

CHARLOTTE GATEWAY STEERING COMMITTEE
Charlotte-Mecklenburg Government Center
600 East Fourth Street, Room 266
Charlotte, North Carolina 28202

Wednesday, January 23, 2019
Beginning at 2:08 p.m.

Transcript of Meeting

In Attendance:

Tracy Dodson, City of Charlotte
John Lewis, Jr., Chief Executive Officer of CATS
Tyler Niess, Principal of Sequel
Fran West, City of Charlotte
Lorna Allan, Charlotte Urban Design
Ashley Clark,
Todd DeLong, City of Charlotte, Economic Development
Asia Evans, Brownstone
Mark Hahn, Director County Assistance Facility Manager
David Howard, NCDOT (via telephone)
Olaf Kinard, Director of MCT CATS
Jason Lawrence, CATS
Stuart Matthis, STV
Klint Mullis, Charlotte Center City Partners
John Muth, CATS
Cheryl Myers, Charlotte Center City Partners
Brian Nadolny, CATS
Craig Newton, NCDOT (via telephone)
Allan Paul, NCDOT (via telephone)
John Saclarides, Wells Fargo
Juliann Sheldon, CATS
Michael Smith, Charlotte Center City Partners
Dale Stewart, Planning & Design
Brad Thomas, City Attorney's Office
Julie White, NCDOT Deputy Secretary Multimodal Transportation

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P R O C E E D I N G S

(at 2:08 PM)

MR. LEWIS: Good afternoon, folks. This is John Lewis here in the room. Tracy Dodson will be joining us today too, but in the essence of time why don't we go ahead and at least get the kickoff to the meeting. We'll do introductions here in the room and on the phone and then we'll move into the agenda. So with that again, I'm John Lewis, Executive Director of CATS.

(Introductions were made.)

MR. LEWIS: All right, Mr. Howard, do you have the agenda in front of you?

MR. HOWARD: We all do.

MR. LEWIS: Well, then if you don't mind, would you like to move forward with the agenda, sir?

MR. HOWARD: Well, I was going to suggest, you know, John, that Julie is the co-chair so do you want her to do supervisory until Tracy gets there?

MR. LEWIS: Sure, I think that would make sense.

MS. WHITE: All right, well, thank you for the introduction, everyone. Does anybody have any comments on the minutes before we approve them, any concerns or edits?

(No response.)

MS. WHITE: Hearing none, is there a motion to approve the minutes?

1 (A motion was made to approve the minutes by Mr. Howard
2 and seconded by Mr. Lewis. The motion carried
3 unanimately.)

4 MS. WHITE: I will pass it over to Ty.

5 MR. NIESS: Good afternoon, everyone. I prepared just a few
6 pages here to set up the positioning vision portion of
7 the agenda. I was retained by CATS in the fall to kind
8 of do some preliminary research and understand what it
9 was going to take essentially to help recruit the
10 strongest possible roster of development partners for
11 what we are calling the Gateway Station platform. So
12 what we are trying to do today is to show a little bit
13 of the findings from all the conversations, some take-
14 aways, put in front of you guys an additional graph
15 that's for the positioning statement, and then talk
16 about what our next steps and schedule might be as we
17 think about how to move towards publishing the first
18 phase of the RFP.

19 So really what the process was, was a bunch of
20 reviews and targeted a handful of different types of
21 stakeholders to understand a couple different questions.
22 So we talked to folks in the development community, a
23 lot of local developers but also some folks from further
24 afield, a bunch of folks whose staff have given sort of
25 a history of this project and then consultants that have

1 been familiar with Charlotte as a market or with the
2 site. And so I'm going to be super succinct. Certainly
3 stop me if you have any questions, points of
4 clarification or feedback, but I think there are some
5 interesting take-aways that will be formed through the
6 thought process and how we can prepare.

7 The first thing I heard was confusion, so I'm
8 really wanting clarity around what the opportunity was,
9 you know, who owned what land, how would that be
10 conveyed, sort of what are the mechanics of how this
11 might work. Related to that was a clear understanding
12 of how the development partner would be interacting with
13 the broader partnership -- and in all fairness, this
14 committee was formed kind of as I think a part of this
15 process to provide that clarity -- a clearer
16 understanding of really what the real estate program
17 could be.

18 There have been a lot of options, depending on
19 which vintage of this project you are aware of; clarity
20 in terms of requirements, so what are sort of the public
21 facilities that the public entities or private partners
22 will provide; what is going to be available from a
23 funding perspective, how is that sort of financial
24 strategy and structure going to work; and ultimately
25 given the scale of what they heard and what everybody

1 would like to see, how viable is this, has that legwork
2 been done so we better understand what the viability is
3 as a development project.

4 And so as we thought and then sort of took that in
5 and listened to that feedback, I think the next round of
6 questions that I sort of got into was sort of what's the
7 perception of the project itself, what are the things
8 that either were positives or negatives that we needed
9 to build on or negatives that we might need to correct.
10 So I think everybody knew about the transit
11 infrastructure. Where there was a lot of confusion was,
12 all right, what's the real estate development
13 opportunity and how do we balance the infrastructure and
14 transit with the development opportunity that would be
15 economic for a developer.

16 You know, people look at just sort of the
17 description of a site, and it's a very long linear site
18 that backs up against sort of a heavy Rail Line, and so
19 a lot of developers are having a hard time understanding
20 sort of what is the vision for this thing that's going
21 to make it an interesting place-making kind of
22 opportunity. There was some conversation about the
23 timing, and given some of the scale of complexities it's
24 going to take a while. "Are we going to get stuck" is
25 something I heard a lot. And given that context, it is

1 going to be a complicated site to develop, and there is
2 a lot of opportunity among us today, and there are other
3 cleaner sites that, at least for some developers,
4 they're going to gravitate to. I think that's perfectly
5 normal how we think who are the right kinds of partners.

6 Certainly there's some baggage from the
7 pre-existing that we have to overcome, you know, "What's
8 different this time" is sort of the question I got a
9 bunch, and then sort of where are we in terms of what
10 the market will support, what the market expectations
11 are, particularly as I sort of talk about the broader
12 vision for something that was going to be
13 transformative, let's say, which sort of speaks to a
14 little bit of a slide I'll get to get to in a second.

15 I'm the marketing guy by trade, so I always try to
16 keep the things in context with the audiences, and I've
17 been thinking about things in this context. Who we're
18 trying to communicate with is sort of large,
19 sophisticated developers, so a little bit of a thought
20 process for how we need to approach the outreach piece
21 of this is relevant.

22 A key idea that I think is worth discussing if
23 there is any disagreement is sort of what kind of
24 partner is this a good fit for. You have in the
25 development space -- my background is real estate -- are

1 really kind of two big categories when you think about
2 the actual developments here: Folks that are builders,
3 they've got a program, they may execute in a very high
4 quality, but they're kind of operating from a program
5 and approach that they're comfortable with and a model
6 that they can use.

7 And then you've got developers that are much more
8 about place-making and city builders that have the
9 financial resources and the sophistication to take on
10 projects and really see opportunity where others don't.
11 And I think as we talk through, you know, what the
12 perception is, what the questions are, if that's not
13 clear, my bias is very much towards is that the right
14 kind of fit in these circumstances, much more than there
15 are place-making arranged development. There are plenty
16 of examples of folks doing projects like that around the
17 country, but as we'll see in a second, I think there is
18 an opportunity for us to reach out to developers that
19 have done some of those projects and really try to bring
20 some of those in Charlotte as opposed to simply looking
21 at sort of the folks that are active in the market
22 today.

23 In terms of language, and this may be a little bit
24 of the nuance of what we're going to look at in a
25 second, but the pitchbook that we've prepared as a way

1 to start communicating with these folks. I'm not going
2 to belabor this, but it's like in context we should
3 consider as we think about how to reach and communicate.
4 So the last little bit, I'll ask if there's any
5 questions. If at all makes sense, anything that you
6 folks would want to discuss?

