

COMMITTEE AGENDA TOPICS

I. Subject: Energy Strategy

Action: This item was included in Council's FY14 Economic Development Focus Area Plan. The purpose of the strategy is to determine the appropriate role for the City in supporting and accelerating the economic growth of energy-related companies and suppliers in Charlotte. The Committee has heard from staff on three occasions: April 17, 2014, the Committee discussed a framework for the development of the strategy; July 2, 2014, a representative of E4Carolinas, Inc. presented an update on the state of the energy industry in Charlotte and the Carolinas and August 21, 2014, staff presented a draft strategy document for the Committee's consideration. At today's meeting, staff seeks the Committee's recommendation to the full Council for consideration at a future business meeting.

II. Subject: Eastland Mall Redevelopment

Action: On March 20, 2014, staff recommended to the Committee a series of next steps on how to proceed with redevelopment of the site after the expiration of the MOU with Studio Charlotte Development, LLC. At today's meeting, staff will update the Committee on the progress of these steps and layout the process for moving forward with the strategic repositioning of the site. No action is required.

III. Next Meeting Date: Thursday, September 18, 2014, at Noon, Room CH-14

COMMITTEE INFORMATION

Present: Michael Barnes, Al Austin, Claire Fallon and Vi Lyles
Absent: LaWana Mayfield
Others: John Autry and Ron Carlee
Time: 12:00 p.m. – 12:55p.m.

ATTACHMENTS

1. Energy Strategy
2. Eastland Redevelopment Update Presentation

DISCUSSION HIGHLIGHTS

Barnes: The first item on our agenda is an update on the Energy Strategy and hopefully we will be able to vote this item out of Committee today to the full Council. I believe our staff has summarized and condensed all the requests we made from the last meeting and Mr. Phocas has summarized that I believe and he will be in a position to decide if we want to vote.

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I. Energy Strategy

Kimble: This is the fourth time you all have seen this; three times by staff and you interacted with us once when we brought E4 Carolinas and had a major presentation by what is going in a larger global sense. Remember this is focusing on what the City's role would be in an energy strategy and I'll call on Mr. Phocas to follow up on the heels of any questions that you had from last meeting and the path we're moving toward today.

Phocas: Good afternoon Council Members. As Ron said, this strategy is focused on how the City of Charlotte plays a role in Charlotte and the Carolinas becoming an energy hub. Before I seek any questions or feedback, I just wanted to give you a quick overview of the strategy. Let me remind you of the objectives of the strategy; we want to attract and keep energy related enterprises in Charlotte and the greater Charlotte area, attract more venture capital investment to the energy industry here, continue to leverage partnerships for partnerships for business and workforce development and look for new opportunities there, become a learning laboratory for new technologies and financing mechanisms in energy and energy efficiency and then increase the amount of Federal research dollars that are coming into the community, especially through our universities. The different strategy components that we've gone over the past few times include developing a communications plan for Mayor and Council to go out into the local community, statewide, nationwide, international wide to talk about what we are doing in Charlotte to partner with the community and increase the energy hub here. Promote City facilities and operations as learning laboratories, leverage local, national, international partnerships for energy led business development, support the alternative financing tools for energy efficiency and then finally specifically leveraging our partnerships for workforce development. Those are the big picture items in this strategy and we answered a few questions last time; one of the issues that Mr. Barnes had brought up that we'll continue to look into revolves around the energy strategy and how it interacts with the innovation corridor and whether there might be certain incentives that we could offer around the GO.

Fallon: Rob, how are going to incorporate the new getting together of Piedmont and Duke on that energy line?

Phocas: Well they have as you know moved way down the merger timeline and we have frequent conversations with them. They are very involved with E4 Carolinas; I meet with Duke on a monthly basis to go over projects and look for new opportunities so one of my goals with this is move out and pass by the full Council, go to Duke and say we formerly have energy strategy now and there are new opportunities for having to encourage that.

Fallon: So you would incorporate it into our energy strategy?

Phocas: That is right.

Fallon: Thank you.

Barnes: Mr. Phocas, do you have a summary of items that would be referred to the full Council?

Phocas: We would be asking the full Council to consider the energy strategy and vote on whether to approve it.

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Kimble: It's attached in your packets.

Barnes: No particular items you want to highlight?

Phocas: No.

VOTE: Motion was made by Councilmember Fallon to take the Energy Strategy to the full Council for consideration. Councilmember Austin seconded the motion. The vote was recorded as unanimous with Councilmember Mayfield being absent for the vote.

Barnes: Thank you Mr. Phocas; we look forward to future updates.

II. Eastland Mall Redevelopment

Barnes: The second item on our agenda is the Eastland Redevelopment update. Mr. Kimble, do you want to give us an opening on that?

Kimble: All I will say is that many months ago this Committee recommended and the City Council approved for staff to proceed with more analysis of the way in which the Eastland Mall site could be developed and the path forward. We've been working on that for several months. We promised you that we would come back with periodic updates and today Mr. Mumford is going to give you an update and a path forward and a stop that was made at a County ED Committee meeting just two days ago.

