

Mayor Patrick McCrory

Rod Autrey
Patrick D. Cannon
Nancy G. Carter
Mike Castano
Malcolm Graham

Mayor Pro Tem Susan Burgess

Don Lochman
James Mitchell, Jr.
Sara Spencer
Lynn Wheeler
Joe White

CITY COUNCIL WORKSHOP

Monday, June 4, 2001

Room 267

- 5:00 p.m. Dinner**
- 5:15 p.m. Economic Development: Proposed Compromise on 1% Food and Beverage Tax**
- 5:45 p.m. Transportation and Economic Development: Mecklenburg County Clean Air Initiative**
- 6:15 p.m. Public Safety: Pedestrian and Traffic Safety Comprehensive Plan**
- 6:45 p.m. Transportation and Economic Development: South Corridor Light Rail Station Planning and Status Report on Major Investment Studies in North, Northeast, Southeast and West Corridors**
- 7:15 p.m. Workshop Concludes
Adjourn to Council Chamber**

Monday, June 4, 2001

5:00 p.m.

Council-Manager Dinner Meeting

7:30 p.m.

**Citizens Forum
Meeting Chamber**

- **Revote on Proposed Living Wage for City Employees**
- **Revote on Affordable Housing Bonds**
- **Charlotte Area Transit System (CATS) Capital Program**
- **FY2002 & FY2003 Operating Budget Plan and Resolution and FY2002-FY2006 Capital Investment Plan**
- **Public Comments on the Council Redistricting Plan**

CITY COUNCIL AGENDA

Monday, June 04, 2001

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1. Revote on Proposed Living Wage for City Employees

Action: Revote on the proposed living wage for City employees.

Explanation:

On May 30 at the Half-Day Budget Retreat for Straw Votes, City Council voted 6 to 5 to approve a living wage for City employees.

The Mayor vetoed this addition to the recommended budget. As required by Section 3.23(b) of the City Charter, the City Council must vote again on this question.

With the veto of this action, funding for the Living Wage was not identified. If the revote results in inclusion of the Living Wage in the FY02 budget, funding would come from Council Contingency.

Background:

The proposed living wage adds \$127,023 to the General Fund of the Manager's recommended budget and \$460,387 to the total budget. Costs reflect the resources necessary to increase the hourly pay of regular and temporary employees to \$9 per hour if their hourly rate is currently less than \$9 and they are not a school crossing guard, police cadet, or intern. Additionally, costs are included to correct pay compression identified as likely resulting from the change to \$9 per hour.

Compression is the term used to describe the inequity that results from narrowing or overlap of salary levels between employees. Moving entry-level temporary and regular employees to a minimum of \$9 per hour will cause wage compression with existing employees who have greater experience, training, skill and/or higher level performance. Criteria applied in determining changes needed as a result of compression included years of experience in the job, relationship to market rates, and restoring relationships within a job series and/or with the supervisor.

The table below reflects information as presented to Council on May 15th. The adjustment (*) line excludes costs for school crossing guards, police cadets, and interns from the analysis and the estimated cost of correcting compression.

# Of Employees	Position Type	General Fund	Other Funds	Total
93	Regular	\$32,128	\$45,982	\$78,110
125	Temporary	46,969	18,893	65,862
218	Sub-total	\$79,097	\$64,875	\$143,972
	Adjustment*	(17,074)	(1,511)	(18,585)
	Compression	65,000	270,000	335,000

	Total	\$127,023	\$333,364	\$460,387
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The cost to the General Fund is \$127,023. Since no cost reductions in other funds were identified, the \$333,364 cost to the other funds would have to be covered by a fund balance appropriation for FY02, primarily from the Water/Sewer and Aviation funds.

2. **Revote on Affordable Housing Bonds**

Action: Revote the decision to place affordable housing bonds on the November 2002 ballot on the next agenda, June 11, 2001.

Explanation:

On May 30 at the continuation of the May 29 meeting, City Council voted 8-3 to place the issue of rescinding the vote to put affordable housing bonds on the November 2002 ballot on the June 4 agenda.

The Mayor vetoed this action. As required by Section 3.23(b) of the City Charter, the City Council must vote again on whether to put the question of rescinding the vote on "the next agenda" (which would be June 11).

Background:

This item moves the \$40 million in bonds for affordable housing from the November 2002 ballot to November 2001. The recommended budget includes \$10 million each year for affordable housing. Shifting the vote from 2002 to 2001 has no budgetary impact, as the cash flow is assumed to be the same under either scenario. This is a policy decision based on Council's assessment as to the most appropriate time to place this issue before the voters.

Both scenarios include \$10 million in two-thirds bonds, which will be available July 1, 2001.