7 (No questions.)

8 MR. NIESS: So in particular I talked to folks that are more
9 directly involved with the project, and one of the
10 conversations was what do you see happening here? And
11 the kind of projects that are referenced repeatedly are
12 Union Station in Denver, Transbay terminal in San
13 Francisco, I always screw up the German, but the big
14 German trans --

15 MR. SMITH: In Berlin?

16 MR. NIESS: Yes, in Berlin, on these sort of massive scales,
17 spectacular iconic pieces of architecture that are
18 fundamentally built around a monumental scaled piece of
19 transit infrastructure. The Brightline train station is
20 the middle image to the right down in Miami, you know,
21 stitching together a high-speed rail that's run up
22 Florida. The scale of these things are something that I
23 think gives it an opportunity to justify the level of
24 investment required to build something like that.

25 And the things I heard people talk about were

1 iconic, really being about all about sort of the transit
2 experience. Absolutely sort of this idea of it did
3 transform an area of a city or a neighborhood, in some
4 cases I think creating a neighborhood or one that mixes
5 uses, and then, you know, the great public space that's
6 was created in and around those stations. And those are
7 sort of the key ideas that we talked about how we were
8 going to explain what we wanted to do as we go along.

9 At the same time, as you look at sort of what we
10 have today at Gateway Station and the reality of where
11 we are in terms of building our transit structure, I
12 thought there were some other projects that we should be
13 thinking about, where the scale of sort of the in-place
14 infrastructure we have today is maybe a little better
15 parallel to places like LoDo but before Union Station
16 when was just built around leveraging off of Coors
17 Field. The Pearl District in Portland, where they
18 really went in and created an urban neighborhood,
19 leveraging sort of streetcar and Light Rail but much
20 more about being transit-oriented rather than entirely
21 based around sort of a monumental scale station. The
22 Gulch in Nashville is a local or regional example.

23 So as you look at these kinds of places, you've
24 got sort of another series of sort of ideas that I think
25 are relevant to think about as we settle in on what is

1 the vision and direction for Gateway District. You
2 know, first and foremost they all create a destination.
3 These are places that people seek out when they go to
4 the park in those other cities. The scale is actually
5 not all about being huge. It's really a lot about mixed
6 scale, and the fine-grained details that really help
7 create character and interest and draw people into those
8 places. Almost all of them -- probably I should say
9 instead of all -- are entertainment-oriented.

10 The original movement really made South of Market
11 happen in San Francisco, and I lived there at the time,
12 was bringing the baseball park into that part of town
13 and even before you got to the large scale transit. You
14 look at -- example, LoDo. There was also a baseball
15 park that really kicked off the development of what it
16 is now. It's one of the most interesting sort of urban
17 redevelopment projects happening anywhere in the
18 country. And then also when you brought this mix of
19 ingredients, a mixed scale, entertainment-oriented, you
20 started to really see it be an effective tool to attract
21 industry, employment, and in many cases actually
22 bringing new industries into either markets overall or
23 in the parts of the city where they didn't exist before.

24 And then the examples on the previous page, we
25 also looked at all right, we do have a Rail Line that

1 backs up to the site that we're looking at. Where are
2 examples of other projects that have dealt with a
3 similar sort of condition, and I think the good news is
4 that there are other places that we can speak to in
5 reference to we talk to developers that have dealt with
6 a similar set of circumstances.

7 The last piece of the puzzle to kind of talk a
8 little bit about, what to the state of the market today
9 in Charlotte? When somebody looks at what's being built
10 in Charlotte what do they see, either because they've
11 been a participant in this market or they're considering
12 coming to this market? It's a little hard to see on the
13 screen here, but we've gotten a lot of podium stick-
14 built apartments, very much that programmatic approach
15 to development which you heard me talk about earlier.
16 We're starting to see a little bit more high-rise
17 development, a little bit more office of development,
18 but it doesn't really measure up to that sort of
19 standard we saw in some of those other markets in terms
20 of really focusing on public space, the place-making,
21 the fine details at the ground level that make for a
22 destination folks want to come to.

23 MR. LEWIS: Request: When you use the term stick-built,
24 define that.

25 MR. NIESS: I'm sorry. So a lot of the apartments that

1 you've seen have happened along the Light Rail Line in
2 Southend, they're built on a concrete podium where the
3 parking goes, and all the residences are actually wood
4 frame.

5 MR. SMITH: Anything that you see right now, that's an
6 apartment complex that's six levels and above, that's
7 going to be wood frame.

8 MR. NIESS: Stop me if you want to ask anything else. So I
9 think there is kind of a disconnect between the terms
10 and the reference we use for what we want and what's
11 being built in the city today. And I think that's sort
12 of the crux of what we need to kind of come to grips
13 with in terms of how are we going to be successful, and
14 if you really want to commit to that vision of Gateway
15 being an opportunity to raise our game transform a part
16 of the city, downtown Charlotte.

17 So you look to the vision statement that we sort
18 of drafted, and this is the setup of why we've chosen to
19 phrase things the way we have. So you know, not to
20 belabor the point, but so what are the key themes? I
21 think we're seeing a tremendous amount of growth in
22 Charlotte, and design and architecture is inconsistent.
23 I think we're seeing some things that are happening,
24 sort of the second or third version of what's happening
25 in Southend. We are getting more folks in all these

1 apartments being built in and around Uptown, so we're
2 getting more people living in Center City and Uptown,
3 but I don't really think we're at a place where we
4 created sort of great urban mixed use places in our
5 Uptown. We've seen glimmers of the opportunity on
6 Stonewall, but I think there's an opportunity to push
7 further.

8 We've got lots of residential development, but I
9 would argue that there is still a need for creative
10 office space being developed, and I can give you an
11 example, like LoDo, you see a ton of that coming to
12 market. It's really helped that market grow. And we
13 are getting more tips, which I think is sort of part of
14 what makes all this possible, but public space and a
15 placement if it's rounds for the density has been an
16 afterthought in most cases. So I think we need to think
17 about sort of how as we select a partner, as we improve,
18 both come in and talk to us about being a partner,
19 whether or not there's ways for us to really ensure that
20 they understand that that's going to be an important
21 part of whether this is going to be a successful
22 project.

23 I'll pause. That's sort of my context in terms of
24 the legwork, the interviews, and a little bit of sort of
25 a summary of what my take-aways were from that.

1 Anything you want to add, Fran?

2 MS. WEST: No, that's great.

3 MR. SMITH: I think it's solid-state work. If like the
4 context slide, if this is just for us and you're
5 building up to a conversation, awesome. If this is
6 stuff that is going to be part of something we prepared
7 to share with others, then I would want to qualify some
8 of this.

9 MR. NIESS: Well, absolutely. I think that's in the
10 pitchbook, so when we're preparing the pitchbook we're
11 sort of Hey, this is the context that informed why we
12 put our presentation materials together the way we did.
13 And I would absolutely encourage you to say it was, make
14 sure we capture and tell it right.

15 MR. SMITH: And I want to add a tone a little bit, because I
16 think what we're saying there is great for this group,
17 to challenge us to create a place that's not here yet,
18 but in a marketing document I don't think it gives us
19 credit for the things that we've done. So I look
20 forward to us working on that.

21 MR. NIESS: Fair enough. And you'll see first drafts of a
22 video and a pitchbook that hopefully do give us credit.

23 MR. SACLARIDES: This is going to potential developers?

24 MR. NIESS: This is not. This is coming before you to talk
25 about, yes.

1 MS. DODSON: I do think, let me just to that point though, I
2 think what I'm hearing on some of this, and we've talked
3 about this ongoing for months, is we need to put some
4 priorities out there in terms of it's a place we haven't
5 yet created, that's fine, and I agree with what you're
6 saying in terms of qualifying kind of what we have done,
7 but I do think my fear is that we put this out there
8 with a lack of goal that we're asking for too much that
9 we can't then go forth, and so how do we balance that
10 going above creating something that's great but then
11 also not in our big picture.

