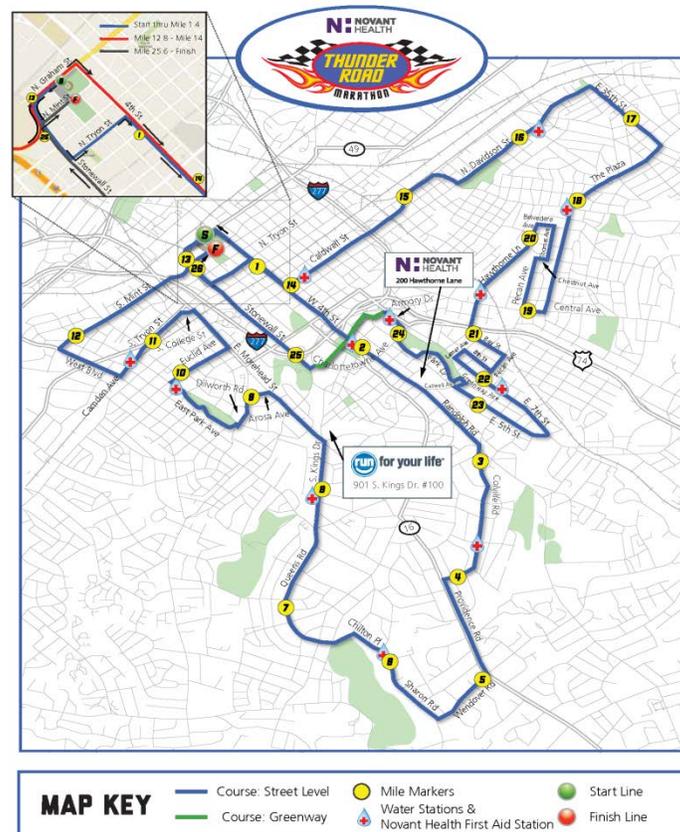
November 14 – Thunder Road Marathon Road Closures

Staff Resource: David Christopher, CDOT, 704-336-3889, dchristopher@charlottenc.gov

The annual Thunder Road Marathon is scheduled for Saturday, November 14. This popular annual event involves numerous street and lane closures along the marathon route. The event is a qualifier for the Boston Marathon and draws 6,000 participants from several states and countries.

The marathon will begin on Graham Street between MLK Blvd and 3rd Street at 7:30 a.m. It follows a course through the Dilworth, Myers Park, South End, Third Ward, Belmont, NODA, Plaza-Midwood, Elizabeth, Second Ward and Third Ward neighborhoods. The race will finish on Mint Street (between Martin Luther King Jr. Boulevard and Third Street) at 1:30 p.m. A half marathon runs concurrently on the same course.

Information regarding street closures and event details will be communicated to businesses and residents through the Street Use Notice report, the Geo-Notify system, media alerts, social media, and signs posted along the route. The marathon route map and additional information are available on the Thunder Road Marathon website. An image of the route is included below:

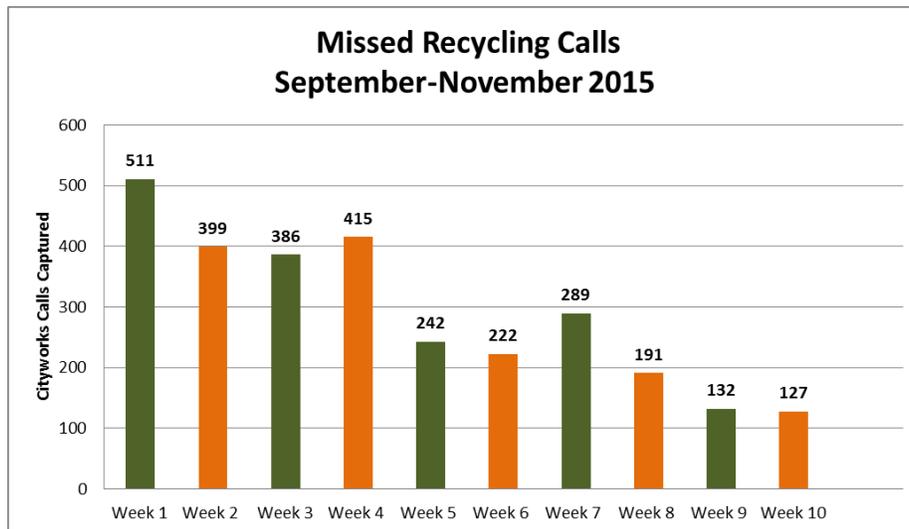


Original Design by: bk designs- www.bryankrouse.com
Edits by: Event Marketing Services Inc.

Solid Waste Services Residential Recycling Waste Management Performance Improvements

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

The City's residential recycling collection contractor, Waste Management, completed ten weeks of curbside collection services for the residents of Charlotte as of November 6. Staff has noted significant performance improvements evident in the steady decline in the number of missed recycling complaints as indicated by the graph below.



SWS staff continues to closely monitor the contractor's performance. Current work with Waste Management is focusing on preparation tips for the expected increase in materials placed at the curb during the upcoming holiday season.

Residents are still advised to contact Charmeck 311 to report any recycling complaints and to keep recycling carts at the curb until collection is provided. City Code Enforcement staff will continue to delay citations for recycling carts left curbside until the initial transition period ends on December 1.

City of Charlotte Environmental Dashboard

Staff Resources: Rob Phocas, NBS, 704-336-7558, rphocas@charlottenc.gov

Neighborhood & Business Services' Office of Sustainability has released a publically accessible online [environmental dashboard](#) highlighting performance metrics gathered as a result of the City's Internal Environmental Operations Plan. The Internal Environmental Operations Plan, launched one year ago, includes 13 initiatives and 55 goals ranging from water and energy management to employee commuting. The environmental dashboard highlights eight of those initiatives and 15 unique performance metrics.

Each performance metric is at a different stage of data collection, with some metrics including historical data and some in the process of year one collection. The dashboard will be updated bi-annually for those metrics reporting monthly data, and annually for those metrics reporting annual data. Additional performance metrics as well as visuals and graphs will be added to the dashboard as they become available.

The dashboard is linked [here](#) and on the [Power2Charlotte](#) website.

Correction - Neighborhood Revitalization Strategy Listening Tours Schedule

Staff Resources: Tom Warshauer, NBS, 704-336-4522, twarshauer@charlottenc.gov

Pamela Wideman, NBS, 704-336-3488, pwideman@charlottenc.gov

In last Friday's Council-Manager Memo, staff shared the schedule for upcoming community meetings that Neighborhood & Business Services staff will be attending to share the enhanced neighborhood revitalization strategy with neighborhood leaders and residents. Attached is the corrected schedule for these community meetings. If City Council members know of neighborhood or other community groups that should be contacted for outreach purposes please contact Tom Warshauer at twarshauer@charlottenc.gov



ListeningTour_CMMe
mo.pdf

ATTACHMENTS:

October 15 Economic Development & Global Competitiveness Meeting Summary



EDSummary10-15-1
5.pdf

**CITY OF CHARLOTTE, NC
CITY COUNCIL REGULAR & BUDGET MEETING SCHEDULE FOR 2016**

First Mondays

Council Workshop/Citizens' Forum

Meeting begins at 5:00 p.m. in Room 267 for the Workshop. The Citizens' Forum begins in the same room at 7:30 p.m.

Second Mondays

Council Business Meeting

Optional Council Briefing at 12N in 15th floor Large Conference Room – January only. Meeting begins at 5:00 p.m. in Room 267 with Council/Manager Dinner Briefing and continues in the Meeting Chamber at 7:00 p.m. for the Council Business Meeting.

Third Mondays

Zoning Meeting

Meeting begins at 5:00 p.m. in the Meeting Chamber Conference Room (CH-14) with Dinner Briefing and continues at 6:00 p.m. in the Meeting Chamber for Zoning Decisions and Hearings.

Fourth Mondays

Citizens' Forum/Council Business Meeting

Meeting begins at 5:00 p.m. in Room 267 with Council/Manager Dinner Briefing and continues in the Meeting Chamber at 6:30 p.m. for the Citizens' Forum and Council Business Meeting. **Only exception is October schedule.**

January 4	Council Workshop/Citizens' Forum
January 11	12:00 pm Council Agenda Briefing (Optional) # Council Business Meeting
January 19 (Tuesday)	12:00 pm Council Agenda Briefing (Optional) 8th Fl Conf Room Zoning Meeting *
January 25	12:00 pm Council Agenda Briefing (Optional) # Citizens' Forum/Council Business Meeting
January 27-29	City Council Retreat Location - TBD
February 8	Council Business Meeting
February 15	Zoning Meeting
February 22	Citizens' Forum/Council Business Meeting
February 24	1:30 pm Budget Workshop
(March 5-9, NLC Congressional City Conference, Washington, DC)	
March 14	Council Business Meeting
March 16	1:30 pm Budget Workshop
March 21	Zoning Meeting
March 28	Citizens' Forum/Council Business Meeting
April 4	2:00 p.m. City Manager's Update Meeting CH14 Council Workshop/Citizens' Forum
April 6	1:30 pm Budget Workshop
April 11	Council Business Meeting
April 18	Zoning Meeting
April 20	1:30 pm Budget Workshop (Optional)
April 25	Citizens' Forum/Council Business Meeting
May 2	Council Workshop/Citizen's Forum ** 7:00 pm Manager's Recommended Budget Presentation ***
May 9	Council Business Meeting 7:00 pm Budget Public Hearing
May 11	1:00 pm Budget Adjustments
May 16	Zoning Meeting
May 23	Citizens' Forum/Council Business Meeting
May 25	12:00 Noon Budget Adjustments/Straw Votes

**CITY OF CHARLOTTE, NC
CITY COUNCIL REGULAR & BUDGET MEETING SCHEDULE FOR 2016**

June 6	Council Workshop/Citizens' Forum (June 8, NC League of Municipalities Town Hall Day, Raleigh, NC) – DATE MAY CHANGE
June 13	Council Business Meeting Budget Adoption
June 20	Zoning Meeting (June 20-23, US Conference of Mayors Annual Meeting, Indianapolis, IN)
June 27	2:00pm City Manager's Update Meeting CH14 Citizens' Forum/Council Business Meeting (June, Chamber Inter City Visit – TBA)
(Summer Meeting Schedule)	
July 18	12:00 pm City Manager's Evaluation CH-14 Zoning Meeting
July 25	Citizens' Forum/Council Business Meeting
August 22	12:00 pm City Attorney's Evaluation CH14 Citizens' Forum/Council Business Meeting
September 12	Council Business Meeting
September 19	Zoning Meeting
September 26	Citizens' Forum/Council Business Meeting (September 25-28, International City/County Management Association Conference)
October 4-5, Chamber Retreat, Asheville, NC)	
October 10	Citizens' Forum/Council Business Meeting
October 17	Zoning Meeting (October 23-26, NC League of Municipalities Annual Conference, Raleigh)
November 7	2:00 pm City Manager's Update Meeting CH14 Council Workshop/Citizens' Forum
November 14	Council Business Meeting (November 16-19, NLC Congress of Cities and Exposition, Pittsburgh, PA)
November 21	Zoning Meeting
November 28	Citizens' Forum/Council Business Meeting
December 5	Council Workshop/Citizens' Forum
December 12	Council Business Meeting
December 19	Zoning Meeting

- # Optional Council Agenda Briefing in 15th Floor Large Conference Room. Newly elected officials are encouraged to attend to review agenda with staff.
- * Meeting changed to Tuesday due to Monday holiday
- ** Workshop ends at 6:30 pm; Citizens' Forum begins at 6:30 pm (limit of 10 speakers)
- *** Per recommendation of Budget Committee, the budget presentation will be held during a televised Special Meeting (Council Chamber)
(All budget meetings will be held in CMGC #267, unless notified otherwise.)

2017 City Council Retreat – January 25-27, 2017

Neighborhood Revitalization Listening Tour Schedule
(as of 11.09.15)

District	Community Organization	Date/Time
1	Hampshire Hills Neighborhood Association Greater Providence Baptist Church, 2000 Milton Road	Monday, December 14 th ; 6:30 PM
1 & 2	North End Coalition Metro CMPD Station, 1118 Beatties Ford Road	Thursday, November 19 th ; 6:00 PM
2	Five Points Community Collaborative & Historic West End Partners Mosaic Village, 1601 West Trade Street	Tuesday, November 10 th ; 6:00 PM
2	Historic West End Neighborhood Association Fighting Back Bldg., 1705 Rosa Parks Place	Saturday, November 14 th ; 9:00 AM
3	South West Area Neighborhood Coalition Silver Mount Baptist Church, 501 W. Arrowood Road	Tuesday, November 17 th ; 7:00 PM
3	Reid Park Neighborhood Association Amay James Rec Center, 2415 Lester Street	Tuesday, December 8 th ; 6:00 PM
5	Monroe Road Advocates (a/k/a Monroe Road Community Association) East Mecklenburg High School, 6800 Monroe Road	Tuesday, January 19 th ; 6:00 PM

COMMITTEE AGENDA TOPICS

- I. Subject: High Growth Entrepreneurship Strategy Update**
Action: An update will be provided to the Committee on the Charlotte Entrepreneurial Growth Report and how this information will be used for assessment and regional promotion for high growth entrepreneurs. No action required
- II. Subject: Midtown/Pearl Park Redevelopment Project**
Action: This item was referred by the City Manager on October 8, 2015. Staff will provide information related to the request by Pappas Properties/Terwilliger Pappas for the City's financial participation in certain public road and infrastructure improvements through a Tax Increment Grant (TIG) agreement. Representatives from Pappas Properties will present a summary of their proposed mixed-use development project and their request for the City's participation.
- III. Subject: Future Meeting Topics and Schedule**

COMMITTEE INFORMATION

Present: Michael Barnes, Vi Lyles, Al Austin, Claire Fallon and LaWana Mayfield
Guest: Paul Wetenhall, President, Ventureprise, Inc. & Paul Solitario, CRFE Board Member and Cofounder, International ThermoDyne, Inc.
Others: Greg Phipps, Ron Carlee
Time: Noon – 2:00p.m.

ATTACHMENTS

1. High Growth Entrepreneurship Strategy Update Presentation
2. Charlotte Regional Realtors Association Property Redevelopment Presentation

DISCUSSION HIGHLIGHTS

Chairman Barnes welcomed everyone to the meeting. There are two key items on our agenda today. The first is a discussion regarding our High-growth Entrepreneurship Strategy and the second one is a discussion regarding Midtown/Pearl Park Redevelopment Project. I first want to take some time personal time to recognize someone for excellence in service to the City and I will hand this over to Mr. Kimble and Mr. Cronin.