Mumford: Words matter so I want to make sure when we say update it's not just a one-way conversation. We had direction from the full Council in March, as Mr. Kimble mentioned to proceed forward with a strategy for redevelopment of the 80 acres that are now ownership of the City. We are ready to move forward on that but due to the height and awareness of this project and the longevity of this issue on the eastside, we want to make sure we are partnering with you and we are still on the direction that you would like us to move. What I'm going to propose today is an approach to meet an objective established in March by the Council, but we are really seeking your input to help us understand does this get to the heart of the issues which you all see and are we looking at that correctly. So that is the context; also I will say this will culminate and should you agree with the approach that we are going to discuss, this will culminate in hiring a consultant, Land Design which you probably know that has had a great deal of experience on this property, but in a different era. Granted over six years ago when the world was changing erratically, so there is not an official request for action or approval. You won't see that contract on your agenda on Monday night because it is just shy of \$50,000, but the scope and scale of it and the cost of it is not what is important in this conversation so much as what we are looking to get out of that and is that the future objective.

What I want to do for all of us is to go back 11 years and it has been a long time since activity has been going for this project. We've all looked at it in many different capacities but as most of you will recall there was a 2003 Eastland Area Plan; this was not Eastland Mall, but a broad Eastland Area Plan that began to establish City-wide goals or input from the community on what should happen out there in that area. Subsequent to that came, the 2006 Business Corridor Revitalization Strategy was developed by Council and five different corridors were identified and the Eastland area being one of

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those. That was an outcome of what we learned in the Eastland Area Plan development. Then in 2007, the Urban Land Institute (ULI) came in and did a study, what could happen at Eastland Mall and what might that look like from a broad mixed-use development standpoint. Keep in mind that 2007 was a dramatically different time when you take into consideration real estate development and financing. So what ULI proposed looked great on paper; what the City Council suggested that the staff do was dive more deeply into that so that resulted in a 2008 Land Design Study about the strategic reuse of the mall site itself, not the broad Eastland area. They took a look at some of the details and infrastructure and the road network and things that would need to be put in place from a public standpoint to drive private development. Again all these things the economy had basically dropped out and so the viability of the ULI Plan just went away and the market wouldn't support that. The City was not in ownership at the time of all of those properties, but what happened is that in 2009 it went into foreclosure and the Mall shuttered, the Council directed staff to take a look at how could the City be more of a driving role to see what happens there so the property was purchased and then an attempt to redevelop. As you may recall, the attempt was to sell the entire ownership stake from the City and have a development entity come in and buy all that and redevelop it all. We learned from that that it wasn't a realistic expectation, it was just too big of an ask for one developer to do that. That led to the 2014 Council direction to us to explore a redevelopment strategy with us being in an ownership position. I'm not suggesting that the City be responsible for new development but breaking that 80 acres down into more manageable size and giving some direction to the private sector how they might be able to be supported by other infrastructure.

To that end, I do want to remind everybody what the City owns. The top portion here, that is the intersection of Central and Sharon Amity, the City does not own that. The old gas station site or Harris Teeter, but the main body of the site is controlled by the City that area outlined in red and of course down in the other corner that is the old Hannaford's, still not in our control and never was. If you have been out there recently, it is rather amazing without the buildings how big that site is. It gives you a sense for what the scale is. It is a large undertaking and great opportunity for the east side. I'm glad Ms. Woods is here and she and her colleagues on the Eastland Area Strategies Team and has been involved all the way back to the 2003 study, continue to give input to the community and what they would like to see as broad outcomes, not specifically development components. They are not saying they want 47 units of this and this many square feet of that, but broadly what are the outcomes so we have listed those as the qualitative principles that are supported by the group: Enhancing the perceptions, I would suggest also improving the perceptions of the Eastland Area. Due to the economic decline there are perceptions that the area is not as strong as it was and that is a real perception, when it was a regional site of the Mall it is vastly different so there is concern about that.

Unify Local Communities – the dynamics have changed around the Eastland Mall area and how these communities come together and understand each other more and support the redevelopment and support is an outcome of this effort.

Create Connectivity and Walkability - Connecting whatever happens here to the neighborhoods is important and to the commercial corridors of Central Avenue and Albemarle Road. What wouldn't be as successful is a developer who was just internally focused 80 acres of something that has no connection to the rest. That doesn't leverage the goals that you all had established back when the property was purchased.

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Take Advantage of Natural Features – We discussed this a little bit and there are some large pipes that run right through the middle of the site so bringing back the creek and having open a retention pond for water quality measures adds an amenity to the site and the private sector can respond to that, so that is important.

Create Opportunity for Civic Development – What kind of town center activity can public perspective or for public services that can augment private sector development, so those are broad principles, but principles that are going to be driving this next evaluation of the site.

Here is the approach that is being suggested; we think this is in line with what you all have given us direction. This is the feedback we would like to have so we can be sure of your direction. In developing this, I want to make sure we have a conceptual master plan looking at high level uses in the quadrants of the site, therefore informing where we can have infrastructure and roads, so I speak to that around storm water, I mentioned uncapping the creek and having a water retention pond and the master street block plan. What we mean by that is not just drawing something on paper, but really testing the size of the parcels that remain within this block plan so that we know the market can support a development; there is enough setback, there is enough parking area, there is enough opportunity to really have something viably developed, otherwise it is for not. This is really driving down into much more detail than we have before on the site.