12 MR. SMITH: I agree. I was with somebody, and Richmond is
13 not our standard, but there were some investors in town
14 today and Richmond -- I hadn't been there in 10 years --
15 and they saw what we can see as we sit here today. And
16 when we're sending this out to institutional investors
17 that may not have been here for 5 or 10 years I want to
18 make sure we're painting that picture.

19 MR. NIESS: Hold that thought, and hopefully we're close to
20 getting zeroed in on that as we talk about the interiors
21 for this ongoing. So sort of a couple key ideas I think
22 is sort of making sure we're in alignment around the
23 idea of the difference between being a true transit
24 center where it's all about this sort of monumental
25 station versus sort of a TOD-driven design. That

1 doesn't mean you don't have a station, but it means our
2 story is about more than just the station. It also
3 recognizes and gives us the ability to tell a strong
4 story, even as we are trying to talk about how we're
5 going to get the Silver Line funded, what is sort of the
6 vision for high-speed rail, what are all those sort of
7 elements that will take us from a couple of transit
8 intersections to something more robust.

9 I think there's an opportunity as well for us to
10 think about this being more than just transit,
11 definitely the image of -- they changed the name -- the
12 baseball park in San Francisco, I think they named it
13 Oracle. It was AT&T but I think it's Oracle now. But
14 it really was the catalyst that transformed the South of
15 Market area. And if you look at the image on the right
16 and you see two incredible pieces of sort of Pacific
17 infrastructure, our football stadium and our baseball
18 park, that I think are big part of the story. And by
19 the way, when you're in the park all in direct proximity
20 is the same, so I think we've got a bigger story to
21 tell, you know. It's not just about transit, it's
22 transit-and, and I think that gives us something else to
23 see too. And the Panthers are absolutely excited about
24 what we're talking about here. You'll see them on the
25 video actually helping us promote the opportunity.

1 And then the other piece, and this is also to the
2 point, Michael, this is just a snippet of a piece I
3 found a few years ago that's sort of selling the
4 Charlotte story. And I think that is a piece that we
5 need to talk about, what are all the things we talk
6 about, why is Charlotte a great market to come to, why
7 is this the next up-and-coming thing, or not even
8 up-and-coming. This city is maybe not getting credit
9 for everything it has done already, but how do we make
10 sure that part of the story is meaningfully told?

11 So this is sort of an image mood more that looks
12 at what are the kinds of ideas that we need to be
13 leaning into, what are the reference points that help us
14 understand what we think the opportunity is. You've got
15 stuff like RiNo in Denver, which is sort of the next
16 neighborhood being developed on the heels of LoDo.
17 You've got places like Dumbo in Manhattan where they
18 dealt with -- in Brooklyn, where they dealt with the --
19 it's a down-under Manhattan Bridge overpass, right? It
20 is not an ideal place to develop, but it is now a hub
21 for great office space, super desirable place to live.

22 Places like South Lake Union that are brand new,
23 and you've got that mix of scales. And I think that is
24 a piece but it's not all high-rises, it's not all sort
25 of conical skyscraper buildings. It's sort of textured

1 that comes from doing and bringing those things
2 together. And it's really great public spaces like the
3 picture, the two pictures on the bottom. That's
4 Whatever Street in Denver and that's another place in
5 Dumbo in Brooklyn.

6 And so this whole idea of the Gateway Station
7 project, the Gateway District, really can be a catalyst
8 for creating a great urban neighborhood in Uptown. And
9 that's sort of the pivot point where it's absolutely
10 about sort of the transit, the investment we're making
11 in transit, but it's more than just that. The cast of
12 this story is something about we create a great urban
13 neighborhood in our town.

14 So I've already hit on all these things, but I
15 think a couple things to reinforce. You know, we're
16 talking about from a transit perspective but more than
17 just transit. We need to make sure in terms of our
18 language that goes back to our audiences, that we stay
19 grounded to Tracy's point, that we don't sort of over-
20 promise to the point where we lose credibility, and we
21 need to be able to be direct.

22 These guys, particularly the scale of developers
23 we're targeting, have done the biggest projects in the
24 country. They're the best, and we need to be able to be
25 honest and forthright in terms of what kinds of

1 commitments we can make. We need to look at our
2 physical context and make sure that we're balancing sort
3 of what we can and can't do there, so how are we taking,
4 you know, dealing with that rail corridor, what other
5 things we're doing to sort of make it as permeable as
6 possible. I didn't highlight it. In the earlier
7 picture I used the highlight. Are there chances and
8 opportunities for us to take some of the rail corridor
9 that's not going to be used in the next decade and
10 leverage it and make it an asset rather than something
11 we've got to work around.

12 And then ultimately, Charlotte is ready for this.
13 It's time. You know, it's really a kind of urbanization
14 that's happening, the railroads you're seeing, places
15 people are coming from, the economics of our market. I
16 mean we are ready for this kind of development, and it's
17 something we shouldn't shy away from.

18 So this is a graphed vision statement and a set of
19 key goals that go along with it. I can't read it as our
20 stream is washed out. Thanks by the way. This has been
21 a team effort Center City Partners has been very
22 involved, technology development team, the CATS team.
23 I'm the sort of person presenting the material, but it's
24 not been me alone.

25 So the idea is that this is an opportunity of

1 catalyzing growth around the City's major entertainment
2 venues. Charlotte Gateway will be a new urban
3 neighborhood and employment hub in Uptown that's
4 anchored by a regional multi-modal transit station and
5 defined by great architecture. And as is always the
6 case with these sort of things, you try to be very
7 choiceful about each word, and there is a reason for
8 that, and we need to make sure that everybody is very
9 comfortable with what were making and it's something we
10 can live up to.

11 And then from a goals perspective we need you to
12 think about sort of the mandate of this committee and
13 propose some ideas to model after the terminal a bit, so
14 it's absolutely this will be an opportunity for a
15 Cadillac kind of growth in Uptown, and we really think
16 about it as an asset not just for Center City but for
17 the region as a whole. This should be a great station.
18 As much as I've downplayed how much it's about the
19 station, that is still a fundamental part of the story.
20 To deliver on what we're saying there will be some
21 participation, so heavy recognition both of the land and
22 any other contribution we decide are appropriate to
23 make.

24 We need to be a good partner to whoever we bring
25 in. And then ultimately, and this is sort of a piece

1 that I haven't highlighted too much, but when you look
2 at a physical context of this Rail Line it has been
3 something that has cut the west side off from Uptown.
4 And there's an opportunity here as we look at this
5 becomes almost a zipper that can start to reconnect the
6 west side to Uptown. We're going to have the Gold Line
7 cutting straight through, kind of creating that
8 connection up Trade, but finding the right partner and
9 telling them that this is one of our goals gives us an
10 opportunity to even better connect everything that's
11 happening on the west side of that rail corridor.

12 And then the images along the bottom are actually
13 renderings we produced. Those are all treatments of
14 certain perspectives for the sale, you know, the area
15 involved that are quite intentional. A couple things to
16 point out here, one, the buildings and whatnot in each
17 one are different markers. We're trying not to be too
18 restrictive as it relates to what we expect. If we pick
19 the right development partner they're going to bring to
20 the table I think the point of view that's important to
21 let them lean on. If we pick somebody that's really
22 about great architecture I think we should let them show
23 us what that looks like.

24 We have also intentionally cast kind of a net
25 that's bigger than the land we own ourselves. Part of

1 the positioning is this is a catalyst for everything
2 that happens around us, and it's a true balance of
3 strength but is recommending to really lead into that as
4 a part of the story. All right, I've done lots of
5 talking so I'll let people respond.

6 MR. SMITH: That's a lot of great work. Thank you.

7 MS. WEST: Any thoughts, comments, feedback on the vision or
8 goals?

9 FEMALE SPEAKER: We probably went to say West End.

10 MS. DODSON: Yeah, and to that point I think it's West End
11 and Third Ward in a sense that the Rail Line, and if you
12 want to do this, that Rail Line is more of a zipper than
13 the barrier that it has been but it's not just a tree
14 street along as well to Third Ward. I would break Third
15 Ward into that.