Kimble: Mr. Cronin would like to do something kind of special right now and then move to your agenda.

Barnes: Ok, Mr. Cronin.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 2

Cronin: I don't know that there is anybody that appreciates all the work that goes into these meetings behind the scenes as much as I do and all the work that we do on a daily basis, but I want to take the time to publicly thank Angela Grier for her 35 years of service to the City.

Mayfield: I'm sorry, but I think some child labor laws were broken. Yeah!

Grier: Thank you so much, that was awesome.

Barnes: There may be a gold watch some place, I don't know.

Fallon: Is it in the budget?

Kimble: She has been supporting the E.D. Committee for 35 years, I think too.

Mayfield: Wow.

Barnes: That's awesome. Thank you for that Mr. Cronin. Congratulations Ms. Grier, thank you for your service to the City.

Grier: Thank you so much.

Barnes: Thank you we appreciate you. Mr. Kimble, the first item as I indicated is the High Growth Entrepreneurship Strategy. We have our friend Mr. Wetenhall here to talk about that but I will turn that over to you.

I. High Growth Entrepreneurship Strategy Update

Kimble: Natasha Warren will do the introductions of the Paul and Paul show.

Warren: Thank you so much. The last time we were here with you back in September, we provided an update on five points of the High Growth Entrepreneurship Strategy and today what we want to do is take a little bit of a deeper dive into one component of the strategy. The Charlotte Regional Fund for Entrepreneurs or the CRFE. The Board of the CRFE has actually been quite busy outlining the strategy for the fund and the things they want to accomplish and today to talk about some of those activities are Paul Wetenhall who is the President of Ventureprise of UNC- Charlotte and Paul Solitario who is a CRFE Board Member and Cofounder of International ThermoDyne, Inc.

Barnes: Welcome, nice to see you.

Wetenhall: Thank you for having us and thanks to Natasha whose been a great person to work with. What we would like to cover in the next 30 minutes are the items you see up here. First of all, we want to get into the purpose of this report. That's going to be the focus of today's conversation. We want to make sure everybody understands high growth and innovation-driven entrepreneurship, we use those terms a lot. It's really important to

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 3

understand what they mean and why they are so important to a community's economic development. We will cover what we did from a methodology standpoint in the report and then we'll spend most of the time highlighting key findings, including a number of weaknesses, things that we need to address here in the community. We will wrap up of course with next steps. This all had its origin in a report mapping the eco-system that was done in 2013, and that report said among many other things, that we really need to do some work to measure where we are and where we are going.

Barnes: Mr. Wetenhall, would it be rude of me to ask you to pause for just a second so that we can have everyone in the room introduce themselves for purposes of our record?

Wetenhall: Sure.

Barnes: I am so sorry, I forgot to do that.

Wetenhall: That is quite alright.

Barnes: Let's start with Ms. Grier and work our way around and have everyone introduce themselves. We will not short you on your time.

Wetenhall: It's worth making one additional note as we go through that this is the 30th year since I did my first entrepreneurial business plan. If you have ever used a spell checker, the company we started 30 years ago did spell checkers for MS Word so a long history in this space.

Barnes: So thank for your patience and please continue.

Wetenhall: So we started with this mapping the ecosystem report that said we really need to do some measurements so that we can see where we have gaps and we can measure progress. That led to the Charlotte Regional Fund for Entrepreneurship commissioning an effort that's been led by VenturePrise partnering with the BIG Council, Business Innovation & Growth with Terry Cox. Many of you know her and the UNC-Charlotte Urban Institute to develop the material that I am about to talk with you about that's produced this report which will be released in the next several weeks and will be the foundation for a lot of activity. Now the report has several components to it. We started with survey of high growth entrepreneurs in the community. I will give you highlights of results of that in just a moment. We also surveyed the broader community as part of an annual Mecklenburg residence survey to get some sense of their perception of entrepreneurship. We looked at a lot of statistical data and I am actually going to subject you to some of that statistical data today to let you know how we compare to other communities and how things are changing in Charlotte. Finally, we went to seven companies in the community and did a vignette of what they have been up against and how they have succeeded and what has happened to their company. We are using that in the final report to humanize and illustrate some of analytical types of conclusions. Throughout everything we did, we have focused on how Charlotte as a metro area compares to seven national benchmarks. These are selected based on what economic developers in the community consider benchmarks

and what CRFE Board viewed as benchmarks. You can see the cities there. I will simply say that all of those cities with the possible exception of Kansas City are strong economic performers and they are strong in the entrepreneur space we've looked at with a lot of details. It's a worthy group to compare themselves to. Some of them we think are quite comparable, Nashville for instance and others you might say are aspirational such as San Francisco.

I want to start with a few observations that I am going to come back to each of these as I talk about specific data in. Just to set where we are going to end up in 20 to 25 minutes, that the young ventures, companies under 15 years old in this innovation center that we have some great companies in metropolitan Charlotte that are growing rapidly, adding employment and building revenue. Interestingly, we can take our sample which we will talk about in a moment of 248 companies collectively their revenue is big enough to place in between Piedmont Natural Gas and Coca-Cola Bottling consolidated. So they're up there in the ranks of public companies collectively. The overall startup activity in Charlotte is below the benchmark cities. We don't start as many companies in general as other places do. We have some very fast growing private companies and that's pretty much average on a national basis. Our innovation capacity, places you go to find new ideas and the kinds of people that build large scale companies is substantially below other communities in the country. I will give you some specifics on that in a moment, and the last point, very important is that investors, Angel Investors, Venture Capital Investors and I will come back to each of those, don't find the companies in Charlotte attractive. I will go into some more depth on that because that's a really important point.

Now let's come back to this question of the innovation-driven entrepreneur. People often use entrepreneur to mean many different things. In our use here, we speak of the innovation-driven entrepreneur compared to the small business. There are some distinct differences that I noted in the box at the bottom. The important point is that innovation-driven entrepreneurship has the highest job creation multiple of any sector of industry that we you can find, it's higher than manufacturing. So when you create one job in companies that we will be talking about typically in communities across the country, five additional jobs are created as a multiplier. There's a very interesting book, *The New Geography of Jobs* that addresses that in all the detail. Now these innovation-driven enterprises have some characteristics. First of all, they typically address national and local markets and we found that to be true in the companies we surveyed that they have a high percentage that are surveyed nationally in the global market. Secondly, innovation is a core competitive advantage now innovation is not always technical; I am an engineer so I tend to sometimes think about that but innovation may be a business model or a business process. Think Amazon, not a technical innovation but a business following a business process. These innovation-driven enterprises almost also always have initial losses followed by rapid growth or failure. They tend to have those high risk high reward kind of situations. Because of those initial losses, they typically need external equity capital to really grow so that's the kind of company that we are talking about. The way that we view the eco-system here in Charlotte is encapsulated in this chart. We won't go through a lot of detail but I wanted to draw your attention to a couple of key points because they informed the kind of data that we have looked at in more detail.

First of all, innovators and inventors are usually different people than entrepreneurs. There are many great inventors at UNC-Charlotte and other universities, and almost all of them are rotten businessmen. That's not their skill and when you bring that person together with a talented entrepreneur that's when the magic happens. So many years ago I worked with the Xerox Corporation, the inventor Chester Carlson invented xerography of a transformational technology in the world. He went nowhere for 15 years until he connected with Joe Wilson who was the business mind, lots of examples like that. So we have to pay attention to both kinds of talent if we want large outcomes. The notion of clusters and industry competencies are very important because companies tend to develop and grow when they are in a cluster environment that brings a lot of information to create a lot of connections. So we pay attention in this world to those clusters and mechanisms to connect people and give them access.

Then finally funding, we are going to talk about that. Funding in a broad sense has two components research funding the kinds of things that help you move forward before you get close to the commercial markets. And then financing that allows you to enter the market and grow your company. Those are very different kinds of funding and you have to pay attention to those.

Let's get on into the highlights from the report. We are going to cover all the topics that you see on the bottom there. I want to start with something that is a national issue and it's a really important issue in the United States that isn't talked about enough by our leaders and that is illustrated by the graph on the left. That graph is start-up companies as a percent of all companies in America. As you can see, going back going back to 1980, it's been in decline. This has been looked at in a lot of detail by Kauffman Foundation, The Brookings Institution and others. The key point is, as a country, we are producing fewer start-up companies than we did 30 years ago. There are a lot of reasons for it; I have been to conferences in Washington and elsewhere where it's discussed outside the scope of what we have talked about today. But that is a serious issue for the country because these are not generating the next Microsoft, the next Apple those kinds of companies. Now on the right, you see a whole bunch of lines and they are all going the same way, going down. What we did there we looked at Charlotte which is the green line and all those other national benchmark metros that I mentioned earlier. We looked at how many start-up companies they had in the 1991 to 2000 decade as compared to the population of those cities. How many start-ups per one hundred thousand people, we said that decade, we are going to call it 100 for all the cities. Here we are now in 2011 and 2012 and those benchmark metros are somewhere between 60 and 80% of where they were in the 1990 decade so all of the benchmark metros including Charlotte are producing fewer start-ups per hundred thousand people. And as you see, Charlotte is kind of in the middle of the pack; there are some cities that have declined a bit more and some that have declined less. That's a concern. That graph was based on something called start-up density the number of start-up companies divided by population but density is the number of companies per hundred thousand people living in metro areas. You can see that Charlotte had 148 companies per hundred thousand people; that compared to Austin, Texas with 178 that was one of the best of the metros. If we performed like Austin, 30 more per hundred thousand, we would have 700 more start-ups per year in metropolitan Charlotte.

They beat across all sorts of industries not all of them high tech innovation across a broad range but that would give us a more robust dynamic economy. Now on the left of this chart, the Milken Institute this year instituted their index of start-up activity. They weighed three factors for those have not encountered help in their premiere foundation in the United States focused on entrepreneurship and they have been for a long time now. Their index ranked the top 40 metros in America based on population; you can see that Charlotte in most recent years was ranked 25th of 40 so we are below the midpoint in Kauffman's measure of start-up activity. You can see that Austin was number one and you can see where the other cities stack. On the subject of broad start-up activity, we are below average metro.

Now let's switch from all kinds of start-ups and start thinking about fast start-ups. Inc. Magazine every year ranks the fastest growing private companies in America and beginning in 2007, it ranked the 5,000 fastest growing companies. It's a voluntary survey so there are people who choose not to participate for a variety of reasons. I don't want to say that this is comprehensive but people generally want to be part of it as they like the recognition. They focus on two things top 500 companies and the top 5,000. When you look at the top 500 and you think of the U.S. with 320 million people or so that means that there is 1.6 of those top 500 companies for every million people. The top 5,000 is 15.7 companies for every million people. Charlotte looks like the national average on the top 500; we're at 1.7. That's pretty good until when you look at our benchmark cities and you see that all of them except Nashville are exceeding Charlotte in terms of those really high growth companies. In the 5,000, we are at 26.9 companies per million people in Charlotte. We lead a couple of cities Kansas City, the Research Triangle as well as Tampa but we are behind a couple of others. That included one neighboring place; keep your eye on Charleston, South Carolina which is just on fire with fast growing companies. So when it comes to fast growing companies, not brand new but fast growing, we look pretty good but we're definitely not above average. One of the things that the Inc. 5,000 list does is it looks at all of those companies based on the industry they are in. What we looked at was how did the fast growing companies in Charlotte look compared to all of the U.S. in terms of industries. And you can see here the industries where we're over represented where our fast growing companies are more likely to come of the ones on the left and they mostly fit with probably what we would all expect. We see logistics, manufacturing and financial services. We see the average and the weaker of sectors and then there are some sectors that don't have many companies in them and I have foot noted those. But there is one thing that is really striking from 2007 to 2014; we did not have a single fast growing private company that was in the energy sector. We talk about us being an energy sector community. We finally have one in 2015 which allowed us to get to average it's a company Zoom Energy and it's actually a reseller of energy products.

Barnes: Mr. Wetenhall, a question from Ms. Mayfield.

Mayfield: Thank Mr. Chair. Can we go back one? I'm trying to understand, we are talking about fastest growing companies but this is just a list of stronger, average, weaker. In here, are you going to break down and tell us what are the fastest growing industries so that we can

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 7

actually do a comparison and match up of this is what the fastest growing industries are and this is where our focus has been?

Wetenhall: The answer to your question specifically is no I'm not going to getting into the fastest growing industries nationally but we could to that. I'm going to touch on industries in the context of the young companies but that's something we can certainly put some data together to compare.

Mayfield: That would be helpful to know if we're going to track the fastest growing.

Wetenhall: The fast growing industries of course depend when you get into the metro areas based on a lot of factors like the kinds of history you have and so forth.

Fallon: I have question where is Minneapolis on this?

Wetenhall: We did not choose to include Minneapolis as a benchmark after a lot of discussion; we left off Dallas and others. We want to keep it to a manageable list. I can answer the question but I don't have that data at my fingertips.

Fallon: Since they have the most 500 top companies in the country.

Wetenhall: Right, those would be I think the Fortune 500.

Fallon: That's right. Are they growing or would you know?

Wetenhall: I don't.

Fallon: Or are they just standing on their laws?

Wetenhall: I don't know the answer to that. That was some stuff about national and where we rank. Now let's talk about these high growth companies in Charlotte. We survey companies using a web survey that was developed by UNC-Charlotte Urban Institute. We have about 400 companies that responded; 248 ended up being usable based on the information that they gave us, their geography, their industry and so forth. And what we found is that they're an industry sector as noted here, about 30% are in business services. That's a theme you see over and over that's an important sector for Charlotte; 21% in the information technology and you see the others; 88% of these companies served customers beyond Charlotte Metro which is a good thing because they're bringing money into Charlotte from elsewhere. These companies in 2014 these 248 average \$6.2 million dollars in revenue. There was a broad spread; there were companies that were quite large and there are many that were a half a million dollars in size. That revenue is 23% higher than in prior years. They are very fast growing and they're very bullish on the future; they expected in 2015 to grow 44%. So companies that are \$6 million dollars that grew rapidly in 2014 and they are optimistic about 2015. They employ an average of ten people and again they have significant growth in that employment base. If you take all of that and look at it in total, you find that the companies in aggregate would be about \$1.3

billion in revenue and 2,350 employees so they would be a good size company. Interestingly, the compensation of the older companies in the group is about \$74,000 per year which is quite high. The younger companies, as you could expect, when you're just getting started are a bit lower at \$51,000 which is still a healthy compensation.