Manager's Recommended Budget:

Two-Thirds Bonds: (in millions)

Affordable Housing Program	\$10.0
Smart Growth Land Acquisition	4.0
Eastside Strategy Plan	8.0
West Side Strategy Plan	3.6
Midtown Square Development	4.9
Stonewall Street Pedestrian Access	2.0
Fire Burn Building Replacement	2.0

Voter-Approved GO Bonds: (in millions)

Street Improvements (2002)	\$179.7
Affordable Housing (2002)	40.0
Street Improvement (2004)	49.7
Total	\$269.4

Tryon Street Mall Renov – Phase II	5.5
Total	\$40.0

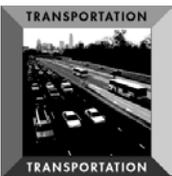
The Manager’s recommended budget included the bond vote in 2002 for the following reasons:

- To allow time for Council to make policy decisions on the Affordable Housing Task Force Report recommendations
- Traditionally, the City has scheduled bond questions on even numbered years not coinciding with Mayor/Council elections, while Mecklenburg County has done the same in odd numbered years. This avoids large, potentially competing, bond questions.
- The \$10 million in two-thirds bonds provides approximately 17 months in order to demonstrate results with Housing funds prior to the 2002 referendum.

Suggested Amendment:

<u>Two-Thirds Bonds: (in millions)</u>		<u>Voter-Approved GO Bonds: (in millions)</u>	
Affordable Housing Program	\$10.0	Affordable Housing (2001)	\$40.0
Smart Growth Land Acquisition	4.0	Street Improvements (2002)	179.7
Eastside Strategy Plan	8.0	Street Improvement (2004)	49.7
West Side Strategy Plan	3.6	Total	\$269.4
Midtown Square Development	4.9		
Stonewall Street Pedestrian Access	2.0		
Fire Burn Building Replacement	2.0		
Tryon Street Mall Renov – Phase II	5.5		
Total	\$40.0		

3. Charlotte Area Transit System (CATS) Capital Program



Action: Approve CATS FY2002-FY2003 Transit Capital Program which was approved by the Metropolitan Transit Commission on March 28, 2001.

Staff Resource: Ronald Tober, CATS

Policy:

The February 1999 Transit Governance Interlocal Agreement calls for the Mecklenburg County Board of Commissioners and the Charlotte City Council to each approve the capital and operating programs for CATS.

Explanation:

This item was presented to Council on April 9, 2001. Council deferred action on until May 29, 2001, at which time Council approved the operating portion

of the CATS FY02 budget. Council deferred consideration of the capital portion of the CATS budget until June 4, 2001.

Background:

On March 28, 2001, the Metropolitan Transit Commission (MTC) approved CATS FY2002-FY2003 Transit Programs developed in accordance with the following policy directives:

- Continued implementation of the 2025 Integrated Transit/Land Use Plan
- Achievement of CATS Mission, Vision and Strategic Goals
- CATS Financial Policies

The Mecklenburg Board of County Commissioners approved CATS FY2002-FY2003 Transit Program on April 18, 2001.

CATS Capital Budget:

The \$143,889,585 FY2002 Transit Program includes \$82,062,600 for capital improvements and \$2,354,152 for the transit capital reserve fund.

Key elements and assumptions in the CATS Capital FY2002-FY2003 Transit Program are:

- Continued progress on rapid transit improvements in the 2025 Plan Corridors including
 - completion of preliminary engineering and final environmental impact statement in the South Corridor and start of final design,
 - completion of major investment studies in the other four corridors and selection of locally preferred alternatives and a downtown transit plan,
 - start of preliminary engineering in the north corridor and a third corridor and
 - right-of-way acquisition including \$15 million for the Norfolk Southern line parallel to I-77/North.
- Capital reserves grow to \$81,229,128 in FY2002 and \$85,379,742 in FY2003.

Funding:

Public Transit Fund

Attachment 1

- FY2002-FY2003 Transit Program Summary

- FY2002-FY2003 Operating & Capital Program Detail
- FY2002-FY2006 Capital Improvement Program

4. FY2002 & 2003 Operating Budget and Resolution and FY2002-06 Capital Investment Plan

Action: Approve FY2002 Appropriations and Tax Levy Ordinance, the FY2003 Operating Resolution, the Capital Investment Plan Resolution for Fiscal Years 2002-2006, the FY2002 Pay and Benefits Resolution, and other items related to the Annual Ordinance adoption.

Committee Chair: Lynn Wheeler

Staff Resource: Listed under each section

Policy:

As required by state law, the City of Charlotte adopts an annual appropriations and tax levy ordinance and considers related actions prior to June 30 of each fiscal year.