16 This is getting wordy, nitpicky in other words,
17 but I want to be careful we're calling this the City's
18 major entertainment themes, and I don't want to know if
19 you want to call it sports and entertainment, but we
20 need to continue to draw out because part of the problem
21 I think we're going to have to balance is -- and it's
22 not necessarily the problem is -- as things start to
23 evolve over the years what that is and what district it
24 is confusion around the Gateway District versus the
25 Southern District and all of that, so the more that just

1 our verbiage can link them together in the beginning.

2 MR. NIESS: And you know, when we've drawn sort of that
3 aerial rendering we are putting them together,

4 MS. DODSON: And the renderings do a little more than the
5 words can.

6 MR. NIESS: And that's the one right -- that determines
7 that, and that's all done by digital, and it was a key
8 part of the expo. I think maybe pausing and looking at
9 -- do you want to look at the video so you know how --

10 MS. WEST: Yes, that's where we go next.

11 MR. NIESS: So this was sort of a lead-up where we've
12 started to review some marketing materials that we'd use
13 to proactively reach out to developers -- and so some
14 next steps, and it's a little out of order.

15 MR. SMITH: You just said something really important that I
16 want to make sure we're thinking through. Sometimes we
17 are so careful to not treat anybody unfairly that we
18 stop shy of marketing as well as the free market does.
19 So what you just said there will be a quiet period where
20 we can't do outreach, but before that date starts we're
21 going to have a really intentional effort to go out and
22 make sure we bring the best to the table so that they
23 can be a part of the fair process.

24 MS. DODSON: Yes, and I think it's important that we build
25 off the work that Gene Conti and his team did and put

1 from the phone, can you identify yourselves for our
2 stenographer?

3 MS. WHITE: Sure. That was Julie White.

4 MR. NIESS: That's absolutely a very easy item to fix.

5 MS. WEST: So with that, we'll do the pitchbook?

6 MR. NIESS: Yes. So the idea is that that's a piece that we
7 can use in a variety of different ways. It's something
8 we can put up on our website, obviously the call to
9 action at the end about the developer. We intentionally
10 actually shot more footage of a few others so if you
11 decide over time you want to create a second version of
12 this that's a bit more about the vision because we've
13 got the permission to do that. And then the other
14 piece, and this piece is not 100 percent done -- the
15 video is closer to being ready to make live -- is
16 essentially a presentation. Do you have the single page
17 version? Sorry, bear with me a second.

18 So this is sort of a book that's been written so
19 that if you're not there to present it, it's going to
20 make sense, but it is really intended to be something
21 that you can sit on the table with a development
22 executive and talk to them about the opportunity,
23 because there's another version of the document.

24 MR. HOWARD: Looking at the first page of the Table of
25 Contents --

1 MR. NIESS: Yes, sir.

2 MR. HOWARD: Y'all are going to get in trouble because do I
3 hear the buildings in Charlotte (inaudible) --

4 MR. NIESS: We'll just need to zoom in as they challenge
5 that if we're going to keep it in the spread format.
6 You guys should have copies of both so I'll work from
7 that instead. So the idea is, this is a pool to be used
8 as a conversation with a developer, but it can also be
9 left behind and passed around. You know FrontPage, the
10 right upfront city development opportunity which we're
11 trying to set the stage that for large-scale developer
12 that likes doing big projects to have the opportunity
13 for a hero shot of the city that sort of shows the urban
14 court we have already, and the Table of Contents sort of
15 follows the flow we're talking about.

16 So first and foremost we're talking about what the
17 opportunity is, setting the table with why we think
18 Charlotte is really the kind of place to make this
19 happen, an overview of the project itself discussing the
20 investment the City has already made so we can give full
21 credit for the dollars invested, and then the back half
22 of the book is really about sort of explaining the
23 opportunities and more technical details, so how is the
24 land zoned, what is the site comprised of, what is the
25 commitment of the steering committee and all the other

1 entities that are making to the project itself, what
2 requirements we're going to ask of the developer, what
3 they're going to have to deliver, and then what's the
4 RFQ process going to look like.

5 So just for those of you with the printout in
6 front of you, flip to page 4, it's a project vision,
7 that's the copy that I read out to you. That's a
8 statement of the vision itself. And then underneath
9 this is sort of our call to action. We're looking for a
10 private development partner that understands what it
11 takes to deliver on some of this.

12 The page that's spread between 5 and 6 really
13 talks about sort of the opportunity to make a great
14 urban neighborhood, so we talk about what are the
15 characteristics of the site that make it compelling, and
16 then use some reference imagery in terms of other great
17 urban neighborhoods to help people understand what we've
18 got in mind.

19 And then you flip to 6 and 7 and it becomes the
20 Charlotte story, so this is sort of an infographic light
21 spread that talks about why Charlotte is vibrant,
22 growing, fun, global, and a real talent magnet. We've
23 gone through and culled from Center City Partners, state
24 of the center city report and other sources.

25 MS. WEST: And we're still working on some other data to add

1 to this that is not in the pitchbook right now. It's
2 still in very draft form. It's when we hope to have it
3 finished end of this week or early next week, so if
4 there are thoughts around the data that is a shown we
5 welcome them or other key points that really help tell
6 the Charlotte story.

7 MR. HOWARD: Well, Julie already picked up on one, Fran, 48
8 percent walk to work? Is that even possible?

9 MR. NIESS: I think that came from the Center City --

10 MS. DODSON: That's what I was going to say, is some of
11 these issues read through them, we need to qualify if
12 talking about 40 percent living in Uptown and walking to
13 work. It could use just a little bit more clarity about
14 whether we're talking about citywide versus Uptown, and
15 you do it on some.

16 MR. NIESS: Right, and the intent with this spread, it will
17 probably add a few pounds, right. You don't need all of
18 this, so probably somewhere more along 4 to 6 that are
19 sort of the most impactful.

20 MS. DODSON: One other thing, there's a couple of quotes
21 that we might be able to pull from an employment
22 standpoint as well as our resident survey. So what are
23 our residents saying, and I don't know if it fits in
24 here or somewhere else, but why do they live in
25 Charlotte, why do they love Charlotte, that kind of

1 thing, and the same thing with unemployment. Mike did a
2 good thing on the video, but are there some quotes that
3 we can put in?

4 MR. NIESS: We've got some good ones.

5 MR. HOWARD: We've got some that we've used too, some
6 testimonials.

7 MR. NIESS: So then you move on, and it kind of gets into,
8 on page 8 and 9, sort of the description of the project
9 itself, and clearly you see XXX. We're working through
10 sort of what --

11 MR. HOWARD: (Inaudible.)

12 MR. NIESS: So again, there's time to fact-check this. As
13 you can tell, it is absolutely still a draft, and what I
14 would love for people to do is just circle what
15 resonates, X out things that you think are suspect or
16 not compelling, and then when you flip to the next
17 spread, it's really -- this gets into a description of
18 the site. So there's a little bit of marketing language
19 on the left that sort of is the rah-rah piece, but then
20 we're transitioning into more of the nuts and bolts and
21 we need to have a good succinct description of what the
22 development opportunity is: How big is the site, what
23 can you build there, and what are the attributes of that
24 site that exist today already. So when you look at sort
25 of the other side of the page it gets into things like

1 transit connections, the amount of pedestrians that walk
2 through the site, the number of events that are
3 proffered.

4 MR. HOWARD: I was going to ask about that walkway, talking
5 about pedestrians. Don't we know that?

6 MR. NIESS: Well, the walks were in the factoids, and Uptown
7 has got walk score of 93, according to the most recent
8 data according to the Center City report. It's probably
9 dropped as well, so we'll look at the site and see what
10 -- but yeah, exactly right, so we're working on fleshing
11 out those details right now. That's one of the things
12 that Fran is working on.