So now coming back to our eco-system, I want to focus on the green areas this whole notion of innovation and invention and the funding that goes with it. There are a couple of things that we want to start with from the academic side. First of all, our college university population, number of college and universities of our four-year institutions here the number of students we have is lower than all of the benchmark metros. We got to where we are not a community that is higher and intense and you can see at 1,334 higher Ed students per 100,000 people; Atlanta with 1,642; Research Triangle 3,901 so we are not higher Ed intensity in Charlotte.

Academic research and development this is money that typically comes from the Federal government, sometimes from the foundations and corporations and it fuels research at universities. Metropolitan Charlotte had three institutions that reported that; UNC-Charlotte, Davidson College and Winthrop University collectively had \$40 million dollars of academic R&D which is \$17.00 per person and this made us far and away the smallest academic R&D performer in the group. As a city, \$137.00 per person; in the Research Triangle \$1,174 compared to our \$17.00. If we had academic research at the rank of Kansas City, which is the weakest of those comparative metros, we would have an extra \$300 million dollars. That's a big gap by not having a research intensive academic. One of the things that is striking when you compare where that money comes from among the benchmark cities only two cities do not have a med school; Charlotte and Austin and in 2016 the Dell School of Medicine at the University of Texas at Austin will open and will be the only one among the benchmark cities.

Now another way to think about innovation is around the subject of invention and patents are one measure of invention. What we find is that in Charlotte here among the universities, we produced 42 inventions per year from UNC-Charlotte that leads to about 12 patents and three start-ups. The comparable numbers in a few of the metros, just to give you a sense of it, in Atlanta they produced 494 inventions, leading to a 100 patents, national 178 inventions moving to 37 patents. So you can see that we are not launching intellectual property into the munity at the rate we find in other places. Now there is good news in site and that is UNC-Charlotte is among the five most productive universities in the country in terms of taking \$10 million dollars of research and turning it into inventions so UNC-Charlotte is a champion at doing the best possible outcome for the input. The issue is the research funding is small.

Lyles: When you look at what UNC-Charlotte is doing in terms of research and when you look at what the index is in terms of those areas of industry-mixed or fastest growing, is there a correlation that matches what UNC-Charlotte is doing? Do they do something exceptionally well or are they doing it all across the board?

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 9

Wetenhall: That's a big question. The University has been very focused on selecting a few areas to be at a national standard in so there's outstanding research at the University in the energy sector in areas known as precision metrology which is relevant to advanced manufacturing and in a variety of information technology computing areas such as cyber security, a big conference at the University yesterday. There's a pretty good mapping you find information technology, energy is the conundrum. Energy in Charlotte to date has been dominated by large companies and we are not yet seeing massive numbers of start-ups that have gotten to any size. We're seeing some start-ups that are very young in energy.

Lyles: Have you found where there is success that is it better to choose a focal point or is it better just to say let's make sure the environment is good for all? Who is most successful and which strategy do they implement?

Wetenhall: I will answer that in two different ways. I think as a community, you want to make the environment good for all because it's really difficult to know what specific things are going to succeed. I think back to being a tech person in the 1990's, I don't think I had any concept that one day there would be Facebook and Amazon. It's hard to see into the future. As a community, I think you want to make it good for all your entrepreneurial activity. As a university, you have to pick and choose because you have to bring top tiered talent and researchers in; you have to equip their labs and their facilities and you have to have grad students and that's all costly and you can only do it within your budget so you have to make decisions as a university.

Lyles: When you look at Atlanta and Nashville, the number of graduate schools and research universities differ significantly from ours.

Wetenhall: It does.

Lyles: I noticed you said we're the only place without a medical school but I just wonder how you would decide what to invest in. Do you grow one great institution and spread it or do you go and actually create the new medical school? As a strategy, where would we benchmark and what do you see in that?

Wetenhall: There are certainly arguments on both sides. I went to Georgia Tech as an undergrad; they have Emory with a med school there. They are both great institutions. I think when you are thinking about research that's something today that is primarily done by large scale public universities or very well endowed private universities. You cannot do it cheaply so it would be very difficult to start a new institution that was going to do serious research. I think it would be cost prohibited. I think it's really leveraging what you already have.

Lyles: We often talk about the med school and being in Charlotte but what I hear you saying is the large public universities and research and that you haven't concluded that whether or not that med school, even though it was pointed out on the slide, whether that actually furthers our ability in energy metrology and security of data. I guess at some point, I'm interested in hearing how you make that decision or is it both or all.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 10

Wetenhall: I think that's the kind of thing as people work on community strategy which is the next step. I think that those are the kinds of decisions. The key thing I think is to go into it with a clear eye and look at the costs of doing it in a competitive environment and so you can't do everything you have to a short list and do it as a serious stance. That's the only thing I would be prepared to say today.

Fallon: Where did the research that's going on in Kannapolis fall in this?

Wetenhall: The research in Kannapolis generally falls back at Chapel Hill, Wake Forest and Appalachian State at the home institution is where it tends to get counted. It's not visible. We've worked with the North Carolina Biotech Center; they are hoping to begin to track that, but what I can say is that the North Carolina Research campus is not generating significant entrepreneurial activity. We're very engaged with it but we are not seeing that.

Fallon: But not for us, it's going up state.

Wetenhall: I don't think you are seeing significant entrepreneurial activity.

Fallon: Is there a reason for that or is there more money up there for them to work with?

Wetenhall: The research campus is very young; it seems like it's been a long time but it opened the same year that I came to Charlotte in 2008. In the life of a research institution it's very young; it's had growing pains it tried to launch during the recession. It had a model that said we are going to bring corporate people like Monsanto and General Mills, General Foods; that hasn't fully worked. The answer to your question is there are many components to it and that's really beyond what we were looking at.

Fallon: So we are not really being effective with it or to it?

Wetenhall: I don't think I can say whether are effective or not what I can say is it has not affected the entrepreneurial activity in the community.

Fallon: Is there a way to work with that so that it would center here rather than other places?

Wetenhall: I have a person who works for me whose office is there so that he can interact with people. It really is a complicated set of research they do and whether it's done for large corporate customers or whether it generates. All I can really say is that we are trying to make it happen here but there's not a lot yet to work with.

Fallon: Thank you.

Phipps: When you talk about the overall metro patents, I noticed that Bank of American makes up 23% of the patents of our total mix. Are they working with the universities or do they have their own mechanism through which they do research?

Wetenhall: Let me answer that but just so the whole audience is aware, let me just cover this bullet quickly. We looked at the overall patent activity in the metro areas, not just the university. We found that Charlotte averages 388 patents per year in recent years and that's up 78% from years before. That compares to benchmarks, San Francisco 7,500 patents per year; Austin smaller than Charlotte 2,600 patents per year; Tampa and Nashville so we're not a technology-intensive community in the way some places are. The striking thing is that when you look at who generates those patents, Bank of America ten years ago generated two or three patents a year and they began to patent a lot of their activities until the point that they're now the leading generator of patents in Charlotte with 23% of the total. We have worked with people at the bank on that; they pursue those patents totally on their own; they don't do that in partnership with external sources. But we have talked with them about possibly commercializing patents that don't meet their needs. When I was in Rochester where I lived for many years, we worked with Eastman Kodak to actually taking patents out and start companies based on what was known as orphan technologies that the big company didn't want. The patenting by Bank of America is a reminder that Fintech, which is a hot item, is something that has track.

Now to wrap up just a couple of last points, I mentioned funding and we can talk a great length about funding but I just want to hit some high points. In the State of North Carolina, there's a program called N.C. Idea. It's been around since 2006; its intent is to find the most promising young companies that can grow in scale rapidly that has certain industry parameters; it doesn't fund pharmaceutical companies for instance. But it funds the kinds of companies that start in Charlotte. We looked at the last period of time since it was conceived in 2006 and Charlotte over that entire period got 8% of the N.C. Idea awards while the Research Triangle had 84%. Now I am a reviewer for N.C. Idea so I see the companies that are coming through it and are pretty familiar with it. What that says is the companies that are applying for Charlotte are not rising to the standard that the state reviewers are looking for. North Carolina Biotech Center coming back a bit to your question about the North Carolina Research Center, 2012 to 2015 they made various grants and loans and other awards to companies throughout the State. Charlotte got 2% with the caveat that possibly those in Kannapolis might have been reported back at the home institution but nonetheless, our biotech sector is almost nonexistent in Charlotte.

Let's talk about Angel investing. Angel investors are individuals who are considered accredited by the Securities and Exchange Commission they invest their personal money in young companies. Something that has been going on for years it's more organized today than it was in the past. In the Carolinas and in Atlanta, there are 12 funds that have been active in recent years. We found that they have done 225 investments for 178 companies across the Carolinas and Atlanta. Charlotte companies, nine of them, got investments so we got 4% of the activity that happened in that area. Closer to home, the Charlotte Angel Fund that's a group of angels who band together to invest here in Charlotte that got underway about 18 months ago. There have been 53 pitches by companies; Charlotte companies were about a quarter of those pitches. That group of those investors, and I am one of them, so I have seen the decision logic made four deals in RTP and Triad and zero in Charlotte. The reason we didn't see any Charlotte companies that were as compelling as those in other communities.

Mayfield: Here is where I have a challenge with this presentation, because as you mentioned, you're at the table when the pitches are happening and when the ideas are coming forth. What I haven't really heard is why there's no conversation regarding that disconnect and who is helping these companies and these start-ups to actually get them to the place so that when they come in front of you and do this pitch in front of the others, opposed to letting us know that no deals came out of Charlotte out of 53 pitches, I haven't heard yet what is being done to actually address it why it wasn't done during that time to say o.k., as you are coming through you are not doing a good job.

Wetenhall: I understand the question and the reason is that we're talking now about what we have learned and not talking about strategies and activities. But let me answer your specific question, we have specific programs designed to do that, the Charlotte Venture Challenge which is business competition specifically aimed at helping people sharpen their ideas. We operate at the University something called the Ventureprise Charlotte Launch Program funded by the National Science Foundation. It focuses on customer discovery for 30 teams a year and we launched it this summer. We have a whole series of things; there's a pitch breakfast and there are a lot of things aimed at helping those entrepreneurs sharpen their business idea but again it's a combination of things. You need a high quality idea that gets back to your innovation capacity; you need a high quality entrepreneur. If you are not a high quality entrepreneur, no amount of assistance will help you. So yes we are working on that. Paul you want to add to it?

Solitario: Can I comment?

Barnes: Please.

Solitario: That's exactly why the Charlotte Regional Fund for Entrepreneurship was started was because there are non-profits that are supporting these individual groups. I go to this area or group or Ventureprise or whatever setup but right now there was no community support for that so there are two or three volunteers who have put together a group of some sector, I was one I had an Angel network and had been doing it for years and did it all by myself and so that was exactly the basis for them, getting the City and coming to you years ago was to say we need to support these folks. It's hard to do because there are a lot of pieces to it. They have some help out there but it's a combination of new. As Paul said, you need the good idea first. I don't care if it's a stinky idea, well it's a mediocre idea that might succeed but you need the mediocre to bring ideas to start with plus the management team, which is the launching team. And there are the support groups and how do we support those. That's what we're trying, that's the point. The objective is to provide that community support. There's a lot more work that needs to be done in the community, community-wide, not just the ABC group or the xyz group or the CPCC group or whatever. It's community-wide to support that infrastructure. Because entrepreneurs like this are almost like sparks, you can't just say go do it. It kind of has to happen on its own. You can't build the building, a beautiful development building and walk away and say why any innovations haven't come out of that. In Kannapolis, ideas don't come out of

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 13

the wall they come out of people's ideas. That's what we have to nurture is that infrastructure to get the ideas out.

Mayfield: The challenge that I have is I was on Council when we had the original conversation when we identified the funding so what I was anticipating is o.k. because we knew that there was a need and there was a call and there was a request for funding to help move this forward to see if on the other side of that here's the accomplishments that have happened, opposed to hearing to me some very similar conversation that we had prior to providing the funding. The whole purpose that I was thinking was to help actually get to this place that where we're now two years later talking about again as far as helping to strengthen because you called out several groups. My logic will be in this last year, not even the two years because the first year is still trying to set it up. In this last year, we know that these start-ups these individuals they've gone through these trainings and workshops. We've helped to navigate them through that process so when they get to the pitch the chances are greater, opposed to we have all these services but are we connecting them to those services before you go do your pitch.

Wetenhall: I can that we do provide that for qualified entrepreneurs; the issue is the quality of their ideas. I know we are short on time.

Fallon: Is it because until now we have not had a major research university? There was no place for people to bring their ideas and flesh them out with other people.

Wetenhall: That is one component; it's the cultural dynamic. We're a city dominated by real estate banking and things like that which are very different things then technology and innovation driven businesses. There are many components to it to get the kinds of results that everybody wants will take a lot of activity over a ten or 15-year period. This will not be resolved in a year or two.

Fallon: But we don't move the needle without that because other things fade out; the banking system has changed.

Wetenhall: And that's what we've dealt with.

Fallon: If we're not doing that then we will not grow.

Wetenhall: I will give you one additional way to think about that, the way we approach it in Charlotte today is highly fragmented in a small scale so we have eight organizations doing the kinds of things the Council was asking for. Collectively, they have employ 12 people because they have an average organization the size of 1.5 minus ___three people.

Fallon: Do you have a way to say this has to be done differently and improved? Is that a conclusion that you're going to come to?

Wetenhall: We are going to come to a conclusion we are not here today to give you the strategy to go forward. It's just the conclusions, and if I can, I will get to that real quickly before your

last question. Before we leave funding, Venture Capital which is where professional invest their money, Charlotte averaged in the last four years four deals per year, \$8 million dollars. Atlanta had 55 deals with \$391 million. If we got Venture Capital investment at the rate of Atlanta, we would have \$158 million more coming into our early stage companies. So again, this is a measure; it's not that these seeds don't want to invest here it's that they are not seeing the deals that they want.

Finally we asked the residents what they think and the good news is that Mecklenburg residents 82% of them say start-ups are important. In general, they agree that it's a good business climate here although there was some skepticism on the business climate. I think our citizens get it. What's important is all the things that we just talked about are increasingly concentrated in Mecklenburg County. Patents over the time period went from 42% in Mecklenburg out of Charlotte metro to now 52%. These Inc. 5,000 fastest growing companies used to be 63% in Mecklenburg now its 84% so Mecklenburg is increasingly important.