Explanation:

Council is requested to adopt the following actions:

- A. The FY2002 & 2003 Appropriations and Resolution and Tax Levy Ordinance (Curt Walton)
- B. The FY2002 & 2003 Operating Plan Resolution (Curt Walton)
- C. The FY2002-2006 Capital Investment Plan Resolution (Curt Walton)
- D. The FY2002 Pay and Benefits Plan Resolution (Bill Wilder)
- E. Arts and Outside Agencies Contracts (Curt Walton)
- F. Municipal Service Districts Contracts (Curt Walton)
- G. Job Training Contracts (Stanley Watkins)
- H. Human Services Contracts (Stanley Watkins)
- I. Housing Development and Support Contracts (Stanley Watkins)
- J. Coliseum Authority Net Proceeds (Curt Walton)
- K. Convention Center Deficit Amendment (Curt Walton)
- L. Other Budgetary Items (Curt Walton)

A. Adopt the FY2002 & 2003 Appropriations and Tax Levy Ordinance**Budget Overview:**

On May 7, 2001, the City Manager presented the recommended FY2002 & 2003 Operating Budget Plan and the FY2002-2006 Capital Investment Plan to the Mayor and City Council.

Since February 2001, the Mayor and City Council held four budget retreats and the required public hearing to shape development of this budget.

The total recommended budget is \$1.37 billion, with \$683 million for operating expenses and \$687 million for capital expenditures. Sections 1 through 10 of the attached ordinance enact the FY2002 Operating and Capital budgets.

The budget addresses Council's 2002 priorities. As tentatively approved on May 30, 2001 by straw vote, the Council endorsed the following budget scenario:

- A focus in the budget on the Mayor and Council's top priorities for FY2002:
 - affordable housing
 - smart growth
 - economic development
- A tax rate of 46.7¢ per \$100.
 - Increasing the General Fund's reserves from 12% to 14%.
 - An average increase in Storm Water fees of 7.5%.

- An average monthly Water and Sewer rate increase of 5.04% for residential customers.

Property Tax Rate:

The property tax rate for FY2002 is a total of 46.7¢ per \$100 of assessed valuation. The FY2002 assessed value is estimated at \$49.2 billion, with an estimated collection rate of 97.75%. The distribution of the tax rate is as follows:

General Operations	38.05¢
Debt Payments	6.40¢
Pay-As-You-Go Capital	2.25¢
Total	46.70¢

Changes to the Recommended Budget:

Additions:

Council approved the following additions to the City Manager's recommended budget on May 30, 2001:

- Added \$25,000 to fund a portion of Mecklenburg County's Homeless Study;
- Added \$25,000 to fund a portion of the Film Division's cost of the Charlotte Regional Partnership;
- Added \$83,763 additional funding for the Gethsemane-Greater Enrichment Program; and

The two additional vetoed actions considered earlier do not alter the budget ordinance. The Budget Ordinance as included in this item accommodates the budget with or without the inclusion of the Living Wage and whether the housing bonds are in 2001 or 2002. Funds currently in Council Contingency will be shifted to the appropriate General Fund salary accounts if the Living Wage is included. In other Funds, salary expenses will be monitored throughout the year and adjustments will be brought back to Council as necessary. Affordable Housing bonds in 2001 or 2002 have no financial impact.

The recommended additions of \$50,000 in the General Fund are funded by the use of \$25,000 of the \$443,000 balance in the current year Council Contingency and \$25,000 of the FY02 Council Contingency. This brings the balance of the FY02 Council Contingency to \$275,000. The Greater Enrichment Program is funded with an appropriation from Pay-As-You-Go fund balance.

Attachment 2
Ordinance

B. Adopt the FY2002 & 2003 Operating Plan Resolution

The Manager's Recommended Budget includes recommendations for the next two years of operating budgets. The first year, FY2002, is listed in Section A of this action.

A resolution is adopted at the beginning of each two-year plan. The resolution approves the FY2002 Operating Plan as recommended by the City Manager and as amended by Council on May 30. Adoption of the FY2003 Plan does not appropriate funds.

Attachment 3
Resolution

C. Adopt the FY2002-2006 Capital Investment Plan Resolution

The resolution approves the five-year capital investment expenditure and financing plan totaling \$2.7 billion, a 56% increase over the current 5-year Capital Program.

The property tax rate dedicated to the Municipal Debt Service Fund is to remain at 6.4¢. The Capital Program proposes the issuance of \$702 million in debt over the next five years, including \$269.5 million in voter-approved general obligation bonds, \$40.0 million in Two-Thirds Bonds, and \$392.3 million in Certificates of Participation.