Identifying Opportunities – Mr. Carlee mentioned that Ron and I were at the County's ED Committee meeting earlier this week, where the County expressed continued interest in taking a look at feasibility of where County operations could have a role in this site; schools, parks, not to say that we are suggesting we need a school, we need a park, but this is an ideal geography for a park in the broader Park and Recreation Strategy Plan, this geography would suit them well. The schools have a need for a school in this location so we've asked our public sector partners to come to the table. Also the YW system, Arts and Science Council to see if we could leverage their use of their resources and their site location and their strategies and bring them together. It's not so much an incremental expenditure of public funds, an additional fund or an additional school; it is that we are going to locate some of those things in this general area, what if we brought them together, what does that net us in the long term. Would that bring more opportunity for the private sector or not; we are going to test that, but we feel it is important to have the public sector in first in this conceptual planning and then let the private sector respond to something that is much more manageable than 80 acres of wide open space.

Another very important aspect and Mr. Autry and I have talked about this quite a bit; what happens in the interim, what kind of temporary use might occur out there, whether it is weekends or whether it is throughout the week, in the summertime, it's seasonal. A lot of space there, a lot of opportunities potentially for some sort of civic activity on a temporary basis. To that end, we will be meeting with Charlotte Center City Partners next week; as you well know they manage a lot of big events up town and we want to see if we can use that skill set and have them guide us into what could easily be done on this site. These are running on parallel tracks, temporary usage while we are planning, beginning to work with the private sector to see what they might be able to invest, all this that we are proposing happen simultaneously.

The consultant engagement that I mention that this is we are proposing to work with Land Design primarily because they were the ones who did the 2008 study and they really understand the site,

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they understand water quality issues and the dynamics. We want to leverage that work that they have done and not start from scratch, but clearly 2014 is a different time than 2008 so we have to test some of those assumptions, but we will be able to hit the ground running with that firm and we are proposing to have something back by the end of the year. It is faster conceptual plan and much more definitive as far as direction recommendation. Again leverage the previous planning effort. We want to take a look at this public private opportunity, which one leads, which one follows, how realistic is that. Develop this broader conceptual plan for the whole site almost schematically where might some uses be located and what is the relationship of those uses. Not just on site but what is the impact off site as well because that is really important as you all made the decision to buy this land wasn't just to be in the real estate business and be land banking or have a real estate plot of 80 acres, it was to affect the viability of the whole area so that's important in this planning process as well. We will get into exactly what would the public and private investment look like and I have some estimates on the scope and scale of those and then in terms of the implementation and phasing, this won't occur in one full swoop, what might come first, what would that look like, what would that bring from the private sector, how might that then influence future development and do our best to look at the future to plan that out as far as we could see it being built.

The last slide is really giving you the detail of what the consultant would do for us, so get into the conversations with public and private partners and what uses might they have there, how might it work, what are the demands that they would have for their uses. We want to make sure we understand the potential of those site uses. We want to analyze the specific site and conditions; as you all know there's a large grade differential so it is a little hole today and how does that impact watching for private sector retail and where might that go. We have portions that are considered the back side of the site, but also that is the front side of the residential behind so we have a lot of constraints from the site which is good. It's a lot easier to design than current constraints on a piece of paper, but we want to take those into consideration. We want to make sure, as I mentioned, the block framework and the street that it works, bring back the master plan and then phasing the strategy and some cost estimates. That is the work we've done in the last few months based on the broad direction that you all gave and we do want to test, while Mr. Autry is here if this is still in line with what you all intended and if not how might we be able to collectively adjust and deal with moving forward.

Barnes: I may have mentioned this to you before but to any degree have we taken a look at the one or two mile radius around that mall area and analyzed what is happening in some of those neighborhoods?

Mumford: That would be part of this analysis. We were sort of holding off on that to make sure we had concentrated correctly. We will do that but we have not done that prior to this.

Autry: Has there been any discussion at all with the YMCA for their interest? I know that they are interested in having a solution around the Simmons Y site and it being kind of land locked in there.

Mumford: Over the years we have, yes, and most recently I received a call and I understand some work is going on at the Eastland site, the Y is in the neighborhood. They are on the list as potential partners and how that would work with a school and a Park and Recreation park is intriguing, we just don't know the answer yet, but the simple answer is yes, they are at the table.

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Autry: Could you elaborate at all on what the scope of the County's study is to look at?

Mumford: We're all together so the County would be involved as well as the CMS to begin this study, even to the point of helping out financially with it so we are going at it as public entity team to address this. It is not a separate study.

Autry: What should this consulting engagement; these are the things they are going to look at, this is their approach, this is what their engagement is. Can you in two sentences tell me what they are going to tell us by the end of the year that we don't already know?

Mumford: Yes sir. They will tell us what is feasible from a private sector development standpoint to be built upon a feasible, practical expectation of the private investment. They will also be able to determine what is the practical and logical public sector development component to this site and thirdly, what is the infrastructure, roads, water quality measures that need to be put in place in order to entice that development. It is much more granulated being done than before. If I might, you didn't ask what it is not, but what it is not is a fully delineated beautiful master plan with every parcel of land articulated with renderings and projects. That is not what this is; that will come is the hope. This is first feasibility of addressing this in 2014.

Autry: I'm interested in how you are going to leverage the work that the ULI has done on the area and you know they talked a lot about a town center. I've seen a concept drawing of that. How does this consulting engagement leverage that to that great good?