In summary, this report provides extensive data. We have never understood our entrepreneurial sector in the way we do now. We have a lot of things that we can take action on and we can begin to measure results. Now as a community, we have to decide the strategic direction. This CRFE is one component of it; I've touched on the fact that we have a small scale fragment in the eco-system. In the short-term, here's what we have to do. Now there are lots of questions about how you do it. We need more start-ups, we touched on the fact that we are below average in start-ups. We need more start-ups to be higher potential, the caliber of the founder, the caliber of the intellectual property. We need to leverage more specifically certain industry sectors where we've got reason to be strong. Longer term, we have to build this innovation capacity in the community and that ultimately is academically in other R&D. Many cities have Federal labs and many cities have large industrial labs having more of that helps. And very importantly and consistent with a lot of things that everyone is working on, we have to attract and develop to the Councilwoman's point and retain high potential innovators and entrepreneurs. That from our prospective are the marching orders at the conceptual level, now it's what the specific actions are. And to wrap up what is happening here Paul.

Solitairo: We have talked to some of these issues already so I'm not going to go through the specific list but let me reiterate something that was touched on a minute ago. The companies today in Charlotte and this are across the country, these are 15 to 20 year over night successes. This is not a game; we are not in a process here where we over simplified we are not going to build 500 beds and take 500 people off the streets in six months. This is a very long complicated issue we are addressing which has a terrific upside with the five times leverage, etc. but if you look at AvidXchange, they started which they are about to do with \$235 million in private equity capital in a few weeks hopefully. They started in 2001 or 2000 so they're a 15-year overnight success. You've got companies like Etain, Peak 10 and Red Ventures; you go on and on. They are terrific stories but it's not something that we're going to come out of this meeting or CRFE is going to come out of meeting and boom, you've got another 50-person company. It doesn't work that way; this is a slow process and what we can try to do is first gather the data which I think this

does a great job really truly quantifying the data and then establishing a community dialogue to discuss that with all the issues. There are a lots of issues from a quality of a place to live to developing the idea in the entrepreneurial and eco-system and how do you do that. What is exciting now is we are putting together that dialogue and reaching out to a broad community, not only the governmental community but also quite frankly the large corporate community and the foundation community. This is news to them too. This report was, even those of us in the weeds, were surprised by the report. I think we were beginning to believe our own PR but how things moved forward and things have moved forward. There's a lot of opportunity, you saw the graph of Charleston. It hasn't come around to the Citadel. There's a lot of opportunity to do advancement to move things forward as a community. First and foremost, there has to be an awareness of the opportunity that's ahead of us and that's what we start with and that's where this brings us. Let's do it, let's get that dialogue going and make the existing organizations that are in place more viable. We're struggling not having a staff person on CRFE; the first things after we spend money this is to hire somebody. Guess what folks? I have a full-time job and I have a starter to run, I'm working my 80 hours. I love this and am compassionate about it but my fellow board members have the same issues. We are a lousy group of volunteers, and while we love this, we don't really have a lot of time.

Mayfield: We understand.

Solitario: We need staffers so we can move this forward because there is this long-term opportunity. It's very real and is going to start out early and it's going to be a little messy.

Barnes: Let me ask a question, this may be directed to Mr. Kimble in some respects. With regard to our efforts around the Applied Innovation Corridor, are there any leveraging opportunities that we've been able to identify that might help using the wonderful opportunities at UNC-Charlotte? Like the Blue Line Extension, the AIC among itself and available land to help move some of this forward?

Kimble: I would say that place is one consideration but the place may not be the major factor. The fact that the Applied Innovation Corridor and the Blue Line is connecting the University to the Center City is one important factor but it's not the only factor because it's got to develop the talent and the intellect.

Barnes: I wasn't speaking specifically to the location piece. It's the fact that there is \$28 million dollars behind it, that there's money behind the idea that might help to fund some aspects of this.

Kimble: How you use your \$28 million dollars and be at issue because to date about \$24 of the \$28 million dollars was used for infrastructure-type and \$4 million was set aside to be used for public/private partnerships. So you do have \$4 million dollars not earmarked for a specific project but it's earmarked for public/private partnerships.

Barnes: Are we earmarked \$24 of the \$28 million already?

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 16

Kimble: I think that's what the group should be working on to identify like the \$24 million will go for. That's part of the Capital Investment Program. You have some flexibility especially within the \$4 million dollars that could really come into play in how you want to grow the entrepreneur eco-system.

Barnes: O.k. I know we're behind on time. Any thoughts or questions?

Lyles: I don't know quite what to do next. I think that this is great information. I hear from one level like we could use some help from the ground but I also hear huge strategic decisions in this about long-term and creating a culture of entrepreneurship as you said is a long-term vision. Having the University, making the right investments and I'm wondering what our role is and what we're allowed to do versus where do we advocate and help push and how do you attract. If you said I want to attract people that are going to fail often, how do you do that because that's really what you're trying to do is attract people that when they fail will get up and start all over again. I don't know what that attraction has to be and how we support it. Great information, and at some point, what I would like to know is what do we have and what is our plan. I heard Ms. Mayfield say two years ago, we started this. What was the intent because I think coaching existing folks in the business is a short-term investment but if you're going to really make that big-term leap, you have to ask what is the research, the investment and what the City's role is. Is it to provide a place where you can come and make ideas happen? Is it to actually get some boots on the ground for these kinds of organizations to help or some coordination? I don't know where we are. I need some help on what we're trying to do.

Barnes: This will be coming back to us.

Kimble: I think we take the data and work together with the community. It's our responsibility to engage you and ultimately bring something back to you as suggestions for what the next steps are and how we can make the biggest difference in starting the long-term but you have to start now.

Solitario: But you can help. Quite frankly is what we're doing right now and continuing to do is awareness and priority as we think of things. I think you all were not here; at least I'm not as a board member, to say more money in this. Not at all. What's really important is for the community is your awareness of this. The awareness as we talk to big companies and as we talk about real estate pieces, whatever they are. How does this play out? This is a key piece. The ability to attend functions and inviting others. We're going to have a kick-off event for the fund sooner than later. The date is moving around a little bit but you'll be invited. That's so important for what the City and County government can do right now for us, and State government quite frankly. Entrepreneurs start companies because they believe they can be successful and they believe there is support for that. I don't know how my company is going to be funded in a year but I go to work every morning because I'm pretty sure I'm going to raise the necessary money to do it. By the way, we have a lab at UNC-Charlotte so for us. The University is terrific but I believe I can do it and I believe I have critical support in the community and I believe this is a good place to do it. It's not because I have a road map or that I went to Ventureprise or CTL

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 17

- Jewels. How do we get the guy or gal to leave Bank of America with a Fintech idea to start a new company because they believe they can be successful? The City said you want to build a community for you so it's all those pieces. I'm sorry it's not as concrete it doesn't work that way. The other side is really exciting.
- Fallon: It's a question of is Charlotte culturally ready for this. Will it understand it or will we get the complaints because basically what you want is a group of guys to sit together and just talk to one another until they develop something. Not because it's focused but because they have ideas and they need each other to flesh them out. That's a culture thing. Charlotte has never done that.
- Barnes: We did it in banking and we were pretty good at it.
- Solitario: But if you go to the banks and go to big companies and pitch them, they'll all say yes they got it. You don't have to sell the idea that entrepreneurship is good. That's an easy pitch. All those big buildings down in there in Ballantyne, that's a two minute conversation. If you believe high growth entrepreneurship is good for the community?
- Barnes: Yes.
- Solitario: You don't need to explain the presentation. The business community I would argue does at least acknowledge it.
- Fallon: Yes because it wants to grow.
- Wetenhall: Diversify the economic base. Thank you for being generous with your time. I know you have unanswered and would be glad to meet with any of the Council people individually and go through more details.
- Barnes: Let me suggest this. I had a chance to meet with Mr. Wetenhall at UNCC, great facility and a great experience. If you all have a chance to do that, I would encourage you to reach out.
- Mayfield: Have you all been contacted by Sajiton yet? There are some startups and some companies that are doing just that and don't know about you and that you don't know about. This is someone that currently works for the bank that started their own. It's a computer web-based where they have an app that's already being sold in other cities.
- Wetenhall: Great, we'll see if we can track them down.
- Barnes: Thank you guys so much for coming. We appreciate it. Out next time is a discussion regarding the Midtown/Pearl Park redevelopment project. We have some visitors who are going to be presenting to the Committee. Is that correct?

II. Midtown/Pearl Park Redevelopment Project

Kimble: It is. Thank you Mr. Chairman and members of the Committee. This is meant to be the introduction of this topic and this proposal and project. We envision that you will have questions. We are going to have a presentation by the group that has come to the City with this proposal. The City Manager last week I think it was or maybe ten days ago noted to you in a memorandum that he was referring this to this Committee so it's official. We shared that with the entire Council. This project probably needs to be vetted within the next two months because they have the opportunity to take down this property through a proposal that they have worked with the Board of Realtors so it's site-specific and it's in the Pearl Park area of our community which is down across the street from the Metropolitan. I think it would be best that the Pappas/Terwilliger team has the opportunity to present their proposal to you. We will also talk about next steps at the end of this because it involves the County, the City and it involves some action on Text Amendment at the City Council level so at the end we're going to lay out what the steps in this process of evaluation would be so you can clearly see how many different times you might touch this over the next couple of months.

Lyles: Under what program are we vetting and accessing? Where is my criteria and what am I looking for?

Kimble: Tax Increment Grant, a business grant through a tax increment grant for providing infrastructure that is related both to this particular project and it's related to the area that would be served by the road improvements and the park improvements that would be funded through the tax increment grant.

Lyles: Can you send me some more information about the TIG?

Kimble: Sure.

Lyles: And what we've done before, how we've used it and where we have used it.

Kimble: Yes, we'll show you the projects that we've done before and then the capacity that's left on the tax increment grant.

Barnes: Mr. Mumford, did you have anything else to add?

Mumford: We're here to support.

Barnes: Anything else Mr. Kimble?

Kimble: No, we'll let them propose and show the project to you and entertain your questions directly with them and then we'll follow-up as a staff.

Finger: Good afternoon. Thanks for the opportunity to present to you all today. The opening slide we have is our vision for a rendering of the development site. First, I would like to

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 19

introduce our team. I'm Wade Finger with Pappas Properties, Carlos Bonner is the City development partner at Pappas and Jim Schumacher is consulting with us at Pappas Properties and Craig Miller is the development associate at Pappas Properties.

Mumford: People might be wondering where is Peter Pappas in all of this. Peter is out of town unfortunately. He wanted to be here; it's not that he is just skipping out on this presentation just so you all know if you have any questions.

Finger: To start off, we wanted to give you a little background on the site. The site is owned by the Charlotte Regional Realtors Association (CRRRA). CRRRA has been active in the business community in this area for many years, maybe over 40 years. The assemblage is approximately 5.2 acres and the Realtors have required parcels over time as they have become available. The Realtors Association is the land seller; they're desire is to stay on site with a new 35,000 square foot office building that we've incorporated into our plan.

Today, we are here to talk about a Tax Increment Grant that's purpose is to provide a mechanism to fund infrastructure improvements, roads and improvement to the Pearl Street Park, that's the fundamental purpose of the Tax Increment Grant. Jim is going to discuss a couple of slides.

Schumacher: Good afternoon. As Wade said when the Realtors Association took proposals for developing this property, one of the first things that our team did was go to the Midtown-Morehead-Cherry Area Plan and look at what recommendations were in that plan that we should try to reflect in a project that happens here. You see one quote there from the plan evolved as an urbanized and pedestrian-oriented gathering place for the neighborhood and a larger city. Provide pedestrian-oriented and mixed-use development along Kenilworth so that's really the nature of the kind of development that we're trying to go for. The plan also talked about extending Pearl Park Way. You may remember a few years ago that it was a City project that built this bridge across Little Sugar Creek and created this intersection and built the first 200 or 300 feet of Pearl Park Way. When that was done, the idea was that at some point in the future, Pearl Park Way would extend on through somehow and get up here to connect with Baxter Street.

The plan also talks about extending Berkeley Avenue. Berkeley Avenue crosses Morehead and down to Harding Place and so the plan talked about extending Berkeley, all part of expanding and improving the street grid, creating the street grid in the area and of course improve infrastructure in the neighborhood. One of the key components of that is Pearl Street Park, which is a historic park and has been there for a very long time but it has not been addressed in recent years because of funding limitations on the County Park and Rec operation.

With this framework from the Area Plan, we said what are our goals for a plan. We want to develop a high quality mixed-use brand for the property. A mixed-use development kind of quality creating the synergy there on the park, the new street network for the neighborhood. We want to accommodate the Realtors staying on the site. Their contention, their desire is to stay at this location in a new building and they also want to

stay in their existing building until they can move into the new building so that sort of drives the way we could sequence the redevelopment of the property so we've had to work that into the equation. We want to engage the City and the County on implementing that infrastructure improvement to the park. As Wade mentioned, the grant is related to those improvements, extending the streets and improving the park.

Finger: This slide shows the current conditions (slide 4) of the site. The Ariel photograph is a little bit outdated but it's pretty correct. This building has been demolished and there is a bit of Pearl Park Way here, it's not shown quite accurately. The area is characterized Harding being at the top and Greenwood Cliff in the middle and Pearl Park Way at the bottom of the picture. It's characterized by older buildings that are almost entirely occupied by parcel businesses. Currently at the site there's no vehicular connectivity from Kenilworth up to Baxter which then continues on to McDowell. That's a key aspect of the development plan is to create connectivity and integrate the community better. In addition, Pearl Street Park has the remains of Midtown Sundries still there. Asphalt is still on site and we propose improving the additions on the edge of the park proper and also providing monumentation signage and other park improvements.