The property tax rate dedicated to the Pay-As-You-Go Fund is to remain at 2.25¢. These funds support relatively small capital projects in the Housing and Facility Investment programs.

The Storm Water Capital Project Fund totals \$90.2 million over the next five years, supported by annual fee increases averaging 7.5% for residential, commercial, and City facilities.

The Water and Sewer Capital Project Fund totals \$523.8 million over the next five years. Program expansion is due to a system-wide water study recommending new water projects and planned expansions at the McAlpine Wastewater Treatment Plant. The FY2002 residential rate increase is 5.04%.

The Aviation Capital Project Fund totals \$438.3 million over the next five years. Appropriations to the capital program will be implemented when federal grant applications are brought to Council for approval.

Attachment 4
Resolution

D. Adopt the FY2002 Employee Pay and Benefits Plan and Resolution

The recommendations included in the FY2002 Pay and Benefits Report include the following:

Compensation

Public Safety Pay Plan:

- The Public Safety Pay Plan eliminates the first step of the Police Officer and Firefighter I ranges to increase entry-level pay. Adjustment of pay rates of employees in the existing first 3 steps of these ranges are included to prevent overlap with new hires into the FY2002 pay ranges. This Plan eliminates the first step of Firefighter II to prevent overlap with Firefighter I employees.
- The Plan includes a 5.0% structural market adjustment for all steps in the Public Safety Pay Plan. Public Safety employees will receive this increase effective July 4, 2001.
- Public Safety Pay Plan employees who have not yet reached the top step of their pay range will receive a 5% step increase on their merit date, resulting in a 10% pay increase during FY2002. This will result in Public Safety increases of 5% or 10% during FY2002.
- Effective July 1, 2001, the Senior Police Officer Program will be eliminated and existing pay steps will be incorporated into the pay structure for all police officers.
- The Plan establishes a 5.0% pay supplement for the Fire Captain in charge of administrative activities at each fire station.

Broadbanding Pay Plan

- The Broadbanding Pay Plan provides a 5.0% total pay increase budget for each Key Business Unit including 4.2% for merit increases and 0.8% for career development increases.
- Merit increases will range from 0% to 8% based on market position and performance level, but total increases in each Business Unit will not exceed 5.0%.
- A 5.0% increase to the Broadbanding minimum and maximum rates is made with no resulting increases to employee pay, the changes impact only the band structure.

Benefits

Based on anticipated increases in overall health care costs and prescription drug costs, additional programs and changes are recommended as indicated in the FY 2002 Pay and Benefits Report.

- Contract for third party management and administration of the prescription drug program. Authorize the City Manager or her designee to select the contractor and implement the contract effective October 1, 2001.
- Contract for health management services for individuals with certain chronic health conditions. Authorize the City Manager or her designee to select the contractor and implement the contract effective October 1, 2001.
- Move retirees and/or dependents of retirees age 65 and older into a non-managed care plan effective July 1, 2001.
- Continue coverage in the City's group plan for the spouses of deceased retirees, upon the death of the retiree, until the spouse reaches age 65. Surviving spouses will pay the full cost of premium, including both the City's portion and the retiree's portion. Upon reaching age 65 the spouse will continue coverage with Medicare being the primary payer of claims.
- Require employees hired after January 1, 2002, and who subsequently retire, to pay the full cost of premium (including both the City's portion and the retiree's portion) for their dependents' coverage upon their retirement.
- Change the prescription drug co-pay structure, effective October 1, 2001 as follows:

Drug Type	Up to 30 day supply	Up to 90 day supply
Brand Name	From \$20 to \$22	From \$40 to \$44
Generic	From \$10 to \$8	From \$20 to \$16

- Increase the out-of-pocket maximums, effective January 1, 2002, as follows:

Plan Type	In Network		Out of Network	
	Individual	Family	Individual	Family
HMO plan	from \$1500 to \$2000	from \$3000 to \$4000	NA	NA
POS A plan	from \$1500 to \$2000	from \$3000 to \$4000	from \$3000 to \$4000	from \$6000 to \$8000
POS B plan	from \$2400 to \$3000	from \$4800 to \$6000	from \$4800 to \$6000	from \$9600 to \$12000
Out of Area Plan	from \$1500 to \$2000	from \$3000 to \$4000	NA	NA

- Increase the calendar year deductibles in the POS plans and Out of Area Plans effective January 1, 2002 as follows:
 - POS A Plan and Out of Area Plan– Increase the individual calendar year deductible from \$200 to \$300 and increase the family calendar year deductible from \$600 to \$ 900.
 - POS B Plan – Increase the individual calendar year deductible from \$400 to \$500 and increase the family calendar year deductible from \$1200 to \$1500.
- Implement a \$100 admission copay for inpatient services in the HMO-type plans, effective January 1, 2002.
- Increase the individual annual out-of-pocket copay maximum for prescription drugs from \$800 to \$1000, effective January 1, 2002.
- Allow employees the option of choosing separate tiers of coverage for medical and dental insurance based on their needs, effective January 1, 2002.