13 And the next piece is kind of a setting in context
14 of what's already been invested. So I think there's a
15 transit story, there's a lot of money that has been put
16 into setting this project up for success. We should be
17 into some of the left-hand side of the page, page 10.
18 It talks about the transit infrastructure takes credit
19 for, the baseball park, the football stadium, Bearden
20 Park, rail trail, because I do think that as you look at
21 this we need to think about where it is connected from a
22 pedestrian perspective, and on the right-hand side is
23 that animation you saw on the video.

24 MR. HOWARD: What about the efforts Pacific made to cover
25 transit, isn't that a story to tell and tell that other

1 people are involved to the point that we see this number
2 and that's what's on the transit line?

3 MR. NIESS: Yeah, if we've got that data, then it would be
4 great to have it.

5 MR. LEWIS: Yeah, we have that along the Blue Line.

6 MR. HOWARD: Now, is the transit story --

7 MR. LEWIS: We have some preliminary numbers that North --

8 MS. WEST: Yeah, we should all that great comment buyers we
9 have the investment Third Ward on here.

10 MR. SMITH: Julie pointed me on something Charlotte has a
11 public-private partnership, so wouldn't it if he good to
12 say something to let them know that they don't have to
13 be scared to come work for us because --

14 MS. DODSON: Then I think we should call at some of the best
15 examples --

16 MR. NIESS: I think that's a good point.

17 MS. WEST: Great points, David.

18 MR. SMITH: We're not used to this rodeo. It's crazy but I
19 think we have to do it.

20 MR. NIESS: And by all means, guys, mark this up, send it
21 back, any other notes you ever want, anytime. We'll get
22 to the schedule here in a minute. We don't have a ton
23 of time, but we're putting this in front of you because
24 now intentionally to make sure that you guys, if there's
25 things that you think we need to be adding there's a

1 limit.

2 MS. DODSON: I really want this to be an error even though
3 you have this because when you're talking to people --
4 and to David and Julie I'm talking about the map -- when
5 you're talking to people, and I know these are culled
6 out but instructed to point to an area --

7 MR. NIESS: Well, why don't we flip to the next page
8 actually is "Partnering to Create Success For the
9 Private Sector," page 12 is that aerial of

10 MS. DODSON: Yes or no because you can't look at it and say
11 -- well, you could point to it and say let's generally I
12 just think that people are not completely comfortable
13 with Charlotte at this is helpful too in terms of new
14 development. I like this.

15 MR. NIESS: So we did intentionally sort of do a map and
16 then an aerial at the track and give you pools to work
17 with. If they're not working tell us but that was our
18 thought process.

19 MR. SMITH: Somebody that is not oriented, let's orient them
20 the best way we can.

21 MS. DODSON: I love the aerial that you have that shows
22 again proves that we are a strong market, but again if
23 you're really trying to orient somebody, I'd focus on
24 I'm thinking we're looking at the site and I'm still
25 like this didn't work.

1 MR. SMITH: Do you know what you might be able to do is
2 again this image that shows the progress and little
3 further and insists on this page and then maybe use this
4 and this used as a spread and it actually like blows it
5 out to this --

6 MR. NIESS: Like pull it out?

7 MR. SMITH: No, I agree with know for similarities

8 MR. SACLARIDES: Color highlight whatever is in the actual
9 area itself because I'm thinking the same thing. When
10 I'm looking at this I'm thinking which is --

11 MS. DODSON: Which direction am I going.

12 MR. SACLARIDES: -- what am I talking about, what is it
13 we're looking at here, is it all of that's being
14 developed or just the piece, the 12 acres.

15 MR. NIESS: So as you may want to page 13, that is sort of
16 the dive into the site itself, Actually, we're filling
17 in the gaps in terms of how we describe they keep it
18 super basic, how big is it, because if you think there's
19 other relevant details you can be definitive on we can
20 certainly add that table, but the idea is to keep it as
21 easy as we can move.

22 MS. WEST: So Phase 1 is the track work that is happening
23 now. Brian can get to that more, but that's the work.
24 What you see here is the land, I believe. It's the
25 latest exhibit we have it again. This is still in draft

1 form so it needs to be checked.

2 MR. NADOLNY: Yeah we need to tweak it a little bit as far
3 as what should be in blue.

4 MS. WEST: But generally it's the track work associated to
5 move the Amtrak station.

6 MR. NIESS: Let me get to page 14 and 15, and now we're back
7 to sort of where we were, which is what are the
8 financial pools that we can bring to the table, what's
9 the value of the land we can contribute, and what are
10 the other resources that we can discuss to help bring
11 this in place. On the facing page what are we going to
12 require, so if all that sort of mixed use, public space,
13 radar detection, specifically what they need to provide
14 in terms of the station, are there specific requirements
15 we just call out?

16 MS. WEST: Or are those the right ones?

17 MR. NIESS: Yes, but to look at this spread it seems what
18 we're going to do on the left-hand side that is what
19 we're going to do on the right-hand side of that's what
20 I want to talk about. Clearly big plans right now, but
21 that's the piece that we're working on filling out.

22 MS. DODSON: David, we talked about this, this morning. I'm
23 not comfortable going out unless we are very clear on
24 what we have to work with as far as financials. I mean
25 to me it's pointless, so that comes with a valuation of

1 the land, disposition from the State, disposition from
2 the City, and what other tools do we have. And John and
3 I will go through that together, but unless we're clear
4 on it we're going to go nowhere fast, in my opinion.

5 MR. HOWARD: So I just had a chance to mention it to Allan
6 and Craig when we got in here. The appraisal, Allan, do
7 you want to talk about where the appraisal is?

8 MR. PAUL: The appraisal is close to being finished, and the
9 Charlotte office appraiser will present that to the rail
10 division shortly. We'll do the internal review on it,
11 and then share with our friends in Charlotte hopefully
12 within the next week to 10 days.

13 MR. HOWARD: Tracy, I did confirm that the money we had from
14 NCDOT was for track work, so there is no monies I guess
15 to help with the station for months would be the
16 position they're taking on our land, I guess

17 MS. DODSON: So then we need to get clarity then on the
18 disposition. I know we talked about this, I feel like
19 we talked about it multiple times. We need to get clear
20 on the valuation, but then how does the disposition take
21 place, what are the requirements around that so any
22 developer can kind of anticipate that and how it impacts
23 valuation?

24 MR. HOWARD: I will ask again, but if I'm not mistaken,
25 there is very little chance that we can sell the land

1 without it going to the highest bidder. I think Jean
2 asked for something. Do you guys know something about
3 that conversation?

4 MS. DODSON: No. I remember that.

5 MR. HOWARD: Well, no, I'm asking Craig now.

6 MR. NEWTON: That is a state law, so unless there's some
7 special legislation passed that will allow the park not
8 to go the normal route of selecting the highest and best
9 offer, that would work.

10 MR. HOWARD: So the only way we can control this is to leave
11 this because we don't have the same parameter when we
12 sell it. I mean, again, we could be in a situation
13 where we have somebody come in with a program for
14 developing the space that we like and then having
15 somebody separate in the fight because they offered more
16 money.

17 MR. SMITH: All right, so what about the option, this is
18 flow of consciousness, but do want to try to get the
19 land into the hands of the City? Does the City have
20 more options? You guys don't have to do upset bid.

21 MS. DODSON: No. And I think, David, the next question is
22 let's just say, perfect world, developer goes to the
23 highest bidder, that's the same person, then what are
24 y'all doing with the money? Are you putting the money
25 back towards the station; is that all agreed upon, is

1 there a portion of the money that goes back toward the
2 station? I mean, what is the expectation there?

3 MR. HOWARD: I think that you asked a good question, not to
4 say although even if they leased it, what do we do with
5 those proceeds?