Mumford: The ULI Study was in 2007 and if you remember in 2007 the economy was just roaring and so what was drawn was, one issue it took in a bit more land than the City controls, but aside from that a lot of assumptions were made about yes this type of development can be built and more importantly it could be funded, and back then that could have been done. The ULI Study gave us an idea of what potentially could be completed from a master plan standpoint. That informed the 2008 Land Design Study that really got into what has to happen, what does the infrastructure look like. ULI comes in for a couple of days and they do their best to determine what's on the ground and what does the market look like. What Land Design did the following year was really took that and further refined it to something that is more realistic of what could be done. That is going to be the basis for this work today. We are not starting from scratch; Land Design was involved in that and the idea is to leverage to your term, both ULI which informed Land Design Study, leverage that 2008 Study as a basis what might still work from that because it was good work, very good work. Some things probably aren't going to work today, and we have to be cognizant of the land that we actually control so it all builds on itself. This is not proposing that we go off and do something brand new. We don't want to start over; Vicky will put an arrow in my back if I said we're going to have a whole new process on the east side to ask what people want.

Autry: I've already got a few myself in the last couple of days.

Mumford: What I hope you all hear is we have heard the input; ULI input, Charlotte East input. We've incorporating the principles that are important to the community into this effort and we are incorporating previous studies and previous analysis, but none of what was done today give us a

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product in 2014 that we can take out to the market and begin selling or begin development. We have to close the gap.

Autry: So about the community engagement, we have a body called EAST, the Eastland Area Strategies Team that was requested I understand by the City to come together to look at how to revitalize that area and how it might be redeveloped. That Board is made up of a lot of private sector expertise, architects, commercial real estate, and small business owners. How do we leverage that expertise, that understanding of the market and the changes in the market over the last ten years and by having their hand on the pulse of that community today to the best advantage and make that a win for the community, for the work that EAST has been doing and studying and bringing that to the table to help determine what the ultimate plan is.

Mumford: I will say, one I appreciate the effort of the group for all these years, and you are right, it is an absolute wealth of talent and experience and interest and they will be included. Now the challenge is, do we come back with a blank piece of paper and say okay we heard you, what do you want or we heard you, and what I'm proposing is we do this. What I'm about to describe is we heard the community and we have heard the community on these various planning exercises and these are the principles that are guiding this next feasibility, we are going to develop something that addresses those and then come back to the community and test that. So are we now close to where, not specific enough, but broadly are we close where the community is still on board with this kind of development because this is what we have seen can be built and I'm sensitive to providing something that looks really great on paper, but just can't be built. It is a sensitive time to manage emotional expectation and practical feasibility of real estate development, but their input will be a part of the process.

Autry: Thank you Mr. Chair, you've been very generous and I appreciate the opportunity. I think I have one more question. With the County and the School System, they have identified a need whether Eastland property fits their assessment of how that need might be developed is one of the questions that we want to get from this consulting engagement. You've mentioned a high school, you've mentioned County operations. Is the Aquatic Center on the table?

Mumford: Let me back up, if I said high school I said operations, I didn't think I was saying those words. The County is at the table to take a look at what might be able to work for them so the Aquatic Center, there is nothing off the table today, but it needs to be driven, much to your point, by what are the needs of the County, what is the capacity of the County to do that and how might a location here leverage and further enhance the other development versus a location somewhere else. So I think the answer is yes, it is a broad question, but the County is there much like the City and the Schools. We have an opportunity that doesn't come by almost ever. Eighty acres essentially an urban setting, how can it come together so that in 20 years there's not some future Council or future staff group trying to figure out what to do with the Eastland site because it is viable into the future and it is sustainable.

Autry: Let me just share this then and I'll shut up; that no we don't want Councils 20-years from now saying what do we do to that, but neither does the community. I also have got to share with you too that there's not a lot of appetite for another consultant engagement either at this point. I think it has been good to come and hear the way you have mapped it out, but these are the challenges that I face living a mile from the property.

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Mumford: I appreciate that and that's why my approach to the communication is hopefully for people to hear this is not another, oh let's do another grand study of Eastland. This is the next logical and frankly practical step in how land gets developed. It's taking the outcomes of the studies before and bring them to a point where we can really understand what we can build.

Autry: Would it be fair to characterize it as we've got all this data that we've been collecting for all these years and all this information and all these approaches that you want a consultant to come in with their stove and boil it down for you?

Mumford: That is a great way to summarize it, yes sir that is accurate.

Autry: Thank you.

Barnes: Thank you for your contribution Mr. Autry. One of the things that I wanted to emphasize for the benefit of the community leadership that is here and you are aware of this as well, is that the Council wants to be very intentional and meticulous about this so we don't do the wrong thing on that site and part of that I think is this stuff that we're hearing about today, but if we ever come to a point where it appears to the community leadership or obviously to you that we are spinning our wheels and not being reasonably productive in the use of our time, I know people will let us know. My hope is that once we go through this exercise we have a very clear indication. I heard him say schools, whether it is a school or Aquatic Center or some other County function in addition to the private sector mixed-used development that everybody is engaged in that as we approach that type of thing happening. So the questions you asked I think are very instructive and very helpful in that learning process. I know there are some other questions from Ms. Fallon and Ms. Lyles.

Fallon: About 2 ½ years ago I brought you two separate groups of money and who were interested in developing that and it came to naught because they were discouraged by the City. Are you going to engage them again? They know they have been successful here.

Kimble: We will engage anybody who has engaged us during the course of this.

Fallon: We turned down an opportunity then that we are now talking about all over again and really it is just a waste of time.

Kimble: I know of those ideas that came and they have come back.

Fallon: The ideas are the same ones that I brought you 2 ½ years ago.