Implementation of Increased Medical and Dental Insurance Premiums

- Increase the premiums for medical and dental insurances as shown in Attachments L through O of the Pay and Benefits Report.

Life Insurance

- Authorize the City Manager or her designee to contract with a vendor and negotiate terms for the Group Life Insurance Plan, including basic coverage fully funded by the City and supplemental coverage (including a portability option) fully

funded by the employees, effective July 1, 2001.

Short-Term and Long-Term Disability Insurance

- Make no changes for premiums for short-term and long-term disability insurance coverage.

Medical Stop-Loss Insurance

- Authorize the City Manager or her designee to negotiate terms and premium changes for medical stop-loss insurance.

Implementation of Pre-Tax Parking Benefit

- Convert employee paid parking and employee paid transit passes to a pre-tax benefit, effective July 1, 2001. Authorize the City Manager or her designee to finalize details associated with implementing this benefit.

Attachment 5

Resolution

E. Approve the Arts and Outside Agencies Contracts:

Charlotte Convention & Visitors Bureau (CCVB) \$3,019,619

Funding for CCVB is derived from first 3% of the proceeds of a county-wide occupancy tax. Changes to the City's Hotel/Motel Tax and Prepared Food and Beverage Tax authorizations may be forthcoming as a result of negotiations with the other Mecklenburg municipalities. If that occurs, changes to this contract may be considered by City Council at a later date, but not prior to amendment of the statute(s) by the North Carolina General Assembly.

The CCVB promotes economic development in the Charlotte-Mecklenburg area by promoting the area as a destination for convention, leisure, and sports-related travel.

Attachment 6

Convention Center Marketing \$4,038,000

In 1993, City Council approved an agreement between the Convention and Visitors Bureau (CCVB) and the Auditorium/Coliseum/Convention Center Authority to jointly market the Charlotte Convention Center. 70% of the

marketing dollars goes to CCVB and 30% goes to the Authority. Marketing dollars come from the prepared food and beverage tax and the second 3% of occupancy taxes.

At the April 11, 2001 Budget Retreat, staff shared the results of a review of resource allocation for Convention Center marketing. Various funding allocation options were presented for Council review and discussion. Staff will forward these options for further consideration and approval by Council at a future Business Meeting.

Changes to the City's Hotel/Motel Tax and Prepared Food and Beverage Tax authorizations may be forthcoming as a result of negotiations with the other Mecklenburg municipalities. If that occurs, changes to this contract may be considered by City Council at a later date, but not prior to amendment of the statute(s) by the North Carolina General Assembly.

United Family Services (Victim Assistance) \$315,622

Funding for United Family Services increased from FY2001 to FY2002. The increase of \$41,130 represents a 8.7% increase in City support to fund an additional counselor in the Family Unit.

The Victim Assistance Program provides counseling, education, and assistance to adult and child victims of crime and to families of homicide victims.

Attachment 7

Arts & Science Council (ASC) \$2,942,000

FY2002 funding for the Arts & Science Council represents an increase in funding of \$267,420 over FY2001 funding. The increase allows expansion of the Neighborhood/Community Cultural Connection's Grassroots and Access programs.

The Arts & Science Council oversees community-wide cultural planning, fundraising, grant administration, technical assistance, facility review, and other responsibilities to advance the cultural life of Charlotte and Mecklenburg County.

Attachment 8

F. Approve the Municipal Service Districts Contracts with Charlotte Center City Partners (CCCP) and South End Development Corporation (SEDC)

Municipal Service Districts 1, 2, and 3 (Uptown), and District 4 (South End) were created

to promote investment in the designated business areas. Contracts covering District 1 have been funded since 1978, and contracts covering Districts 2 and 3 have been funded since 1984. District 4 (South End) was created in FY2001.

For FY2002, the City will contract with Charlotte Center City Partners for all three Uptown Municipal Service Districts, and with South End Development Corporation for the South End Municipal Service District.

The FY2001 tax rates for all districts will be maintained in FY2002.

Municipal Service District 1

FY2002 Contract Amount **\$644,666**

The FY2002 contract with CCCP for District 1 represents a 7.1% decrease over the FY2001 contract amount due to a revised estimate of tax revenues between Districts 1 and 2. The tax rate for District 1 is 1.93¢ per \$100 assessed valuation.