6 MR. NEWTON: They will go back to the project.

7 MR. HOWARD: So I mean one way or the other I think the
8 answer to what Allan is saying is yes. And the project
9 being on all of the land, it can go back to just the
10 station because all the land was bought for the station.
11 It didn't have to go to --

12 MS. DODSON: I'm sorry, and I guess --

13 MR. HOWARD: It would go to the station and not to other
14 improvements is what I'm saying. That would be our
15 contribution for the station, not towards the
16 infrastructure, First Ward, not -- it would be for our
17 use, which is the station.

18 MS. DODSON: Okay. And I think that's where we just need to
19 make sure that within this and the document, that we're
20 clear on that.

21 MR. PAUL: Yes, we need to define what the statement like
22 that means.

23 MR. HOWARD: Wait a minute. I want, Craig and I, we should
24 write that so we have that and that's clear. So the
25 State would ask for -- he would have to take it to them

1 to ask for the proceeds to go back, so we should write
2 that so we understand what the steps are so you guys are
3 clear too.

4 MS. DODSON: And David, let me ask you this, is we don't
5 quite know what will be brought to us as it relates to a
6 station. I'm just going to throw this out there --
7 could you ask for that the money goes back to that block
8 within the station and then clarify that obviously it
9 doesn't necessarily go towards a hotel or it doesn't go
10 towards another use on that block, but it then allows
11 that if a station -- really what we would all then
12 clarify as the developer brings a vision for is the
13 station might need a great plaza space or it might need
14 a conduit out of a portion of the building, or I mean,
15 there's a lot of different ways to --

16 MR. SMITH: There's a lot of ways of circulation.

17 MR. HOWARD: I hear what you're saying. I understand. You
18 don't want to say dollar -- you don't want to count the
19 dollars and pennies that went into that part of it.
20 Allan, what are you thinking? I mean, so what's she
21 saying is she wants to make sure the thing is, well, it
22 may not be close the door and this creates this space to
23 this space. It may all flow together like at Union
24 Station. How do you -- is that okay?

25 MR. PAUL: As long as there's a transportation hook we can

1 get it through.

2 MR. HOWARD: Okay. I mean, you probably have to deal with a
3 square footage issue and make sure that you can say it
4 would be attributed to supporting the transit station.
5 There's got to be some -- I think it's just nebulous.

6 MS. DODSON: No, I'm with you. I think we'll put some
7 parameters around it, but I think we just want to leave
8 some flexibility because, again, as it relates to
9 station it would be so many different things.

10 MR. SMITH: So that requirement of upset bid, do we have
11 confidence that we've worked through that enough that
12 we're going to be able to -- because we just spent a lot
13 today talking about some really high expectations, but
14 if the constraint has to be who's also willing to pay
15 the most and win successive upset bid competitions --

16 MR. HAHN: There's two different kinds of processes.

17 MR. HOWARD: That's what I'm saying, Michael. That's the
18 reason I'm talking about a lease because I think what we
19 found out is that we can control the terms of a lease
20 more than we can a sale.

21 MR. SMITH: Okay, so a lease does not require an upset bid
22 process?

23 MR. HOWARD: That's what we understand. We still have to go
24 through a competitive process.

25 MR. SMITH: This is Michael Smith. I'm asking John

1 Saclarides if he's got a response to the fact that this
2 would be a 99 year lease versus direct sale.

3 MR. SACLARIDES: Should be, particularly with the landlord
4 behind us.

5 MR. SMITH: Okay.

6 MR. HOWARD: I like you already, John.

7 MR. SMITH: Does it still have to -- if it has to go to the
8 highest bidder or whatever, I guess the City is not
9 encumbered by that, is that right?

10 MR. SACLARIDES: That's right. You could put out something
11 that says these are the components that we expect --

12 MS. DODSON: Right.

13 MR. SACLARIDES: -- and therefore bid it, making sure that
14 whatever you're going to propose has those components in
15 it.

16 MR. HOWARD: So you would say the green is to be purchased,
17 you would say that the red can be leased. I mean you
18 would have to put those parameters on it.

19 MR. NIESS: That's maybe a third column or row that goes on
20 that site plan where you're describing.

21 MR. SACLARIDES: And when you go through the lease process
22 it has to go through a competitive process there as well
23 then, right?

24 MS. DODSON: Or would we say this RFQ/RFP process would be
25 the competitive process, is that what --

1 MR. HAHN: The question would be whether or not it has to be
2 the highest bid.

3 MS. DODSON: Yeah, that's what I mean, yeah, it isn't.

4 MR. HOWARD: And I'll just point out something else that I
5 forgot about. If we got into the sale, by the way,
6 because it was condemned, some of it, do you get into
7 tracing it back to the original owner and that thing,
8 that we have to do whenever we dispose of the property?
9 So that's another reason why that could be complicated

10 MR. SMITH: Is there a way to get this, like would the State
11 ever be comfortable with transferring this property to
12 the City to utilize its more expanded powers in the
13 selection of a partner or the sale of land?

14 MR. SMITH: So we just sold property to the City, we didn't
15 give to the City, so I won't be giving anything.

16 MR. NEWTON: That, again, would probably require some kind
17 of a legislative approval in order to dispose of City
18 property with no return.

19 MR. SMITH: What if it wasn't no return but it was an
20 investment into the project, so almost contribution of
21 equity towards the creation of a transportation asset?

22 MR. NEWTON: Michael, that's a possibility but again,
23 because it was 100 percent state funds to purchase the
24 property and may change from the General Assembly, you'd
25 have to go back to them to get permission to do so.

1 MR. SMITH: I understand

2 MS. DODSON: Okay, so not to get stuck on this, but this is
3 something that, Brad and Julie need to figure out
4 internally who can work with David and David's team. I
5 think you guys have a good understanding of what you can
6 and can't do, but I think we need to start to get this
7 on a piece of paper along with what the City can and
8 can't do that, so that as we're shaping this out it
9 starts to get clear.

10 MR. NIESS: Well, this is exactly why I put that slide in
11 our audience, in that second set of goal points, what's
12 going to matter to them, and one of those ideas is a big
13 amount of risk, right, and they're going to want to
14 trade off and say, all right, so you want me take on
15 this big complicated project and all of a sudden in
16 becomes a much less attractive proposition for the town
17 which we're trying to attract.

18 MS. DODSON: Yes. I think we just need to outline what the
19 -- we need to run a couple of tracks between can City
20 and State work together to simplify this, is question
21 number one; and then number two is what are we going to
22 put out there in terms of the options. If we can't
23 simplify it under one ownership then what are we going
24 to put out there as the State options and the City
25 options?

1 MR. SMITH: Yes, and is it easier for the State General
2 Assembly to contribute the land, sell the land, or is it
3 easier for them to grant permission for this to be sold
4 through an RFP process that is difficult --

5 MR. HAHN: Special legislation.

6 MR. SMITH: Yes, because the County has done that.

7 MR. HAHN: I heard may be the best option. I mean, if you
8 can get it out in the next six months of that session
9 that may be easier than some of these other things we've
10 been talking about.

11 MR. SACLARIDES: I like that too.

12 MR. HAHN: It's going to hold it up a little bit, but that's
13 really what we need in order to do it like this with an
14 RFQ and RFP and all that.

15 MR. SMITH: And they have given the County that right for
16 selective preference, so it's not unprecedented.

17 MR. NIESS: If we can maybe flip to the schedule because I
18 think that's an important reference. So the last two
19 pages of the book are how are we taking our short list,
20 and so sort of the theory of doing this on a short list
21 is the no concept portion, the thought being we want to
22 get the right department to the table before we ask to
23 spend the huge amount of dollars.