Lyles: I have a couple of things I want to try to understand a little bit better. When we look at the consultant report now I know you said lots of information and I wasn't here for a lot of that discussion, but if you were to replace the consultant, you know we are going to do the steps that you have up there, is there an open line to this that say we are going to do these steps to create a great neighborhood a great industrial site, a great manufacturing group, is there something that already frames what you are trying to accomplish in a broader way? I'm not quite sure if you say to me I can do all these things, but help me get to the connection.

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Mumford: Our drive on what the goals are, I will go back to the Eastland Area Strategies Team and their principles; it's these principles. This is success for whatever the development ends up and where the components are that gives that kind of results; that is the basis.

Lyles: The next thing that I'm not sure is the outcomes of this study would be that you would have some concept around what the private investment would be and what the public investment might be and the infrastructure required for those investments.

Mumford: Correct.

Lyles: One of the things that I'm most concerned about is that at one time we thought that Eastland Mall was going to be privately developed and then that would in some ways create those opportunities so that we wouldn't put in that investment again from the public side. So now they're changing or the outcome allows for that change now and where does that change really mean?

Mumford: Well, I am not drawing the conclusion that infrastructure investment has to be public and so a private developer comes in and it is up to the Council, but the County has a cost for the land so if the decision was to discount the development opportunity by dividing the land, then there is money for development, including the roads. We just need to look at them; this isn't the schedule we've drawn the conclusion to use. The City has invested a great deal of money and appropriately so, but it affords now the private sector the opportunity to leverage that and that is part of what we need to assess.

Lyles: Words really matter how you use them and a lot of time we use these words like "partner" and "private sector". I'm hoping that when we talk about partners, those are the folks in the community that say where we want to go and we're not necessarily talking about partnerships in the way that we mean private investment. Is that a fair statement?

Mumford: That is fair, starting with words matter. At this point in this process, partner is more of the comprehensive use of the word so it can be a private developer, but it clearly is going to be the community. We are all in partnership with this so I don't know if that answers it or if that is too broad. We are not being descriptive with the term partner.

Lyles: I would like for it to have more meaning and more definition because I think the idea of being less clear when we look at private sector and I think when you are in the private sector you kind of want to know what your role is and how it is going to work and I don't see this partner in the private sector in the way that the community would see it or the consultant. It may not be the entire Council's perspective but I believe in this theory so much that I think we ought to try as hard as we can to make this the great neighborhood and business center that it needs to be and that requires private investment and not necessarily a place because it is an opportunity. I think the plan for this area when we decided the governmental buildings should be in this area and be surrounded by a great downtown and then as we go on further out, I want that kind of thoughtfulness into it and I don't necessarily want this to be, well this is just an opportunity to put something here that doesn't contribute to the overall greatness of the neighborhood. Does that make sense Pat?

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Mumford: It does and that is the intent, absolutely. If we don't have a measurable success and positive impact outside of that, then it will fail.

Lyles: I think this area is an opportunity and we can't just do something just to have the 80 acres, it has to be about building that entire community up. I know that Mr. Autry said there wasn't any appetite for a consultant study and I would like to think there is the appetite if there are actionable steps as a result of it. If this comes back and it actually says 80 acres ought to be done and developed in this way, in this timeframe and it is financially feasible, then something that we can take immediately and say if we put this on the street tomorrow, someone is going to buy it. If we can get to something that is actionable; I also think that the temporary use may be something that the community could be more engaged and shouldn't be on the same timeframe as just this study. I think we've got to do something and I appreciate Center City Partners and I think this is also something that EAST ought to be in and the neighborhood ought to be engaged in, but a few dollars spent there is just as valuable as this consultant study.

Austin: My first reaction is wow, we have studied this to death; we have studied this Eastland Mall to death and yet we are getting ready to do another study. You alluded to the cost; what is the cost on this one?

Mumford: Just under \$50,000.

Austin: Are we sharing that with CMS and County?

Mumford: Correct.

Austin: What was the cost with them before in 2008, this same company?

Mumford: \$100,000.

Austin: What was the ULI?

Mumford: That was done at no cost.

Austin: I just hope that we take and build upon all of this because the community is just done I think and I see someone shaking their head. I think they are done and I think Mr. Autry has been pulling his little bit of hair out that he has but I think we are at a stance and I'm hoping that we can come up with some produce, some development that really engages this community and really speaks to trying to uplift Eastland Mall again.

Fallon: The area.

Austin: Yes the area. This was a center piece for so many years; I went out there and tried to ice skate and all the other things and wasn't very successful. I want it to be revived, I want it to connect with the community, and I want the community involved. If this next study is going to get down to the wire, down to the bare bones, down to get more granular, then I'm open. I just feel like we need to have a study of how we study. I just feel like we keep going around in circles.

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Fallon: Can you do any difference between the previous study and what this one is going to do?

Mumford: Yes mame, this one will deliver the actual items that Ms. Lyles articulated. This is not a study of study; this is the process to develop land you have to have on the proforma for a game plan. We have something that was developed in 2008 that we financed that we can no longer finance, but the world was changing then, that is the issue.

Fallon: How is this going to make a difference from all the studies they did before. How is this going to give us concrete to work toward?

Mumford: Because we are building off the previous work; we are not replicating that work.

Fallon: You mean the consultant did that?

Mumford: Yes mame, this is a large body of work, the details of 80 acres that understands blocks, understand the streetscape.

Austin: We don't have staff that could do that?

Mumford: No sir we do not.