Attachment 9

Municipal Service District 2

FY2002 Contract Amount **\$186,546**

The FY2002 contract with CCCP for District 2 represents a 33% increase over the FY2001 contract amount due to a revised estimate of tax revenues between Districts 1 and 2 and an increase in the projected net proceeds of the District 2 tax levy. The tax rate for District 2 is 1.4¢ per \$100 assessed valuation.

Attachment 9

Municipal Service District 3

FY2002 Contract Amount **\$468,163**

The FY2002 contract with CCCP for District 3 represents a 9.0% increase over the FY2001 contract amount due to an increase in the projected net proceeds of the District 3 tax levy. The tax rate for District 3 is 2.89¢ per \$100 assessed valuation.

Attachment 9

Municipal Service District 4

FY2002 Contract Amount **\$192,400**

The FY2002 contract with SEDC for District 4 represents a 4.0% increase over the FY2001 contract amount due to an increase in the projected net proceeds of the District 4

tax levy. The tax rate for District 4 is 9.00¢ per \$100 assessed valuation.

Attachment 10

G. Job Training Contracts

Beginning January 1, 2000 the Workforce Development Board (WDB) assumed the responsibility for the operation of the Job Training Program, which is funded by federal Employment and Training Grants. The City will retain management oversight and serve as the fiscal agent for the program. The only contract the City will need in this capacity is the agreement with the WDB. Contracts with other agencies that usually serve the program, such as Youth Services and Child Care Resources, will be between the agencies and the WDB.

The agreement between the City and the WDB will be presented for approval at the June 25 City Council meeting.

H. Approve the Human Services Contracts

The FY2002 Consolidated Action Plan, approved by Council on May 14, 2001, identifies priorities for federal housing and community development resources including the Community Development Block Grant (CDBG). Human services contracts for After School Enrichment Programs are a part of the projected FY2002 CDBG-funded activities.

CDBG FUNDED

Gethsemane-Greater Enrichment Program **\$605,854**

This program provides after-school tutoring and enrichment activities for 440 school age children, grades preK– 5, in the following target areas: West Boulevard, Clanton Park, Parker Heights, Westwood, Dillehay Court, First Ward, Cherry, Grier Heights, Five Points, University Park, Double Oaks, Greenville, and Lakewood. Transportation will be provided to three sites including Barringer Academic Center, Billingsville Montessori School, and Lincoln Heights Elementary School.

Students will receive assistance with homework, tutoring for reading and math, and help with oral and written communication and technological skills. Educational development will be promoted with individualized and small group instruction. A parent coordinator will work with parents to incite involvement in their children's' education.

Bethlehem Center **\$191,545**

This Center will provide school-year programs for 80 school age youth, K-6th, and 25 junior and senior high students and summer enrichment programs for 100 school age youth, K-6th, and 20 junior and senior high students. The program goals include:

- Cultural enrichment experiences as an integral part of the program
- Increased test scores by providing individual and small group tutoring, assistance with homework, computer activities, and educational games and activities
- Involvement of parents and other interested adults through parent/teacher conferences and volunteer opportunities

The program goals are:

- Maintain a daily average attendance of 80% of total enrollment of elementary school students and 60% of junior and high school students
- Retain 80% of currently enrolled elementary students and 60% of junior and senior high students

YWCA Education Enrichment **\$110,429**

YWCA Neighborhood Centers program operates five Charlotte Housing “scattered site” communities in Mecklenburg County which provide educational opportunities including

- Daily after-school tutoring
- Enrichment classes including fitness, music, science/nature, reading, evening and weekend cultural events, and community service activities
- Full-day programming on teacher workdays and during winter/spring break and a ten week summer camp
- A drop-out/crime/pregnancy prevention program for teens. Participants of this program engage in career shadowing sessions to gain more realistic views on possible career choices. Additionally, various area professionals facilitate the teen development sessions which allows students to interact with positive role models.

LOCALLY FUNDED

Charlotte Mecklenburg Schools After School Care **\$178,464**

This program provides after-school programming for children who live in CWAC neighborhoods and whose family income is below 130% of the federal poverty level. Students receive services from the time of their school dismissal until 6pm each school day, all day (7am-6pm) on teacher workdays and during winter and spring breaks. The program operates at seven schools within Enterprise Communities and at other sites within the CWAC area. Additionally, twelve slots are provided for families that need care before school hours to accommodate parent work hours.

I. Approve the Housing Development and Support Contracts

The FY2002 Consolidated Action Plan approved by Council May 14, 2001, establishes strategies to provide housing and supportive services for low and moderate-income families and individuals as part of an overall community revitalization strategy.