Schumacher: To put the plan together, we engaged Parks and Rec and your Transportation Department, Planning Department and the Charlotte Housing Authority because the Housing Authority owns and operates this property at the end of Baxter Street. This entire area is partly ownership in terms of the park, the streets, Baxter Street Right-of-Way the Housing Authority and so forth so we wanted to engage those groups and say well if we take a fresh look at what's here, how can we meet multiple objectives as we put a plan together. Here's what we've come up with, the way to connect Pearl Park Way up to Baxter Street would follow this alignment that you see right here. Berkeley Avenue across Morehead, the Realtors do not control the land where Berkeley would be between Harding and Greenwood Cliff. As part of this project, we don't have the ability to put that in. We would put the piece in between Greenwood Cliff and Pearl Park Way. One of the reasons for that is related to the ___ but as you can see as we talk more about the development later, this portion of Greenwood Cliff would be abandoned for a while, the mixed-use development. This piece of Berkeley Avenue retains the Greenway Cliff connection, the Berkeley and Pearl Park Way and finally makes improvements to the park. The mixed use development here, the park improvements, the improved infrastructure works together to create some synergy to really bring to the neighborhood what the area plan talked about.

Mayfield: I tried to skip ahead a little bit just to see because Kenilworth is those two lanes, there's at least several times during the day where traffic almost comes to a stop and I don't see anything in here that actually addresses the traffic issues. Are we considering adding additional lanes? I know as a City we're trying to go to traffic calming but looking at this type of development Kenilworth is already is high traffic area with coming right off the highway and just everyday access to and from all the businesses. Is that going to be addressed anywhere in here?

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 21

Schumacher: Yes, the traffic needs will be addressed as part of the plan review and permitting process. CDOT has been in the middle of our discussions. We will be doing a traffic analysis of the traffic in and out of the site and accessing with CDOT what improvements or what changes need to come into that.

Mayfield: Thank you.

Barnes: To put it another way, what we typically see is a proposal will be made and the proponent will say it's only going to add 200 trips per day when in fact it will add about 5,000 cars per day. I use Providence Road as a great example that where people make proposes to us and they talk about creating connectivity within their sites but they don't say anything about adding to the capacity of Providence Road itself so what happens is you have all the people who work on the site being able to move from point A to point B within the site but they all have to go home so at some point they hit Providence Road. Guess what? It starts backing up. I think her point is that you make improvements connecting Baxter, connecting and extending Pearl Street Park Way and so forth but ultimately most of the people that work in there or live in there or use the facilities in there are going to wind up on Kenilworth Avenue at some point unless they go around to Baxter. I think what I would ask on this same issue is are you going to be adding through lanes or turn lanes, etc. to Kenilworth Avenue.

Schumacher: Well we don't know that yet.

Barnes: Let me put it to you another way, we know they're going to be needed. They are needed already and so if you're adding more uses to that site and think about what's happening down at Kenilworth and Morehead and I don't think that development has come off the ground. They knocked that old building down but the new development hasn't come out of the ground; the one on the northeast corner intersection. You're doing that one too?

Finger: Yes.

Barnes: So you're adding more and more people who will be using that corridor but no real effort to improve the capacity of the infrastructure. In other words, widening Kenilworth Avenue and adding lanes. We are a car-dependent society, people still like their cars and we're trying to work on transit but people still like their cards. You may not have an answer today and I get that but it's dealing with overall capacity issues.

Schumacher: Sure I understand that. Again, my point we're really one step before that. We need to know that this overall scheme is viable and can go forward in order to go do the study and analysis of the traffic with CDOT that would answer your questions.

Barnes: It's one step at a time; that's one issue that we wanted to bring to your attention and I'm sure there will be others.

Kimble: The only thing that I would add, and you are correct, the evaluation of what happens when you connect Pearl Street back to Baxter Street will also be considered in the overall

traffic analysis because that can create some outlets that are not there now because you have a large amount of people that all need to use Kenilworth and there's not an opportunity to get back and forth between McDowell and Kenilworth easily and creating that connection. It's important to the overall transportation plan. Yes it will be taken into context with the pressures of development.

Barnes: I am concerned about this issues you mentioned Mr. Schumacher regarding Berkeley Avenue and not having control. Are you saying that you guys can do the bronze, yellow, mustard, whatever color that is? You can do that but you can't take it.

Schumacher: We cannot do this piece today because the Realtor property does not include that property.

Barnes: So I'm just looking at the way this map is drawn. Would you be able to at least connect the existing piece of Berkeley to the bronze?

Schumacher: We're connecting the bronze; this is a piece of Berkeley which connects to the existing Greenwood Cliff. It maintains the connection that Greenwood Cliff has out to Kenilworth.

Barnes: Are you saying you can't connect?

Schumacher: We cannot connect this way.

Barnes: What's the gap in there?

Schumacher: Harding is one block. Harding Place and Greenwood Cliff do connect around in the back areas. It's really a loop that comes back.

Finger: Part of the idea being to get traffic on Harding and Greenwood Cliff to a fully-lighted intersection at Pearl Park Way which is not accessible.

Barnes: Right, putting more pressure on Kenilworth.

Fallon: No where do I see how many apartments you're talking about.

Finger: Approximately 250.

Fallon: On each floor?

Finger: Total.

Fallon: The whole building?

Finger: Yes.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 23

Schumacher: So again to go back to my point that there's a lot of land to access here as we engage CDOT and the department rep. and the Housing Authority to talk about what we could do here. We tried to look at how we can take those assets and do a win-win scenario. The expansion of Pearl Street Park would happen by taking this piece of land here on the eastside of the Housing Authority tower. It's kind of an odd shape and is lined with the creek and a high potential power line on this side and it would be a little difficult to develop housing here for the Housing Authority. The idea was let's take this land and make it part of a park and trade some park land to the Housing Authority which provides a better development site for housing and at the same time expands the size of the park.

Barnes: How large would that park be if you're able to do that?

Schumacher: That's a number I don't have in my head.

Kimble: We will get that to you.

Barnes: We're going to ask a lot of questions that you guys can just come back with answers.

Kimble: We'll get you the current size and then the proposed size.

Schumacher: We would curve the ride way for the extension of Pearl Park Way up to Baxter Street. And Berkeley Avenue, a portion of this comes out of the building property and a small part of it is there at the edge of park. The existing Baxter Street has a very large cul-de-sac at the end. With this new street connection, the cul-de-sac would not be required and so that's another opportunity to abandon that cul-de-sac and make that land part of the park. Along the edge of the park when you replace Pearl Park Way in this alignment, it leaves a remnant of land between Pearl Park Way and the Realtor's property and the discussion that we've had with Mecklenburg County is that the developer would purchase that remnant from the County to incorporate that into the Realtor's property for the overall development. The end result is the park gets larger. The County has also discussed that the proceeds of that land sale would be used to make further improvements to Pearl Street Park.

Lyles: Pearl Street Park used to be under the corridor and for some reason I don't remember why. Does it still have any tags left as a result of that?

Kimble: I'm not aware of that but we will research that.

Lyles: It was in the lawsuit that we had years ago and Judge McMillan actually directed that we couldn't do certain things in that area. I don't know if we're still there or not.

Kimble: Mecklenburg County has been in all the discussions that we've had at this point. We will consult with them and track that down.

Lyles: It may have even been through the Housing Authority.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 24

Kimble: O.k. and the Housing Authority has been a part of our discussions too.

Schumacher: That reminds me of a good point to make about the Housing Authority property. Their property of course is subject to HUD standards and regulations and so this exchange of land between the County and the Housing Authority needs to go through the Federal approval process, which I understand takes about a year. That will affect how we sequence the construction as we go forward.

Bonner: I just want to talk to you about the overall master plan for the site. The overall master plan is a mixed use project to incorporate an office, multi-family and hotel. Part of our agreement and development plan is to build a new office building for the Realtors Association at Baxter and Pearl Park Way about 35,000 square feet. This is where they will have their new location office building.

Lyles: Tell me which street is which?

Barnes: Where is Kenilworth on that map?

Bonner: Kenilworth is here.

Barnes: And where is Pearl Park Way?

Bonner: Pearl Park Way is up there.

Barnes: Got it.

Schumacher: This is that short segment of Berkeley; this is the piece that would come in the future.

Bonner: Right here (slide 7) at Berkeley and Pearl Park Way, we will build the 250 apartment units with ground level retail at the bottom of that. The corner here will be a 170-room hotel and this corner here will be a 144,000 square foot office building, along with a shared parking deck of about 900 spaces. The overall theme is to create an integrated project that creates activity within the project and makes the road work connections that we've talked about.

Mayfield: This shared parking deck, is this above ground or underground?

Bonner: Above ground.

Mayfield: So it's an above ground parking deck and we're saying that's Kenilworth so if you're driving up Kenilworth, you will see the hotel, the office building, all this parking to accommodate 170 cars but the actual residential will be on the backside?

Bonner: It's actually on the front side facing the park.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 25

Mayfield: So the residential is going to be facing the park but if you're driving up Kenilworth, the first thing that I'm going to see coming around Kenilworth really is going to be the parking.

Bonner: No the hotel.

Mayfield: The hotel and we're saying this shared parking deck is for the hotel guests and the office building.

Bonner: If you're coming from Center City, you're coming down this way (slide 8) towards the intersection right here so you would be seeing the end of the hotel, the front of the apartments that face the park, the ground level retail and the ground level retail that faces the park. The parking deck is behind all of that.

Schumacher: You would not be able to see the parking deck really at all from Kenilworth, except for a glance here between the hotel and the office building.

Bonner: Which would be the entrance into the parking deck.

Mayfield: O.k., thank you.

Bonner: This gets us to the street plan of showing you how we're proposing to put this retail along Pearl Park Way and the connection piece between the park and the project, along Kenilworth Avenue.

Lyles: On the notes here, it says by-rights. Does that mean that there is no Rezoning required? Is this a by-right development for the existing 5.2 acres?

Bonner: Yes it is.

Lyles: But it doesn't work unless you do the streets or is that what you're saying? I'm just trying to figure out why we're here. Is this a by-right Rezoning?

Barnes: We got it, Mr. Mumford.

Mumford: There is not a Rezoning needed; there is a Zoning adjustment, a Text Amendment for the retail component. That is one of the reasons why it's coming forward and we will have the schedule.

Kimble: At the end, we're going to show you the process and the things that have to be walked through in order to get there.

Barnes: Mr. Kimble, would you talk about the difference between a TIG and a TIF? I'm imagining that a TIF concerns us closing some gap in their financing; a TIG is to help compensate them or reimburse them for some infrastructure investment made on behalf of the public.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 26

Kimble: Somewhat. Tax Increment Financing normally means we do something up front and finance the improvements. A TIG is they pay the property taxes and then we grant back to them a portion of the property taxes paid so we avoid a financing of sort and it's simply a grant back. The important point here is that the Tax Increment Grant is reimbursing the developer for public improvements that the developer is going to build, namely the extension of Pearl Street Park Lane, the road, and the expansion of the park property known as Pearl Park and improvements to Pearl Park as well so it's simply another way of coming up with funds to extend streets and improve parks in our community. It does benefit the developer because he's able to build what is shown on the mixed-use plan but the mixed-use plan is also going to have retail, hotel, office and apartments and it's going to throw up a greater tax base and greater revenues to the City and County. What we're using a part of that revenue flow to reimburse the developer who pays up front the road improvements and the park improvements that are made as part of the development. You don't have to appropriate funds through your Capital Improvement Program this way; you do it through Tax Increment Grants and you're not taking the money away from any other existing projects in the City of Charlotte or Mecklenburg County in order to make these particular improvements. It's a partnership that creates the public improvements and advantages the developer as well as advantages the connectivity in the area.

Fallon: Why shouldn't we start to expect builders to do it? They want something from us; in other cities, they pay for these things, we don't. And we don't give TIF's or TIG's or whatever else. Maybe it's time we start looking into that rather than giving away the public's money so much. We ought to start thinking about that instead of looking to improve somebody else's property and we should be expecting something back.

Barnes: That's a fair question. Mr. Mumford?

Mumford: I don't want to get into the policy. On this particular project, there's some infrastructure that's going in that is not required by the project so it is really a benefit to the community.

Fallon: But maybe we should expect it to come back to us.

Barnes: Talk to us as though since you are here in partnership with the City and the County about your MWSBE commitments in your project.

Bonner: We're open to including that in the Tax Increment Grant agreement. We have done that a Metropolitan, Pappas Development and Scaleybark. Although we haven't started construction, we have made a commitment to that program.

Barnes: I would like to have some clarity regarding the nature of your commitment. I don't remember what the commitment was a Metropolitan. As a stated minimum of the Committee looks for at least 10%. We obviously need to move that number up more. If you could connect with Mr. Kimble, Mr. Mumford and Mr. Cronin and the next time we get together on this, talk to us about how you go about including those businesses and a strong percentage commitment that would be helpful.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 27

Finger: O.k. May I touch on one point of clarification regarding the retail? We feel there is more retail demand in the market than is shown on this plan. This plan conforms to by-right entitlements and has a mixed-use component. Every component of this plan is mixed-use and has some retail but if the Text Amendment is carried through than it will enable more retail than is shown here under this current Zoning. Specifically, possibly a grocery store so that would be significantly more retail. This is about 20,000 square feet of small shops and restaurants.

Barnes: What would be your goal on the retail square footage?

Finger: If the Text Amendment goes through, it probably will be a 50,000 square foot grocery store and each of the other components that would be right here in the middle. Each of the other components would probably have about 5,000 square feet of retail in them.

Barnes: So would that be 20 plus the 50?

Finger: About 10 plus 50.

Barnes: Mr. Finger, would that also necessitate increasing the capacity of the parking deck?

Finger: Yes it did but this parking deck is a cross easement parking deck and so we can optimize the size of the parking deck because the different uses of it were peak times. We don't have to build a parking deck that is sized by the maximum use of each component all stacked up together. The apartments park mostly at night the office parks mostly during the day and we've done that in other projects like Metropolitan and Sharon Square development where we cannot have a bigger parking deck that's really necessary. It would be a good balance of mixed uses.

Barnes: O.k.