24 And then the schedule is the next page, right, so
25 this is exactly the point you guys are talking about.

1 We can get very explicit and say we want the right kind
2 of developer that's got the experience, the broader
3 team, the financial depth, a commitment to the market
4 and the project, and an approach that we think is going
5 to match the vision and give us the best opportunity.
6 So that's very thoughtfully put together, and that's not
7 a super time-intensive package for a team to prepare,
8 and then you can go to a short list and ask them to do
9 the work. But that's got to be sort of dove-tailed with
10 being able to give them some degree of certainty amongst
11 other questions that you guys are starting to break
12 down. We need to kind of make sure that we're thinking
13 about how those two timelines work together

14 MS. WEST: Schedule brought into your list about those final
15 selections, and this is all for comment, the criteria
16 and the schedule, it's just a starting point

17 MR. NEWTON: Two-and-a-half months for what I normally call
18 the RFP for them to put together this kind of proposal
19 is an investment of time and money and hiring
20 consultants, so that might be short. And also, I don't
21 know that people are used to hearing that developers are
22 used to hearing that, if they're used to hearing RFQ.
23 They are more used to hearing RFP.

24 MR. THOMAS: Yeah, well, the reason we did RFQ is because it
25 would include an architectural and engineering component

1 to it and so -- which requires it, because there's
2 federal interest involved, so we did RFQ.

3 MR. HAHN: But that part would also be in theory part of the
4 RFQ Part 1 where they're bringing their team together
5 and all the architects would be part of that team so you
6 would have already gone through that process. Now, when
7 you pick that team, they are actually designing it and
8 putting the proposal together. And then the
9 qualifications should have already been satisfied by the
10 Part 1, what I was seeing as Part 1.

11 MR. THOMAS: Yes, we aim to do a two-step process, where we
12 do the short list via the qualifications from the
13 request to give active criteria listed, so those firms
14 can present that background and experience.

15 MS. DODSON: I think maybe a way you can do it, because I
16 know what you're saying, is say publish the RFQ/RFP
17 Part 1, and then underneath that you if could say the
18 qualifications or give some kind of understanding what
19 that is so the development community understands it's
20 the normal, even though it might be called out something
21 different.

22 MR. HAHN: I guess I'm going to need to hear more about what
23 you're talking about in terms of the requirements for
24 selection of architects in this context, because who are
25 you with?

1 MR. THOMAS: I'm Brad Thomas from the City attorney's
2 office.

3 MR. HAHN: So normally the City is not hiring an architect,
4 they're hiring a developer. So you're not using the
5 Brooks Act for selection of architect-engineer, and
6 you're not contracting directly with an architect-
7 engineer. You're contracting with a master developer.
8 So that should be the case --

9 MR. THOMAS: When we looked at this, though, we felt that
10 because there is a federal component to it, that we
11 needed to comply with the Brooks Act because there was
12 architectural and engineering, you know, that would be a
13 part of those qualifications and so we wanted to include
14 that.

15 MR. HOWARD: I'm confused.

16 MR. HAHN: I've never heard of that before with a
17 development situation where you're doing an RFQ and RFP
18 first. That's the irony in contracting with a master
19 developer. Usually they're hiring their own architects
20 and qualifications. You're picking a team based on
21 qualification but you're not picking an individual
22 architect because you can't, you're picking an entire
23 team under a master developer, so that probably deserves
24 some more research. And we can talk further about that,
25 unless the federal part really messes it up somehow and

1 has its own -- I mean the Books Act is a federal law,
2 but that's also state law. County and City both do that
3 when they hire architects and engineers, but in the past
4 I've been on several committees that have done this.
5 That's never been a requirement before. So it just
6 needs some more research probably. I'll look into it.

7 MR. HOWARD: I'm also confused about what you're saying. So
8 are you saying that the RFQ process is going to go all
9 the way through, so we're not going to short-list until
10 August or September?

11 MR. NIESS: Yeah, the final -- according to the schedule
12 that's on the document we sent, the final selection is
13 happening in September. You're short-listing
14 essentially at the end of May, and you're giving the
15 short list an opportunity to respond to additional
16 requirements to make the final selection, which are
17 going to be more conceptive, a little more into what you
18 envision happening on this site. That was the intent.

19 MR. HOWARD: I think it's confusing to call it an RFQ all
20 the way through. Shouldn't we just call it an RFP all
21 the way through this, so we've narrowed it down based on
22 the first feed, and then we're making a final selection
23 after that. I don't think the development community
24 could follow that. So what we're really asking you is
25 to see if you qualify and then you're going to give us

1 additional responses to see if you qualify to be the
2 person. Isn't the language in there more an RFP more
3 than an RFQ?

4 MR. HAHN: Developers are definitely used to an initial
5 request for qualifications where they give all of their
6 experience and past projects they've worked on. They
7 show their team, the architects they have chosen, the
8 housing -- or developer they're bringing along, office,
9 whatever. They put together that team and then you're
10 choosing a short list based on all of those
11 qualifications and past experience that they've given
12 you. Then you ask for proposals, again the financial
13 phasing, and the pro forma. That's where they put all
14 the money into it, and they're very used to hearing
15 that, RFQ and then RFP. That's very common.

16 MS. WEST: We will put that --

17 MR. NIESS: By all means. We originally were using our
18 language, and we're

19 MS. WEST: We just need to work with our team.

20 MR. NIESS: -- we're told that there's rules around when we
21 can use a Q and when we can use a P, so we'll just keep
22 using --

23 MR. HAHN: He is going to need the Q in the first part
24 anyway probably to some extent.

25 MR. NIESS: So this is sort of the schedule, and maybe the

1 other item on the agenda that's important to talk about
2 is exactly what Michael said earlier. It's the recruit
3 piece that we have to apply, and there's a little bit of
4 a chicken or egg that I'm not quite sure how to resolve,
5 but looking at committee members, folks like Tracy and
6 Michael and David, who will be doing a fair amount of
7 that outreach, are you comfortable you're going to have
8 a clear enough story in terms of the facts with the
9 opportunity to start making phone calls in the next ten
10 days?

11 MR. SMITH: Yes, with the assumption that we're going to
12 resolve this issue, so I will suspend this belief.

13 MR. NIESS: And we're pushing hard to get this book to a
14 place where you're comfortable using it, and we've got a
15 list of organizations we've developed, and we're
16 essentially going to need to start to schedule calls.
17 And in certain circumstances face-to-face meetings would
18 be ideal.

19 MR. SACLARIDES: How would we get comfortable with, or will
20 we get comfortable with the different types and amounts
21 of development in the 12 acres?

22 MS. WEST: So size and scale of what can be built.

23 MR. SACLARIDES: How many units, how many square feet of
24 office, how much retail, you know, so when we pitch or
25 go talk to these folks, is it office heavy, is it

1 entertainment heavy, you know that may make a role in
2 it.

3 MR. NIESS: I mean, that's one of tricky things we're trying
4 to figure out. It's pretty wide open. It's almost all
5 you want --

6 MR. SMITH: How you want the market to respond, that we're
7 sharing what our values are then we want to see what the
8 market can support.

9 MR. SACLARIDES: And we can zone it however we want to zone
10 it.

11 MS. DODSON: I think to me the way that I would explain it
12 is it's talking about starting with the zoning and then
13 talking about the goal in this is to try to keep it
14 flexible and not overprescribe it to make it more
15 uncomplicated because it's already complicated enough,
16 and then let the market bring to us. So again, when I
17 explain this I say well, we want a station and we want a
18 station that follows these values, and then go there
19 from the zoning rather than, you know, we've modeled it,
20 do you think you can fit?

21 MR. SMITH: So as of writing this is what could be done, and
22 let them kind of mold it, and if they want to do some
23 sort of variance with that section --

24 MS. DODSON: We need to confirm the zoning.

25 MS. WEST: And that's going to be in the pitchbook.

1 MS. DODSON: Not all the pieces so probably some upgrades I
2 would guess.

3 MS. WEST: Yes.

4 MR. SMITH: And I don't know how technical we want to get on
5 the zoning piece. Like there's a part of me that says
6 that doesn't even belong, because they are going to
7 assume that if they're riding along in the city that
8 you're going to help them get whatever rides they need.