The Charlotte Mecklenburg Housing Partnership (CMHP) Affordable Housing Development **\$2,000,000**

This contract includes funding to address planning for future multifamily housing projects by:

- Constructing, selling and closing on 13 homes
- Providing 100 units of financial services in the form of first, second and/or third mortgage.

- Constructing 13 homes and rehabilitating 12 rental units in Lakewood
- Constructing 72 units at Rosedale
- Initiating 2 multi-family developments that will produce 200 additional units of affordable housing

The Charlotte Mecklenburg Housing Partnership (CMHP) Special Housing Development **\$700,000**

This contract will continue work in the Statesville Avenue Corridor by:

- Purchasing 20 properties
- Completing predevelopment activities for development of multifamily units on Kohler Avenue
- Beginning the development of the Druid Hill elderly project (subject to tax credit)
- Beginning rehabilitation of 28 rental units in Druid Hill with 7 units receiving certificates of occupancy by June 30
- Assisting City and County relocation efforts for residents being displaced by park site and Asbury Extension

Regional HIV/AIDS Consortium **\$477,000**

The Consortium will manage the City Housing Opportunities for Persons with HIV/AIDS (HOPWA) grant. Responsibilities will include:

- Distributing funds to agencies within the seven county Metropolitan Statistical Area (MSA) that are qualified to provide housing services for people with HIV/AIDS
- Monitoring the use of funds distributed to grantee agencies
- Serving as a consultant to agencies in the MSA to provide technical assistance with program planning, management, and funding strategies

Crisis Assistance Ministry **\$310,000**

The Ministry programs provide critical assistance to low-income families.

- Crisis Assistance Energy Assistance ((\$160,000)) - These funds will be used to directly pay utility companies for bills due from low income families. This program will serve approximately 1,380 families.
- Crisis Assistance Emergency Rental Assistance (\$150,000) – These funds are targeted for low income families living in specific areas of the City to address housing problems. This program will assist approximately 1,250 families.

J. Coliseum Authority Net Proceeds

Section 14 of the FY2002 Budget Ordinance appropriates \$2,450,000 from capital reserves to the Coliseum Authority. The City Charter allows the City to take annual Authority revenues in excess of Authority expenses. This difference is called “net proceeds”. The Authority returned net proceeds of \$1.1 million in both FY98 and FY99 and \$250,000 in FY00, for a total contribution of \$2,450,000. These funds have been held in capital reserve pending the resolution of expenses associated with the new arena.

The \$2,450,000 is returned to the Authority for the following reasons:

- If the referendum fails or the City does not proceed with the arena, the City has agreed to reimburse the Authority for fees associated with the planning and design of the new arena. Council's decision of April 30, 2001 to proceed with planning and design of the building included a provision to reimburse the Authority for these expenses. Any difference between the \$2,450,000 returned to the Authority and the cost of reimbursement for planning and design fees will be retained by the Authority in a capital reserve account for the Coliseum, Ovens Auditorium and Cricket Arena.
- If the referendum passes or the City proceeds with the arena, the costs of planning and design incurred by the Authority will be reimbursed from the \$190 million arena capital account. Therefore, under this scenario, the \$2,450,000 is returned to the Authority to build a capital reserve for the Coliseum, Ovens Auditorium, Cricket Arena and the new arena.

This section becomes effective upon adoption.

K. Convention Center Deficit Amendment

On June 28, 1993, Council approved the New Charlotte Convention Center Marketing Agreement between the Auditorium-Coliseum-Convention Center Authority (Authority) and the Charlotte Convention and Visitors Bureau. This Marketing Agreement stipulated that 50% of the annual operating deficit of the Convention Center will be paid from the Convention Center Fund and 50% of the deficit will be paid from the Authority's general revenues (prior to any distribution of net proceeds). These general revenues are generated by events at the Coliseum. This amendment shifts 100% of any annual operating deficits of the Convention Center to the Convention Center Fund.

The reasons for this amendment are as follows:

- The Convention Center Fund is the most appropriate financing source for any Convention Center annual operating deficits;
- The financial framework negotiated with the Charlotte Hornets and approved by the City Council on March 5 excludes all subsidies for buildings other than the new arena, Cricket Arena and Ovens Auditorium. Therefore, if the referendum passes or the City proceeds with the arena under the terms of the financial framework, then the Authority will have no funding source other than the Convention Center Fund from which to subsidize the Convention Center;
- If the referendum fails or the City does not proceed with the new arena, this amendment allows the Authority to retain general Authority revenues to apply to Coliseum, Cricket Arena and Ovens Auditorium expenses. Under this scenario, the eventual loss of the Charlotte Hornets as a tenant in the Coliseum is at least a possibility; given this possibility, the Authority will use this policy amendment to build its reserves to support the annual costs of the Coliseum, Cricket Arena and

- Ovens Auditorium.
- The other Mecklenburg County municipalities and the State of North Carolina have been made aware that this policy change would be occurring, thereby increasing the future financial obligations of the Convention Center Fund.