Lyles: I think this is very exciting that you're going to be working on 5.2 acres that has great history in this city. I still think back to that being an African-American community where there were lots of houses that probably weren't the kind of standard that you're about to build right now and the opportunity; just the history of it is pretty remarkable so it's a real opportunity. I do want to ask you to look at it in the consideration of the, I know you said that you've gotten the Cherry master plan area recommendations and you've urbanized pedestrian-oriented gathering place for the neighborhood and larger city. For me, and I think the City Manager and I, I don't know who else attended the conference that we just recently had with the Knight Foundation. Gil Penosa came in and talked about look at this as accessibility and safety for an eight year old and 80 year old. I hear what you're saying about parking decks but when I look at Kenilworth right now, we have a zoom, zoom street and you're talking about building something that I see connecting to the greenway right across the street. I don't see any pedestrian capacity in that that makes it work with one of the most important investments we have in the city. Today, I see people in that wheelchair lane where that refuge is; I know you guys watched it. They come from Charlottetown Towers and they're crossing that street and I am just scared to death.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 28

- We've got this senior citizen project there and I don't see the vision that we have for biking and walking safety and accessibility in this plan. I appreciate what you're doing but all of these connectivity things for the cars fine but you've got a tower of senior citizens that can't get across the street. It's just not working for me. I don't see how we're going to actually, even though we're car centric today, what are we trying to do to plan for the future. What are we trying to do to take care of those people that live adjacent to this? I'm really a little bit concerned. I think it's a great opportunity but I think there are some details that we've considered for cars and businesses and offices and we haven't really thought about our citizens and how they use our greenway investment. How they get across to Midtown, how all of that works. I appreciate what you said about the parking deck, but many of us go down to Trader Joes and all of those places and peak hour, if that's a successful peak hour day, we won't be building this. I'm sorry, that peak hour deck doesn't seem to work at all.
- Barnes: It's a nightmare. Could you guys be prepared to respond to Ms. Lyles questions on your next visit? What you're taking about is a state of priority to the Council, increasing pedestrian and bicycle connectivity as well.
- Lyles: And its safety for pedestrians.
- Barnes: That's a good point.
- Schumacher: Just to briefly mention, we haven't talked about the details of what park improvements would be. One of those would be a greenway type trail that goes from Kenilworth up through the park to connect with Baxter with trees and lighting along the trail, very similar to the trail that you have along the greenway. We would have to work with CDOT about how you get across Kenilworth to make that connection and make that safe.
- Lyles: I don't see it now, but I think it's really, really important. It's not exactly seeing what we know the future is going to require. One of the slides he talked about is the number of people that are going to be over the age of 65.
- Finger: We've learned through the Metropolitan parking deck. Indeed this plan, we're here to talk about the Tax Increment Grant but you can see on the plan that there are numerous ways for ingress and egress and communication design between the levels that are very important to us. For folks who are going to stay close to retailer don't have to conflict with people who are office tenants who just want to get up the deck. Those things are on high on our priority list.
- Lyles: I think even by right development for what you're doing in that area, I see it. I just don't see how we make it work for people that are actually circulating in the area. I'm really, really worried about this. I'm also worried, just from the City side. You remember when we had the Rezoning on Kenilworth? Kenilworth was rezoned 22-mf in 1960 something and anybody could come in by right development and build a whole swat. High rise condominiums and where would we be then? I can't see it.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 29

Fallon: And we talked about that on Kenilworth, up the hill where we took all those houses away and they are going to build more apartment houses.

Barnes: You all are raising very good issues so this is the first time the Committee has seen it. We're telling them what we're concerned about. Next meeting, they will give us their responses and ultimately, we'll make a recommendation to the full Council.

Lyles: It's not just these guys.

Barnes: You're right.

Lyles: It's the plan coming in. If we're going to do this, what are we going to do about Kenilworth? How are we going to actually make Harding Place which is a loop work because there is only one way out to Morehead? What does that do for Morehead after we put that Morehead building on Kenilworth?

Barnes: That is the issue I was raising earlier.

Lyles: I'm sorry you guys are coming in on the tail end of a lot of things that we're really worried about.

Mayfield: The only piece that I would add as we're going through this discussion is the fact that we historically have lost a lot of our history so knowing the history of the area with taking into consideration the Cherry plan, I haven't seen it yet. It's probably there, you all have probably had the conversation and I just don't see it to look at what is planned to pay respect to the history of that area opposed to just something else that's new when you're driving by. When I was trying to figure out what we would see from Kenilworth and what registered to me is we're doing a Metropolitan. We're thinking about it that way and a 50,000 square foot grocery store we're trying to build density, I'm trying to figure out how that would play in when you have Trader Joes literally within walking distance. What are our plans? Mr. Kimble and Mr. Mumford, this may be a question to come back that's really for you all and not for the developer. When we're taking about density, are we having that conversation when it comes to these grocery stores because we're still building these 50,000 plus square foot grocery stores. Is that even still viable today and moving forward with the plans that we have for the City? That would be a different question that you all can come back with but for you, I would just like you to take into consideration the history and the historical aspect of this area when we're looking at any development that may or may not move forward.

Barnes: I appreciate that, and by the way folks, this is also in light of the entitlements Levine has across the street. You've got one avenue through there, Kenilworth. At some point, it's going to go poof. Same things I'm telling you all is going to happen with Providence Road too because we keep approving development down there and people are not going to be able to move soon. Those are the issues, that for the moment, and I know you're not done so please continue.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 30

Bonner: The next slide is a little short on graphics but it lays out the needs by which this development responded. Development of the new Realtors building is funded by the Realtors with Pappas Properties serving to manage construction of that building. The components of the balance of the project are funded by Pappas Properties and Terwilliger Pappas is focused on apartment development. The public improvements, Pearl Park Way, Berkeley, improvements to the park are funded up front by Pappas Properties and the mechanism is that as the tax revenue increases, 45% of the increase refunds those costs over a period of time. A couple of the details on that are that those costs are the next slide shows the budget. The budget for the improvements is about \$4.7 million. The annual reimbursement for the proposal is 45% of the increase in tax revenue. Those reimbursements begin one to four years after construction starts and there's a sunset provision if ten years have gone by and reimbursement is not complete, the reimbursements would end anyway whether it's been reimbursed or not. The scope of the request is limited to the actual cost. The present value reimbursement for ten years whichever comes first.

Kimble: That is within the confines of your existing Tax Increment Grant policy.

Lyles: Are you talking about Ballantyne?

Kimble: It's been in every one of our TIG grants for the last ten years.

Barnes: Remember that the State Legislature passed a bill that, I think, allows for there to be no property taxes on a home for example while it's being built so I don't think they incur property taxes until it's sold. Did that pass?

Kimble: There were some amendments to that at the end. We will have to get the specifics. It didn't turn out to be a detrimental but I do think some portion of it may have passed.

Barnes: The reason I asked the question is related to the trigger date and it says that the payments would begin one to four years after construction starts as opposed to two or three years after. In other words, once the thing is actually kicking off taxes.

Kimble: Right.

Barnes: Talk to me about why we would do that as opposed to starting the triggering after it's finished.

Kimble: In this kind of negotiation and discussion, and I think most all of your latest Tax Increment Grants, we leave that window of opportunity as to when they start the clock on the ten-year period to be within that one and part of the policy position the City and the County have taken recently.

Barnes: Ok, one to four before record.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 31

Kimble: They can go anywhere from one year to four years after the end of construction to start the ten-year recovery clock on when they get reimbursed, the 45% of the property.

Barnes: And that says at the beginning of construction. That's what I'm confused about.

Kimble: We'll check that.

Lyles: We can't reimburse what we haven't received.

Barnes: Right, that's what I'm getting at.

Kimble: We'll check whether it's at the beginning of construction or the beginning of operation.

Barnes: Also a cap of 4.7 or whatever that number, let's make sure there's a cap.

Kimble: There will be that.

Mayfield: I'm trying to understand this improvement budget for Phase 1A and 1B. What's the County's contribution? The way I'm looking at this, I love the idea that we try to identify ways to create development throughout. One, we're still looking at a deficit and the County is not but I have a clear concern regarding the fact that it seems like the majority of this project is really around Pearl Park. For me, I would like to see a clear breakdown of the County's contribution to this. It would be helpful for me to have an understanding of what can this actually look like as far as reimbursement from the City and the County. What does it mean when it's time for us to go back to our constituents and explain to them how and if this development moves forward, how we're supporting this?

Kimble: We will provide that at your next meeting and remember that when it's a 45% return on a Tax Increment Grant, the County has almost two to one money in return to the developer so a lot of the reimbursement is related to the types of improvements that are going to be made. It's not a one for one but you've got a willing partner in the County staff level to look at this right now. They have to also take it to the County Commissioners through their normal process and all of that will be vetted and we will bring back the numbers to you.

Mayfield: That would be extremely helpful because even though we have this two to one, when we go back and look at historically that out front and upfront costs and that investment heavily falls on the City's side.

Kimble: Let me assure you that we have to take and look at their numbers and we have our Engineering staff look at those numbers. We do that as a normal course of every Tax Increment Grant and we will do what proper due-diligence we need to do on all the numbers, all the costs and all the returns. That is something that you expect of us and we will respond back to you.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 32

Fallon: The bulk of the money that we get back would not come to the City; it would go to the County?

Kimble: No, when the developer pays property taxes after the development has happened, the County gets about two to one property tax on development in this community because of their tax rates. The return of the grant is a 45% of what has been paid each year for ten years if that is indeed what you approve and 45% of the City's intake of property taxes goes back in a grant to the developer and 45% of what the County takes in on County property taxes would go back to the developer. Their amount of tax collection is about two to one because of the relative tax rates of the County versus the City but the developer is paying both County and City taxes and in return in a grant is paid to the developer off of each one of those.

Barnes: Of the \$4.7 million, how much of that dollar wise is City?

Kimble: I don't have that off the top of my head.

Mumford: It's about 2/3 of that is really for the road infrastructure and about 1/3 or so is for park improvements.

Barnes: About \$3 million dollars?

Kimble: Yes, probably approaching \$3 million dollars.

Barnes: Ms. Lyles has to leave so let's, if we can, efficiently move to the end.

Finger: We have one more slide on the concept and advantages of doing the public improvements. They are to redevelop buildings that are in the area and on the site now. Part of the mechanism is to implement infrastructure that's consistent with the plan improves connectivity street grid and enhances Pearl Park. We have as a part of our plan to extend the greenway connection. In addition to that, there is a new site created adjacent for future development with the Charlotte Housing Authority.

Barnes: How tall is that apartment building?

Finger: There is a height limit of 100 feet so no component is higher than that.

Barnes: I thought so.

Lyles: I wonder if you can ask the Housing Authority when they plan to have the financing to build on their new site and what their intent as a mixed income, mixed-use. What are their plans, if you can find out a little bit more, I would appreciate it.

Kimble: Sure.

Finger: I think with that, we can open it up to further questions.

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 33

Mumford: One more is just the next steps.

Kimble: There are next steps and we want to make sure that you have that as the last slide so that you can see the number of times this has to be touched by City committee, City Council, County committee, County Commission, the Text Amendment so all of this has to work.

Fallon: Do you have a timeline?

Kimble: This is the timeline.

Fallon: No, I mean the actual time that it has to be done within.

Kimble: Do you mean the construction?

Fallon: Yes.

Kimble: To get to the vote of moving forward, its November 23rd is the cycle and the sequence of events that have to occur to get us to that point. If they are under contract, under option.

Finger: We have it under contract and anticipate it closing in the spring. When we have a closing, we will commence construction.

Kimble: This is a pretty fast cycle but there's lots of opportunity to interact and answer questions and provide information to the Council.

Barnes: O.k.

Lyles: When we're bringing a Zoning Text Amendment forward, I think the full Council needs to have a briefing of what that is, not just coming through the ED Committee because we're looking at the TIG but not the Text Amendment and that's something that either ought to go through Planning or the full Council. I know how sensitive that is.

Kimble: Very good.

Lyles: I would like to see an opportunity to have a review by the Planning staff of what, when we look at everything in the Cherry plan, let's go ahead and sketch it out, see how the traffic works, just all those things that we're concerned about. We need to always see the whole picture and not just 5.2 acres when we're doing this.

Barnes: I think this is on Monday's Agenda, isn't it? The Text Amendment?

Lyles: I wonder if that's appropriate for us to hear right away. I don't know the context; I have not read the Zoning Agenda, but I just don't know. We would not ordinarily bring a Text Amendment without having a preview at the Dinner of the Zoning Meeting? Is that the usual sequence for a Text Amendment?

Economic Development & Global Competitiveness Committee
Meeting Summary for October 15, 2015
Page 34

McKinney: Yes, it could come up to you for a hearing where we present it and we can have dialogue and questions answered and it comes back to you.

Lyles: We don't usually have an advance notice at the dinner before that we are doing a Text Amendment for something?

McKinney: Not in this case. It's a Text Amendment that was submitted but not by the Planning Department.

Lyles: O.k.

Fallon: Can we have CDOT there too?

Kimble: Yes, they've been very involved in this project.

Fallon: Yes, I'd like to hear from them.

Mayfield: This statement is for staff because I think you heard more than once from Council regarding Text Amendments so we're thinking of that and today being the first that we're hearing and hearing some of the concerns, they might want to be some consideration before the hearing comes to us on Monday. I think there's a lot of conversation that's happening right now regarding Text Amendments as a whole because of the impact that it has on the entire City and not just individual projects. I think we need to start figuring out a way under which Committee it's going to fall and start having some real conversations on how we move forward.

Barnes: O.k., any other questions, thoughts or comments? We'll look forward to seeing you guys on November 5th on this project and getting the answers to all of the questions we've asked. Thank you much for your time and we are adjourned.

The meeting was adjourned at 2:00p.m.

City Council
Economic Development & Global Competitiveness Committee

Thursday, October 15, 2015 at Noon
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. HIGH GROWTH ENTREPRENEURSHIP STRATEGY UPDATE – 30 minutes

Guests: Paul Wetenhall, President, Ventureprise, Inc. & Paul Solitairo, CRFE Board Member and Cofounder, International ThermoDyne, Inc.

Staff: Natasha Warren, Neighborhood & Business Services

Action: An update will be provided to the Committee on the Charlotte Entrepreneurial Growth Report and how this information will be used for assessment and regional promotion for high growth entrepreneurs. No action required.

II. MIDTOWN/PEARL PARK REDEVELOPMENT PROJECT – 30 minutes

Staff: Ron Kimble, City Manager's Office; Todd DeLong, Neighborhood & Business Services & Pappas Properties

Action: This item was referred by the City Manager on October 8, 2015. Staff will provide information related to the request by Pappas Properties/Terwilliger Pappas for the City's financial participation in certain public road and infrastructure improvements through a Tax Increment Grant (TIG) agreement. Representatives from Pappas Properties will present a summary of their proposed mixed-use development project and their request for the City's participation.