Fallon: And they would take in the community as a whole, not just these 80 acres? They are going to be looking at how it affects the whole community?

Mumford: Yes mame, that is correct.

Fallon: And how it would go out and enhance the whole community? It's not going to be just the 80 acres?

Mumford: Correct.

Barnes: And if it doesn't work we are going to take it out of Mr. Carlee's pay. That was a joke.

Fallon: Is it being kept under the fifty so that you don't have to come and get permission?

Mumford: \$100,000 is what appears on your agenda. You get an appreciation for the work that has already been done.

Fallon: And it will be incorporated and you are going to work from there as a stepping stone?

Mumford: That is correct.

Fallon: And the consultant will take all of that work and mush it together and come up with something viable?

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Mumford: Hopefully correct.

Carlee: Even though this is with delegated authority, it was a great intent that we brought in here first so that there could be a full discussion understanding, not only among Council, but the community as well so that there are no surprises. As Mr. Mumford said at the beginning to hear from you, if this is consistent with where you want us to take it next, and if we are missing it let us know what we are missing so that we can make an adjustment. We want to come back here in several months and bring you a study and say well that is not what we wanted and that is not helpful.

Lyles: I think it is always tough to say that we've studied and studied this. I remember the way that I looked at it in 2012 and we spent a lot of time reacting to the term environment. We reacted to the Studio 51 that one was kind of being in the seat where you are trying to plan specifically for this environment. I live on a street where there have been two developments since 2007 and I live in South Charlotte and everybody says well you know South Charlotte is where things get done. Well, things weren't getting done because the economy wasn't enough, you couldn't get that kind of private capital financing for only small acres and now we have this 80 so I don't know that we studied it with the same conditions that we are living with now. I think what is important for me, and you said what do we need Ron to make this happen, if this doesn't come back with a way that you could actually take this out to the private equity market and get something done then I think we would have failed. so to me what I'm talking about, what do we need to have done, we need to have something that was planned that has enough credibility in the private sector that if we decide to do government investment that's fine, but we can see the pay back. There is no difference than a BIG grant with some of those grants that we do in that kind of investment where we are taking an opportunity to bring something in and use those tax dollars to build what we are doing. So to me the success of this study and the requirement of the study is that you have something that you can take out to the private market to see that it works. That's a big order right now because who knows what the economy is going to be like, but that is what I would want to come out of it.

Barnes: There is a certain reality to this too Ms. Lyles that we have to consider and that is let's suppose at the end of this process that the study reveals that there won't be much that we could do there other than what is already there which no-one wants. But if that happens, we are going to have to figure out what to do then. It may be that you won't be able to attract a Studio Charlotte to the site but there may be other uses like the retail and apartments so if that doesn't happen then what do we do. I think we will talk about it and will rely on you guys to help us think through that. What I don't want to do is to arrive at some conclusion that results in more delay or a poor outcome. John you and I have talked about this for years and we don't want to have the wrong thing done at this site which is why I appreciate the methodical and intentional nature of what we are trying to do now as a Council and staff.

Fallon: And you have to have the community trust you again. We've done so many things that haven't come to fruition but you've got to get them to want to work and believe that we are going to accomplish it and it just won't fall apart again.

Barnes: That's right.

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Lyles: Mr. Barnes makes a great point here and while I said I would like to see that happen, it is more important knowing it can happen more than anything else. If it can happen how do we do it, but if it can't happen then that is a different place.

Barnes: When will we know that the County is going to participate in the funding of this study?

Mumford: The County is ready to participate.

Barnes: So they are on board, excellent. Do you anticipate that that work will begin soon and will be done by the end of this year and that we will get a substantial update at the beginning of 2015?

Mumford: Yes sir.

Kimble: I would say that the Eastland item sits in referral to this Committee and we will bring back the results and the Council will be aware so we want to make sure we work through the results of this in a systematic way.

Lyles: Could we get some feedback after we meet with Center City Partners and those on what we can do in the interim, temporary, that kind of thing. That would be I think a good thing to have.

Mumford: This is not what we will come back and tell you; this is what's going to happen on the site. We need your guidance and feedback on that as well as the community. I mentioned the Center City Partners plus hopefully suggest to you that we will have Center City Partners do something and we will tell you what it is, they will tell us what it isn't. They have great expertise in understanding how to bring together activity. That is what we are seeking as actually using that advice, not the end decision.

If I might take a point of privilege, I've been around this Eastland Mall site a long time too and I am not looking to support a study for study sake. I've said that repeatedly in the last several years. I do want to make sure this supports Ms. Lyles' point. We have to make sure whatever comes out of this that the expectation is based on rehabbing, even it is not what we want to hear, it is the reality that we have to face. So that is this next step. I circled study and I probably shouldn't have had study there, this is to develop a plan, not to study. Take what is in the study, develop a plan and move on.

Barnes: One other point, our friend from the Chamber Natalie, you guys I'm sure are engaged in watching this and I hope you will continue to be involved and help us to identify potential uses and partners.

Lyles: I just wanted to suggest as our temporary use that we have the John Autry bike trail on the 80 acres.

III. Next Meeting Date: Thursday, September 18, 2014 at Noon, Room CH-14

Barnes: Our next meeting which will be on September 18th, we will talk about the Charlotte Business INClusion Program and get an update on Center City Retail.

Kimble: A start on Center City Retail is do we care to be involved and how we move in that area.