This section becomes effective upon adoption.

L. Other Budgetary Items

The budget ordinance included as Attachment 2 is the City's annual budgetary operating ordinance. Sections 1 through 10 and 14 of this Ordinance reflect the items included in the Manager's Recommended Budget that Council is approving with this action.

The remaining sections of the Annual Ordinance serve to adjust the Manager's Recommended Budget for changes approved by Council through the previous actions approved on this agenda, as well as make budgetary corrections to the current fiscal year for technical, accounting, or other "wind-up" tasks necessary prior to the year's end.

Following are descriptions of the remaining sections' purpose.

Sections 11 and 12 appropriate state and federal grants received since the Manager's recommended budget was presented. Transportation grants totaling \$252,863 will be used for work planning programs. The Neighborhood Development grant totals \$790,408 and will be used for an experimental training grant through the Federal Workforce Investment Act.

Section 13 appropriates the Council-approved change to fund the Gethsemane After School Enrichment Program's request for an additional \$83,763, funded from Pay As You Go fund balance. After FY2002, staff are directed to integrate this level of funding into the overall CDBG- allocating process.

Section 15 allocates the reimbursement by the Charlotte Hornets to the County for the Board of Elections' additional costs incurred for conducting the June 5th Referendum.

Section 16 provides the final amount of the State Emergency Management Program grant. An additional \$3,262 over the original FY2001 estimate is available.

Sections 17 and 18 establish a new fund for the Public Safety Emergency 911 Services fees administration and increase the current year's appropriation to \$470,210, an increase of \$170,210 over the original FY2001 estimate of \$300,000.

Sections 19 and 20 appropriate revenues specific to Police to the Police Grants Fund, including \$360,789.21 of Assets Forfeiture funds (Attachment 11) and \$10,000 from a private family donation in honor of Gregory Scott Byers, a victim of a DWI driver for

training initiatives by or for the HITS Program.

Sections 21 and 22 authorize changes in the Storm Water operating and capital budgets to add funds for repairs and to appropriate funds received from the NC Clean Water Management Trust Fund for pollution control targeted to the Bruns Avenue area.

Sections 23 and 24 appropriate funds for the costs to upfit the ABC Building for occupancy by City staff to address space needs in the CMGC and for other productivity improvements.

Sections 25 through 27 make changes in the Water and Sewer operating, capital, and debt service funds to provide additional funding for a greater volume of water service connection requests, offset by additional service fees.

Sections 28 through 31 authorize adjustments in several funds to reflect the actual debt service needs through the end of the current fiscal year.

Section 32 appropriates the Council-approved change to fund a one-time contribution of \$25,000 for the Homelessness Study's Strategic Plan, funded from a transfer from the FY2002 Council Contingency. After this change the Contingency balance is \$275,000.

The remaining sections are technical accounting and procedures actions that do not effect the balance of any fund's bottom line.

Attachment 11

Assets Forfeiture Expenditures

5. Public Comment on the Council Redistricting Plan

Action: Receive public comments on the Redistricting Committee's Recommended Plan.

Explanation:

The Redistricting Committee is composed of Susan Burgess, Rod Autrey, Sara Spencer, James Mitchell and Don Lochman. Sara Spencer serves as Chair of the Committee. The Committee met on March 8th and 15th, April 9th and 20th and May 14th, 16th and 29th. The Committee's charge, as approved by the Council, is to review redistricting options and recommend a plan for adoption by the Council that revises the boundaries of the Council districts in accordance with applicable law. The Committee approved a list of Factors That May Be Considered in Redistricting.

The Committee has received 9, 7-district plans for its consideration: Plan A (4/20/01, #1),

Plan B (4/20/01, #2), Plan C (5-11-01, #1), Plan D (5-14-01, #1), Plan E (5-15-01, #1), Plan F (5-29-01, #1), Plan G (5-29-01, #2) and Arrington Plans A and B. A copy of each of those plans has been provided to the Mayor and Council.

The Committee recommends that:

- The Council adopt the Committee's approved list of Factors That May Be Considered in Redistricting;
- The Council adopt Plan F (5-29-01, #1);
- Council solicit public comment at its meeting of June 4, 2001; and
- The Council adopt a redistricting plan at its meeting of June 11, 2001.

Attachment 12

Redistricting Plan F Summary and Map