III. Future Meeting Topics and Schedule – 5 minutes

Resource: Ron Kimble, City Manager's Office

Topic	Meeting Date	Lead Department
Eastland Mall Redevelopment	On-going as needed	Neighborhood & Business Services
Immigrant Integration Task Force Recommendations Updates	On-going as needed	Neighborhood & Business Services
Business Investment Grant Revisions	On-going as needed	Neighborhood & Business Services
High Growth Entrepreneur Strategy	On-going as needed	Neighborhood & Business Services
Charlotte Business INclusion Update	On-going as needed	Management & Financial Services
City Protocol Society	On-going as needed	Neighborhood & Business Services
Amateur Sports Development at Bojangles Coliseum/Ovens Auditorium	Future discussions (TBD)	Neighborhood & Business Services
Applied Innovation Corridor Strategy & Planning	Discussions (TBD)	Neighborhood & Business Services

IV. NEXT DATE: Thursday, November 5, 2015 at 12:00pm, Room CH-14

Distribution: Mayor/City Council Ron Carlee, City Manager City Executive Team



High-growth Entrepreneurship Strategy Update

Economic Development &
Global Competitiveness Committee

October 15, 2015

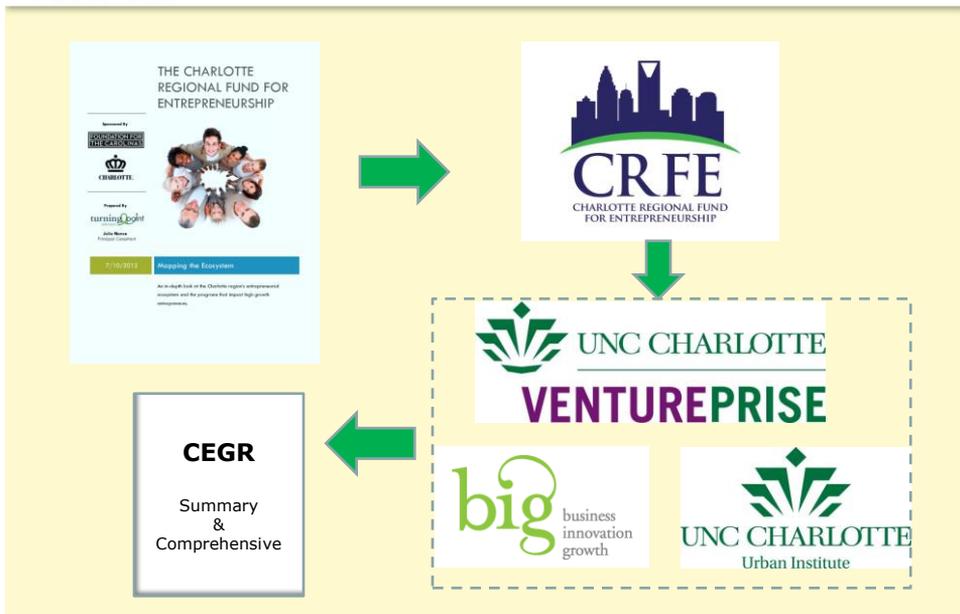


Today's Topics

- Purpose of the *Charlotte Entrepreneurial Growth Report*, commissioned by the Charlotte Regional Fund for Entrepreneurship
- Review high-growth, or innovation-driven, entrepreneurship impact
- Summarize CEGR method including benchmark metros
- Highlight key findings including weaknesses
- Define next steps



Charlotte Entrepreneurial Growth Report



CEGR Content

- Entrepreneur Survey—measure outcomes and expectations
- Community Survey—assess perceptions
- Statistical Data—understand trends and evaluate Charlotte metro relative to benchmark metros
- Growth Company Stories—illustrate entrepreneur dynamics through local experiences

Benchmark Metros

Atlanta | Austin | Kansas City | Nashville
Research Triangle | San Francisco | Tampa



Overall Metro Observations

- Young innovation sector ventures are growing rapidly and collectively rank in Charlotte's top 10 public companies
- Overall startup activity is below benchmark metro average
- Fast growing private firms at midpoint of benchmarks
- Innovation capacity—research funding, higher education students, patents—below benchmarks
- Angel and venture capital investors do not find Charlotte early stage deals attractive



Entrepreneur vs. Small Business

- Each new high-tech job leads to five additional jobs in local services (lawyers, nurses, plumbers)
- Innovation sector multiplier is 3X manufacturing multiplier

Source: Enrico Moretti, *The New Geography of Jobs*

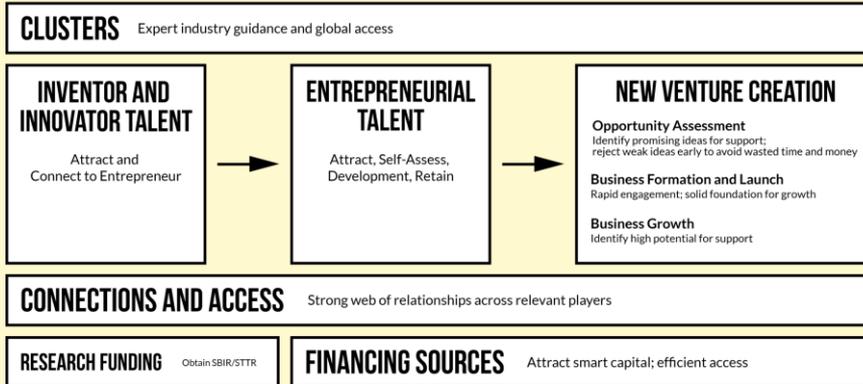
Innovation-driven Enterprises (IDE)

- National and global markets
- Innovation as core competitive advantage: tech, process, business model
- Initial losses followed by rapid growth...or failure
- Often require external equity capital



High Growth Ecosystem

CHARLOTTE REGIONAL INNOVATION AND ENTREPRENEURSHIP ECOSYSTEM



Charlotte Entrepreneurial Growth Report

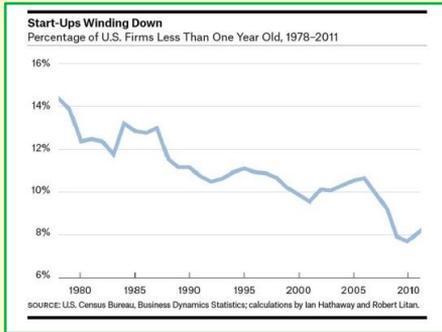
2015 Highlights

Startups > Fast-growing > Innovation > Funding > Opinions > Next



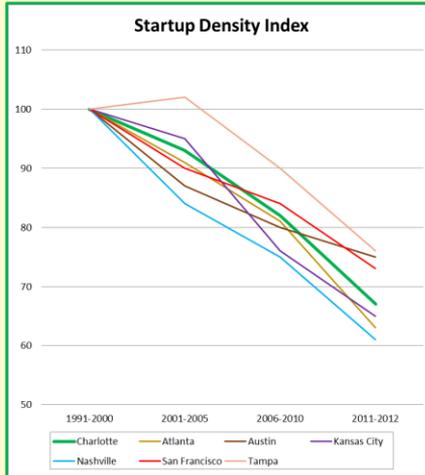


Total Startups Declining



U.S. Startups Declining Share of Economy

Startups Declining in All 366 Metros except one



Charlotte remains mid-range of benchmark metros



Kauffman Index Startup Activity

Kauffman Index (40 metros)	Rank 2015	Rank 2014	Startup Density 2011-14
Charlotte	25	28	148
Atlanta	13	18	155
Austin	1	2	178
Kansas City	29	26	131
Nashville	24	20	131
San Francisco	6	5	160
Tampa	20	15	174

Startup Density = number of startups per 100,000 population.

Charlotte performance below average of the top 40 metros.

Charlotte startup rate at Austin rate would create 700 more startups annually.





Inc. Fastest Growing Private Firms

Inc. 2015 Fastest Growing (per mil.)	Top 500	Top 5000
Total U.S.	1.6	15.7
Charlotte	1.7	26.9
Atlanta	5.0	33.5
Austin	5.7	46.3
Kansas City	1.9	19.3
Nashville	0	29.6
Research Triangle	2.9	23.1
San Francisco	7.0	32.2
Tampa	4.1	25.0
<i>Charleston</i>	<i>5.5</i>	<i>31.6</i>

Charlotte's 64 Top 5000 companies is in the middle of national benchmarks (per capita). Charlotte weak on the Top 500.



Charlotte Inc. 5000 Industry Mix

Stronger	Average	Weaker
Human Resources	Real Estate	Retail
Manufacturing	Construction	Advertising & Mktg.
Logistics & Transp.	Software	<i>Consumer Prod & Svc</i>
Financial Services	IT Services	<i>Govt Services</i>
Food & Beverage	Business Prod & Svc	<i>Telecommunications</i>
	Energy	
	Health	

Table excludes industry sectors below 2% of total U.S. Inc. 5000.
 Charlotte above average: Computer Hardware, Insurance, Travel & Hospitality.
 Charlotte no companies: Education, Engineering, Environmental Services, Media, Security.

Charlotte strengths generally as expected.
 No Charlotte Inc. 5000 **energy** firm 2007-2014, only one in 2015.



Company Survey Results

- 248 young, innovative company survey respondents
 - 30% Business services, 21% Information technology, 12% Technology other, 9% Marketing services
- 88% serve customers beyond Charlotte metro

	2014 Average	2014 Growth vs. 2013	2015 Growth Projected
Revenue	\$6.2 mil.	23%	44%
Employment	10.4	18%	23%

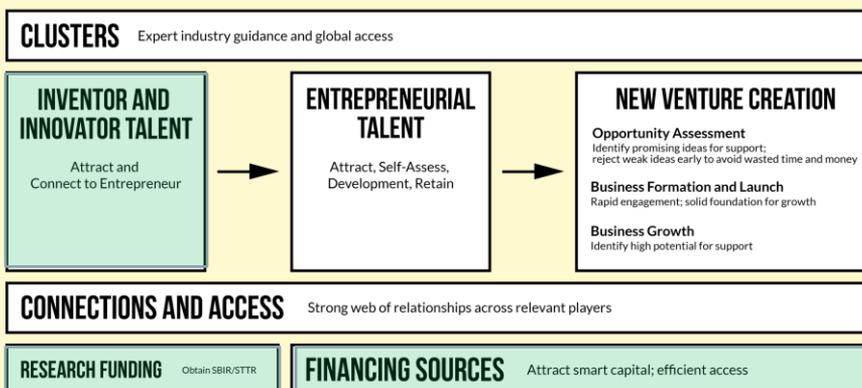
- Compensation averages are strong as firms mature
 - 2000-2009 launch: \$74K
 - 2010-2015 launch: \$51K

Projected 2015: \$1.3 bil. revenue, 2,350 employees
Collectively about #10 on Charlotte public company list



High Growth Ecosystem

CHARLOTTE REGIONAL INNOVATION AND ENTREPRENEURSHIP ECOSYSTEM





Innovation Drivers Academic

- College/University population below benchmark metros [Forbes Top 650 universities]
 - Charlotte: 1334 students per 100,000 population
 - Benchmark range: Atlanta 1642 | Research Triangle 3901
- Academic R&D far below benchmarks and Carolinas metros
 - \$40 million (FY13) at 3 institutions; \$17 per capita
 - Benchmark range: Kansas City \$137 | RTP \$1,174
 - Charlotte impact if at Kansas City rate: ~ **\$300 million**
- Charlotte and Austin only benchmarks without med school...Dell School of Medicine begins 2016



Innovation Drivers Invention

- Benchmark metros annually generate many more inventions and patents from universities
 - Charlotte: 42 inventions 12 patents 3 startups
 - Atlanta: 494 inventions 100 patents 16 startups
 - Nashville: 178 inventions 37 patents 3 startups
- Good News: UNC Charlotte is among top 5 most productive nationally [annual per \$10 mil R&D]
 - 13 inventions: 3 to 4X benchmark metros
 - 1.1 startups: 5 to 10X benchmark metros
- Overall metro patents below most benchmarks
 - Charlotte: 388, up 78% vs. 2001-10, Bank of America 23% of Charlotte patents
 - Benchmarks: San Francisco—7531, Austin—2600, Tampa—551, Nashville—220

**Charlotte innovation must not be limited to patents.
FinTech promising.**

All data 2011-13 annual average.



Funding Weak: Outcome vs. Cause

- Statewide startup funding
 - NC IDEA 2006-15 : Charlotte 8%, RTP 84%
 - NC Biotech Center 2012-15: Charlotte 2%, RTP 71%
- Carolinas and Atlanta angel investing
 - 12 funds; 225 investments in 178 companies
 - Charlotte: 4% (9) of investments
- Charlotte Angel Fund [2014-15]
 - Charlotte companies 28% of total 53 pitches
 - No Charlotte deals; 4 deals in RTP and Triad
- Venture Capital [2011-14 avg.]
 - Charlotte: 4 deals, \$8 million or \$3 per capita
 - Range per capita: Austin \$312, Tampa \$18 (SF \$2,246)
 - Atlanta midpoint: 55 deals, \$391 million, \$70
 - Charlotte at Atlanta per capita: **\$158 million** increase
 - AvidXchange deal is a hopeful sign



Mecklenburg Resident Survey

	Not Impt	Neutral	Important
Startup importance to economy	8%	10%	82%
	Disagree	Neutral	Agree
Business climate good for entrepreneurial companies	14%	27%	59%
	Unlikely	Neutral	Likely
Recommend young person career as entrepreneur or small business owner	16%	21%	63%

Mecklenburg residents understand startup importance, but some uncertainty about local entrepreneurial climate.