Barnes: Will the Business INClusion piece include the SBE discussion that we've been talking about?

Mumford: I'm expecting that to be a very robust conversation.

The meeting was adjourned at 1:02 p.m.

City Council
Economic Development & Global Competitiveness Committee

Thursday, September 4, 2014
12:00p.m.

Charlotte-Mecklenburg Government Center
Room CH-14

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

Staff Resource: Ron Kimble, Deputy City Manager

AGENDA

I. ENERGY STRATEGY – 20 minutes

Staff: Rob Phocas, Neighborhood & Business Services

Action: This item was included in Council's FY14 Economic Development Focus Area Plan. The purpose of the strategy is to determine the appropriate role for the City in supporting and accelerating the economic growth of energy-related companies and suppliers in Charlotte. The Committee has heard from staff on three occasions: April 17, 2014, the Committee discussed a framework for the development of the strategy; July 2, 2014, a representative of E4 Carolinas, Inc. presented an update on the state of the energy industry in Charlotte and the Carolinas and August 21, 2014, staff presented a draft strategy document for the Committee's consideration. At today's meeting, staff seeks the Committee's recommendation to the full Council for consideration at a future business meeting. **Attachment**

II. EASTLAND MALL REDEVELOPMENT – 20 minutes

Staff: Patrick Mumford, Neighborhood & Business Services

Action: On March 20, 2014, staff recommended to the Committee a series of next steps on how to proceed with redevelopment of the site after the expiration of the MOU with Studio Charlotte Development, LLC. At today's meeting, staff will update the Committee on the progress of these steps and layout the process for moving forward with the strategic repositioning of the site. No action is required.

III. NEXT MEETING DATE: Thursday, September 18, 2014 at Noon, Room CH-14

Potential Topics

- Charlotte Business INclusion Update
- Center City Retail

Energy Strategy

August 21, 2014



Background

In November 2012, City Council directed staff to begin work on an energy strategy for their review and consideration. The development of a City Energy Strategy was included in City Council's FY13 and FY14 Economic Development Focus Area Plans. Since that time, staff has worked with leaders in the community to understand and determine the appropriate role for the City, and to develop a strategy that helps grow the local economy through support of energy-related enterprises as well as the City's role as a practitioner of sound energy policy and practices.

As a result of the recent economic recession, City leaders began to look for high potential growth industries in an effort to diversify Charlotte's economy. Energy emerged as one of these industries, due, in part, to the high number of energy-related companies already present in the greater Charlotte area. With these companies as a foundation, Charlotte is positioned as an ideal location for an expanding energy industry cluster.

A cluster is defined by Harvard Business School Professor, Michael Porter as "a geographically proximate group of companies and associated institutions in a particular field, linked by commonalities and complementarities." Clusters are a collection of linked industries, with several companies in each industry that extend down to supply-chain channels and to manufacturers of complementary products. Clusters can include not only traditional industry participants but also government agencies and other institutions, such as universities, vocational training, and trade associations.

Historically, City staff has focused energy-related efforts on internal operations with sporadic projects in the Charlotte community. The receipt of \$6.8 million from the U.S. Department of Energy's Energy Efficiency and Conservation Block Grant program in 2009, and the community's growing desire to support an energy industry cluster, have made apparent numerous opportunities for City staff to participate in energy cluster activities. The benefits from these activities will be realized organizationally and throughout the greater Charlotte community.

Policy Objectives

Economists project a long, slow economic recovery. Consequently, economic growth will require a diverse approach. The intended outcome of this policy is to strengthen Charlotte's position as an energy industry cluster, and to define the City's role in the cluster, in order to:

- Attract and keep energy-related enterprises and entrepreneurs in Charlotte;
- Attract more venture capital investment into Charlotte-based energy enterprises;
- Leverage partnerships for business and workforce development;
- Become a laboratory for new technologies and financing mechanisms; and
- Increase the amount of federal research dollars to our local universities.

Recent Activities

Since 2009, there has been significant activity from City staff and our partners to help develop an environment conducive to the growth of an energy industry cluster, including:

- Development and Implementation of the US Department of Energy's Energy Efficiency and Conservation Block Grant Program, which totaled \$6.8 million and funded seventeen energy projects;
- Creation of the Charlotte Regional Energy Capital Initiative;
- Launch of Envision Charlotte and its Smarty Energy Now program;
- Opening of UNC-Charlotte's Energy Production and Infrastructure Center (EPIC);
- Launch of energy start-up incubator, CLT Joules, within Packard Place;
- Expansion of Siemens natural gas turbine plant;
- Relocation of AREVA headquarters;
- Merger of Duke Energy and Progress Energy;
- City participation in the US State Department's EcoPartnership Program with Duke Energy;
- Home to several new energy-related companies; and
- Launch of E4 Carolinas, Inc.

Challenges & Opportunities

Despite the increased activity in support of an energy industry cluster, the following challenges and opportunities exist:

- Clear and unified messaging is lacking;
- No community energy strategy with the City's role defined;
- Confusion between economic development and global competitiveness and the energy industry;
- No comprehensive international strategy;
- Constrained levels of internal funding and support;
- Lack of testing environments for new technologies;
- UNC-Charlotte currently receives only a small fraction of the research dollars that come to the state; and
- The identification of potential office space locations for energy-related enterprises in the business corridors, including vacant City facilities.

Key Partners

Corporate

- Duke Energy, Piedmont Natural Gas, Siemens, AREVA, Westinghouse, CPI, SPX, Celgard

Academic

- Central Piedmont Community College, UNC-Charlotte, Johnson C. Smith University, Northeastern University, Wake Forest University, Davidson College

Community

- E4 Carolinas, Inc., Envision Charlotte, Charlotte Chamber of Commerce, Charlotte Regional Partnership, Discovery Place, CLT Joules

Recommended Activities for the City

The following pages list activities representing how the City of Charlotte can lead or assist our partners' collective efforts to grow the economy through support of energy-related enterprises.

Activities

1. Develop a communications plan for the Mayor and City Council that seeks opportunities to raise the profile of the City on the topic statewide, nationally, and internationally. The plan may include:
 - Supporting the attraction of energy-related conferences and events to Charlotte;
 - Attending and participating as hosts and/or speakers at energy-related events and awards or attending business openings;
 - Advocating for development and adoption of tax and regulatory changes identified by energy sector to promote job growth and investment; and
 - Recognizing successful high growth energy-related entities at Council meetings and on GOV channel.
2. Promote City facilities and operations as a learning laboratory for new energy-related technologies by:
 - Encouraging City departments, where feasible, to seek solutions from local energy-related entities with innovative products and services;
 - Working with local energy-related companies to understand the technical products, services and expertise available locally that can be made available to City staff;
 - Undertaking pilot projects with local energy-related companies;
 - Investigating ways to use the Community Investment Plan to promote energy-related growth; and
 - Pursuing collaborative grant opportunities with partners.
3. Leverage partnerships for business development by:
 - Making it easier for local energy-related companies to find Requests for Proposals or other areas of opportunity to do business with the City;
 - Working with E4 Carolinas on their two-state approach to energy cluster development;
 - Working with NC Sustainable Energy Association on their four-state approach to energy cluster development;
 - Facilitating connections between industry leaders, academics, small businesses, entrepreneurs, legislators and other stakeholders; and
 - Exploring alternate ways to utilize local incentives to attract energy investments.
4. Support Alternative financing tools for energy efficiency improvements by:
 - Exploring a community energy efficiency loan program for retrofit of commercial buildings;
 - Engaging legislators on need to leverage financing tools for energy efficiency;

- Utilizing Community Development Block Grant funds, and other applicable federal funding opportunities, for community energy efficiency projects; and
 - Collaborating with banks to provide tools for energy efficiency.
5. Leverage Partnerships for Workforce Development by:
- Encouraging apprenticeships between local high school students and energy-related entities and the City;
 - Exploring opportunities to support energy related workforce development programs;
 - Working with NC Sustainable Energy Association on their database of job training opportunities to develop awareness and identify further opportunities;
 - Working with local institutions to support STEM curriculum development and training; and
 - Increasing participation of City's Mayor's Youth Employment Program in the energy sector.
6. Develop an international energy strategy that seeks opportunities to raise the profile of the City internationally and to seek international energy-related partnerships. The plan may include activities such as:
- Participating in international energy trade missions;
 - Defining a role for the City's Office of International Relations in the development of the energy industry cluster;
 - Partnering with international organizations, such as the German Marshall Fund, and state and federal government agencies to explore opportunities and raise Charlotte's profile; and
 - Partnering with international municipalities to share energy best practices and technologies.



Eastland Redevelopment Update

Economic Development &
Global Competitiveness Committee

September 4, 2014



Background

- 2003: City Council adopts Eastland Area Plan
 - Dynamic mixed-use community anchored by a town center around Eastland Mall
 - Enhance established neighborhoods and international diversity
- 2006: City Council adopts Business Corridor Revitalization Strategic Plan
 - Eastland area identified as one of five priority corridors
- 2007: ULI Study recommends transforming Eastland Mall into a mixed-use town center
- 2008: Land Design conducts adaptive reuse strategy for Eastland Mall site



Background

- 2009: Mall owner goes into foreclosure; mall is shuttered
- 2012: City purchases 80 acres of mall property; issues RFP for development proposals to support the film and television production industry
- 2013: Negotiations with Studio Charlotte, LLC; mall demolition approved
- March 2014: City Council terminates MOU with Studio Charlotte Development, LLC.
- March 2014: City Council directs Staff to explore a redevelopment strategy for the Eastland site



Eastland Site





Foundational Community Principles

- Eastland Area Strategies Team (EAST) Qualitative Principles in Support of Eastland Redevelopment:
 - Enhance the Perceptions of the Eastland Area and East Charlotte
 - Unify Local Communities
 - Create Connectivity and Walkability for Surrounding Neighborhoods
 - Take Advantage of Natural Features
 - Create Opportunity for Civic Development



Future Approach

- Develop conceptual master site plan including:
 - Preliminary storm water analysis and design
 - Preliminary “master street/block” plan that defines the logical connectivity for the site
- Identify and explore partnerships (both public and private) for a phased redevelopment of the site
- Explore potential temporary uses with community partners



Consultant Engagement

- Purpose of Consultant Study
 - Leverage previous planning efforts
 - Outline public and private development opportunities
 - Develop a conceptual plan for site redevelopment
 - Quantify public and private investments
 - Determine overall development timeframe/phasing strategies



Consultant Approach

- Public investment partner interviews
- Determine potential site uses
- Conduct site analysis
- Identify areas for specific opportunities (public vs. private)
- Develop street/block framework
- Concept master site plan
- Phasing strategy & cost estimates