Mecklenburg Concentration

- Charlotte metro innovation is becoming Mecklenburg-centric
- Patents
 - 2001-10: 42%
 - 2011-13: 52%
- Inc. 5000 companies
 - 2007-10: 63%
 - 2011-15: 84%



Summary

- CEGR provides extensive data
 - Understand current situation
 - Measure progress
- Community must now decide strategic direction and investment
 - Complicated by small-scale, fragmented ecosystem
 - Average organization size: 1.5 FTE
- Short-term direction
 - More startups
 - Higher potential startups
 - Leverage proven industry sectors & business innovation
- Long-term direction
 - Strengthen innovation capacity including academic and other R&D
 - Attract, develop, retain high potential innovator and entrepreneur talent



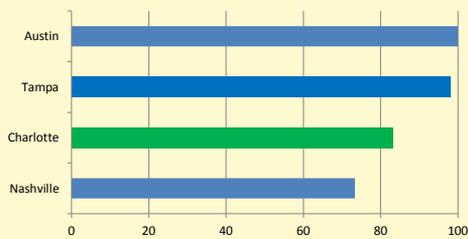
Next Steps

- Report communication
 - In-depth with policy and practitioner
 - Summary to broader community
 - Call to action for Charlotte Regional Fund for Entrepreneurs
 - Ongoing community education on specific factors
- Charlotte Regional Fund for Entrepreneurship

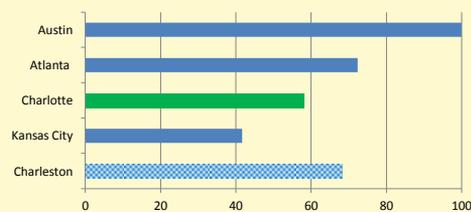


Outcomes Index to Best Benchmark

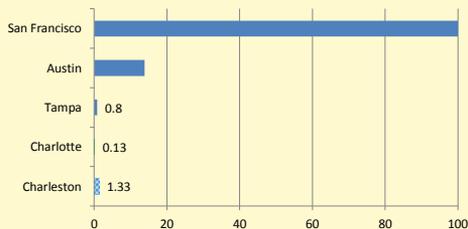
Startup Density, 2011-14 Average



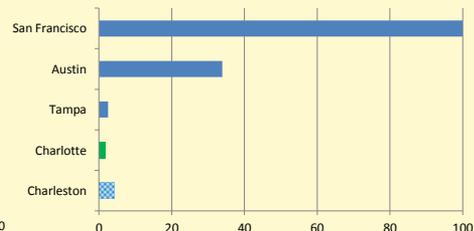
Inc. 5000 Fastest Growing Companies
2015



Venture Capital Investment 2011-2014

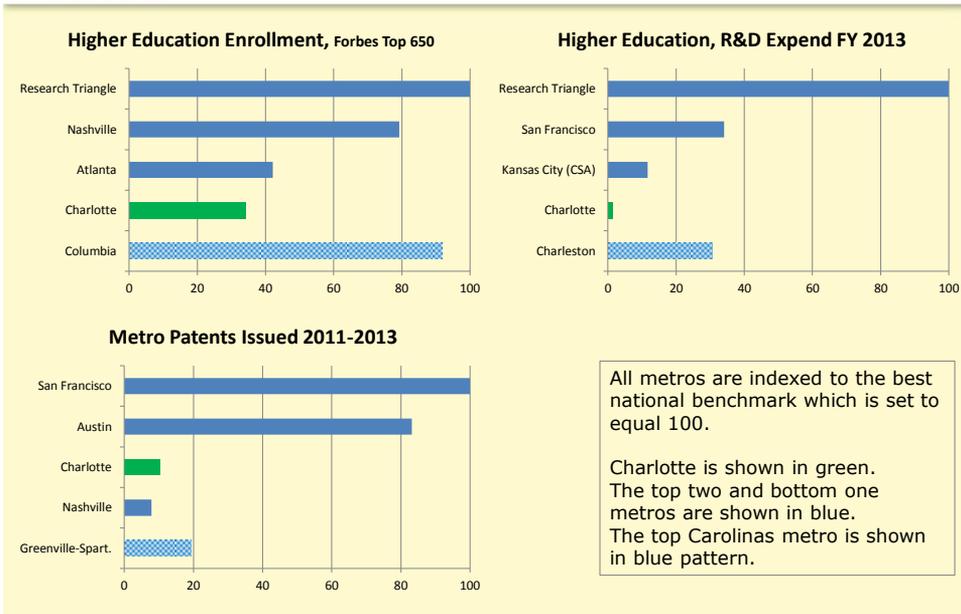


Deloitte Technology Fast 500 2009-2014





Innovation Inputs Index to Best Benchmark



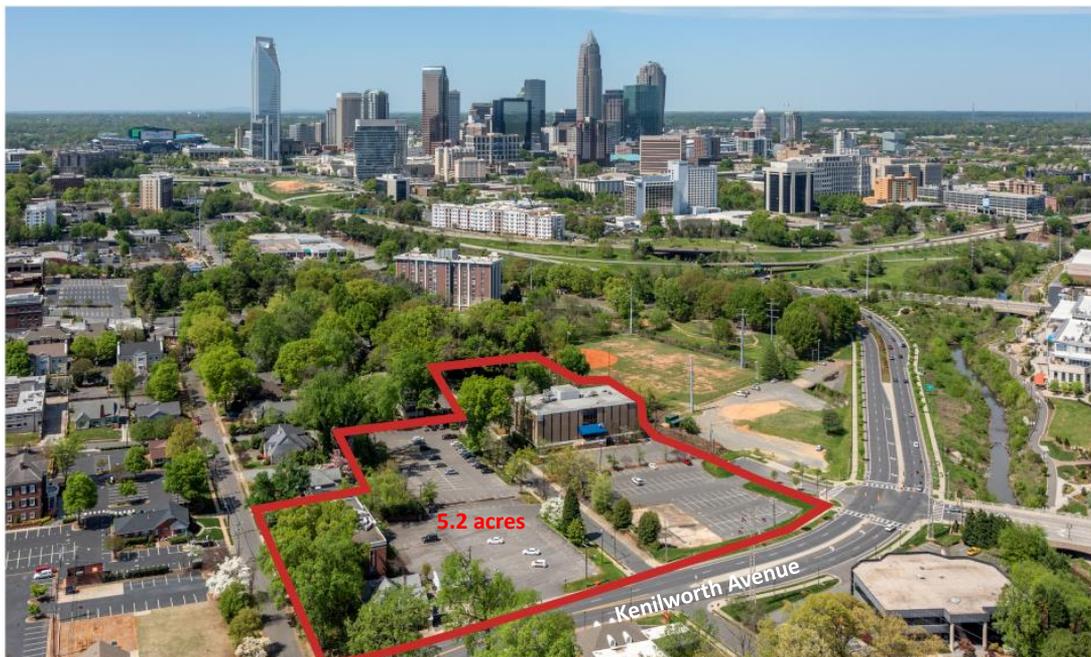
Charlotte Regional Realtors Association Property Redevelopment



Public Infrastructure Improvements



CRRA Site



Midtown-Morehead-Cherry Area Plan Recommendations



Current Conditions



1. Transportation:

- a. No vehicular connectivity between Kenilworth Ave and Baxter Street
- b. No vehicular connectivity between Pearl Park Way and Greenwood Cliff
- c. Pearl Park Way stub street into parking lot
- d. No on-street parking
- e. No bike lane on Kenilworth Ave

2. Pedestrian:

- a. Lack of sidewalks
- b. No pedestrian lighting
- c. No connectivity to Greenway
- d. Inadequate streetscape

3. Park:

- a. Limited access
- b. Lack of streetscape improvements
- c. Inadequate lighting
- d. Non-code compliant parking
- e. Limited activity in passive park area

4. Realtor's Site:

- a. Current development pattern not consistent with adopted community plans
- b. Underutilized suburban development pattern
- c. Obsolete, dysfunctional buildings

Public Benefit



1. Transportation Improvements:

- a. Extension of Pearl Park Way to Baxter Street per adopted area plan
- b. Connection of Pearl Park Way and Greenwood Cliff
- c. Potential connection of Baxter Street to Greenwood Cliff
- d. On-street parking
- e. Addition of a bike lane to Kenilworth Ave

2. Pedestrian Improvements:

- a. Walkable streetscape along Pearl Park Way, Kenilworth Ave, Berkeley Ave, and Greenwood Cliff
- b. Pedestrian lighting
- c. Extension of Greenway trail towards Baxter Street
- d. Use of city street standards at pedestrian zones

3. Park Improvements:

- a. Improved access from McDowell Street and Uptown
- b. Turf Improvements, landscaping, monumentation, removal of old asphalt
- c. Addition of lighting
- d. Designated parking area
- e. Improved entrance features (landscape and hardscape) at Kenilworth Ave and Pearl Park Way

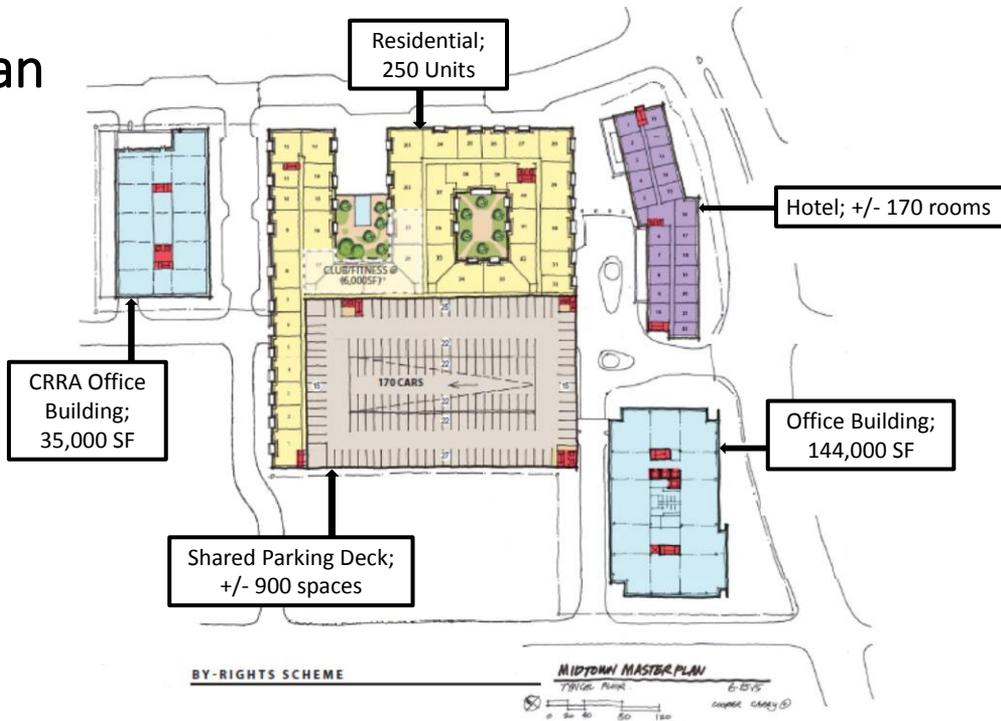
Land Exchanges

- Expanded Pearl Street Park
- Larger CHA site for affordable/market housing project
- Create new street right-of-way through the expanded park
- Abandon obsolete street right-of-way
- Pappas Properties purchase of remnant; proceeds go to Mecklenburg County



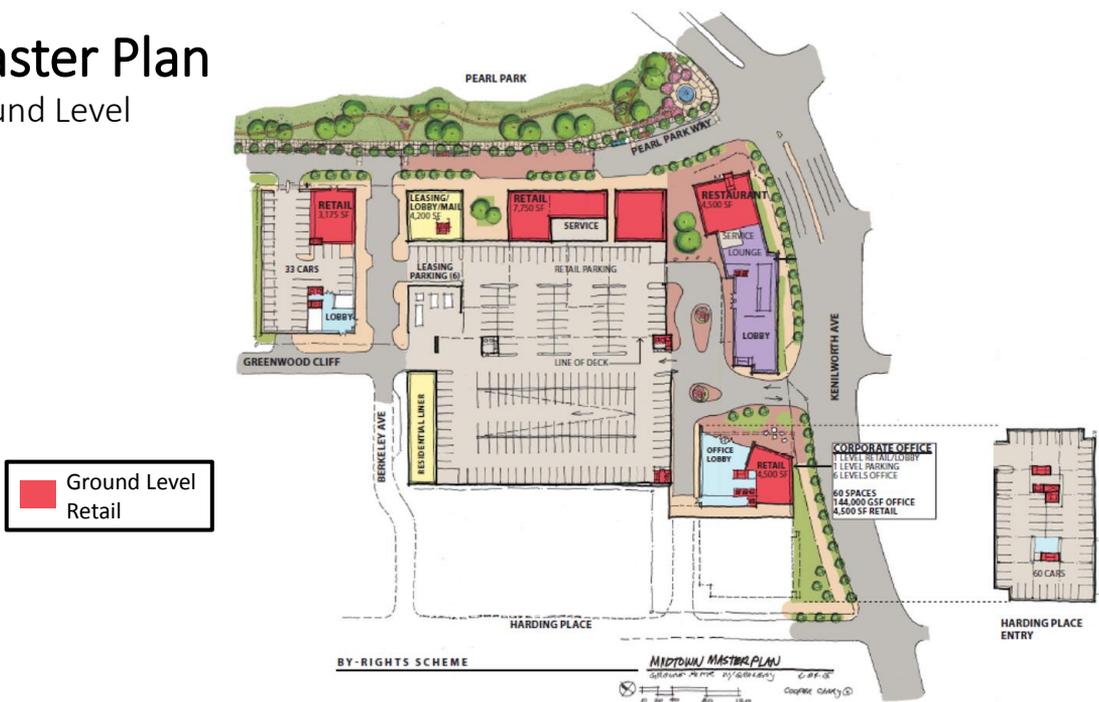
Master Plan

Typical Floor



Master Plan

Ground Level



Funding

- Development: New CRRRA building - CRRRA
- Development: Multi-family/retail/office/hotel - Pappas Properties & Terwilliger Pappas
- TIG limited to public improvements
 - Up front funding of public infrastructure by Pappas Properties, costs to be reimbursed after development via TIG

Proposed Tax Increment Grant Terms

- Improvements budget:
 - Phase 1A \$2,417,496
 - Phase 1B \$2,272,975
 - \$4,690,271
- Annual reimbursement = 45% of County and City incremental increase in total real property and business personal property taxes
- “Trigger date” for commencement of TIG payments will be 1 to 4 years after construction begins at each phase
- Total TIG payments limited to actual cost plus interest; also maximum payout period of 10 years (whichever comes first)

Advantage of Pairing CRRA Development with Public Improvements

- Redevelopment of obsolete buildings consistent with the vision of the Area Plan
- Implement infrastructure recommendations of Area Plan
- Accelerates construction of Pearl Park Way and improvements to Pearl Street Park (no current funding in CIP)
- Improve neighborhood connectivity / street grid
- Improve and enhance Pearl Street Park
- Extend Greenway connection towards Center City
- Create an improved site for the Charlotte Housing Authority



Next Steps

- Oct 19 – Zoning text amendment public hearing
- Oct 20 – County ED Committee
- Oct 26 – City Resolution of Intent for abandonment of Greenwood Cliff
- Nov 5 – City ED&GC Committee
- Nov 16 – Zoning text amendment decision
- Nov 17 – BOCC decision on TIG and framework for property exchange and sale
- Nov 23 – City Council decision on TIG, property exchange, and abandonment of Greenwood Cliff