9 MS. DODSON: Yeah. I don't think you get into the exact
10 zoning classification. There's a way to describe the
11 zoning, so starting with some of the zoning that doesn't
12 limit density. I mean, that would kind of -- if you're
13 talking about it, it's not limited, so that to me is
14 enough explanation to get me excited to say okay.

15 MR. HAHN: I want to go back to what we were talking about
16 earlier, because I think I see the complication. You
17 all are trying to hire an architect specifically to
18 design the station? Like will it remain city property
19 or state? No? So who will own the station, the
20 developer?

21 MS. WEST: Well, we haven't yet, haven't --

22 MR. HAHN: I think that's to be determined, right?

23 MS. WEST: To be determined.

24 MR. HAHN: I want to explore this too. You wanted federal
25 money going toward the station, the City owns it, that

1 would be the complication.

2 MR. THOMAS: Yeah, there is federal money in the land that's
3 the main block of parcels, so that's part of it.

4 There's also federal money in the parcel too.

5 MR. HOWARD: And I will tell you all that that's one of the
6 things that the City of Raleigh will tell you it
7 (inaudible) without a doubt, because one, they didn't
8 think about who would own the Raleigh Union Station and
9 they've ran into now being leasing space and they're
10 talking to retailers. I mean, you know, they didn't
11 think that through. One of the pieces of advice they
12 gave us was to think that we would own it and operate it
13 from the beginning, and maybe that's something we put in
14 the requirements too.

15 MS. WEST: So back to your initial complaint was to make
16 sure our team understands, your comfort level with the
17 video and the pitchbook is good. We could work out the
18 kinks, but really the understanding that ownership and
19 the opportunity itself, so you can pitch that is what
20 you need, is that right?

21 MR. SMITH: I'd say video 99 percent, pitchbook let's go
22 back through. You've got a great framework. Our team
23 is glad to pitch in.

24 MS. WEST: Oh, they have. They've been great.

25 MR. SMITH: We're thinking about are our options if we're

1 going to go to the State to ask for something. One
2 route that this could go, you know, what drives every
3 development is the tenant. So if we actually were able
4 to deliver a tenant that wanted a headquarters location
5 that kind of drove everything else, we would have to
6 have rights that we don't have right now to influence
7 that. So anyway, when we're contemplating going to the
8 General Assembly I'd love for us to consider how do we
9 get that tool as well; does that make sense?

10 MR. HOWARD: Why are you going to the General Assembly,
11 Michael? You scare me when you say that.

12 MR. SMITH: Well, I thought that's where we arrived with,
13 like if we end up with do we have to honor an upset bid
14 process, I think our values are not going to end up -- I
15 don't have enough certainty that our values end up in
16 the product that's built, because it's this giant hurdle
17 that we would have to find some other way to influence
18 the process so we're trying to eliminate that
19 requirement, which we would do by the State giving staff
20 the authority to do it without the upset bid process for
21 this one project, or we change who owns it and who's
22 conducting the RFP/RFQ. Are you guys still there?

23 MR. HOWARD: Oh, yeah, I'm just talking to Julie, so the
24 only reason we would have to go back is if we get into
25 selling. None of us believe we have to go if we lease.

1 MR. HAHN: Unless the lease is competitive to the point that
2 it has to be the highest amount of the lease, which
3 you're right back in the same boat again. If the
4 developers know that they have to bid for a portion of
5 this for lease or sale and that that's a key criteria to
6 the highest bid, it changes the criteria for everything
7 because it's essentially two different processes. One
8 is looking at quality and design and urban spaces, and
9 all the jazz we want, and none of us looking at only the
10 highest, and it's almost like two different processes,
11 two different pieces to the same development. It's very
12 complicated that way, I think.

13 MR. HOWARD: Let me clarify something. So for instance, we
14 actually have there was parking left over in First Ward
15 that we actually in our Fourth Ward that we leased.
16 Because that lease was to the private sector, if we did
17 have to do a competitive nature, what we we're talking
18 about is leasing it to the City, so it's kind of the
19 same thing you were talking about. It's kind of obeying
20 leasing, but if we do it to the City we're thinking here
21 that they don't have that -- (overriding conversation in
22 the room). You can reach another government entity in
23 control, so that's what we were talking about, nothing
24 to the developer, kind of what you were just saying.

25 MR. SMITH: That's the question, whether the people loaning

1 money are okay with now you're a sublease on a lease, by
2 the way, and that would be a question for John.

3 MR. HOWARD: Hey, John?

4 MR. SMITH: John just had to leave, so to say it back to
5 you, the idea is the State would lease it to the City at
6 a to-be-determined rate based on what the City was able
7 to lease it for, and all the proceeds from the lease
8 would go back into the station.

9 MR. NIESS: We need to make a plan.

10 MS. DODSON: Yes, I think what we're more concerned with,
11 David, is we really need help getting these potential
12 options onto paper.

13 MR. HOWARD: We know.

14 MR. SMITH: I don't even know if options are what we want.

15 MS. DODSON: No, I'm not saying we put options in that, I'm
16 just saying we need to start -- (overriding conversation
17 in the room).

18 MR. SMITH: I think we need to look at options and make an
19 election.

20 MR. HOWARD: So what Allan is saying that once we get the
21 appraisal back that now we have an informed conversation
22 with our general counsel and with the AG's office, so we
23 know we can do that and we'll put it in writing.

24 MS. DODSON: Okay.

25 MR. NIESS: But to put a fine point on it, are you guys

1 comfortable calling on people before you have that
2 information?

3 MS. DODSON: No.

4 MR. NIESS: Then the whole schedule starts to go sideways.

5 MR. HOWARD: Allan thinks that we can do that in the next
6 two weeks.

7 MR. NIESS: All right. So what I will request, just kind of
8 hearing what -- I understand it's been is let's be
9 buttoned up on who we want to reach out to so that the
10 moment we can let go, we go. And that's a little bit
11 specific request for folks. We've got our starting
12 point list of about 25-30 organizations that we can fit
13 the criteria, and I want be able to make sure we didn't
14 miss anybody. If you know folks there that you think
15 want to, just call it out.

16 MS. DODSON: Yes, David.

17 MR. HOWARD: Allan's just saying that I thought some of you
18 are coming up to City Council, and he wants to know if
19 you-all are coming up on the train.

20 MS. DODSON: I don't know if we're coming on the train or
21 not. I will let you know. It depends on when we're
22 leaving. John and I are sitting here comparing
23 schedules. I think that David, I'll call you off-line
24 but I think we may need to set some time aside next week
25 while we're there to talk about some time aside next

1 week while we're there to talk about this stuff, as it
2 relates to the disposition.

3 MR. PAUL: I think we're offering to say so bring all you
4 want --

5 MS. DODSON: Okay. There are a couple I do know that may be
6 interested that, have expressed an interest.

7 MR. HOWARD: And they can take a tour of the station too.

8 MS. DODSON: I don't think we're coming out of the room for
9 three days. Are we done?

10 MS. WEST: So there are a couple things that we didn't get
11 to. One of the things that we need to do is formalizing
12 core working group for this, so I have a draft of people
13 and then I saw Brad Thomas walk in the room, his name
14 wasn't on that. There are people I need to add, so I
15 will circulate that out to everyone. If you can think
16 of anyone else that needs to be on it, the purpose of
17 this group is to get together every two weeks to check
18 in, to give out action items, make sure we all stay
19 accountable, report out to the steering committee, work
20 on tasks for the steering committee and report back.

21 MR. HAHN: Do you want us to take action on this?

22 MS. WEST: I don't think so, not right now. I need to
23 formalize the list if possible I think. And then
24 anything new that we need to talk about with Phase 1,
25 Brian, Brad?

1 MR. NADOLNY: I don't think there's anything major. It's
2 going pretty smoothly right now

3 MS. WEST: Good. And then Silver Line, the recommended
4 alignment goes to the MTC tonight, and then -- for a
5 recommendation, and then it'll go for approval at the
6 end of February.

7 MR. PAUL: Good luck, guys.

8 MR. SMITH: John, bring it home.

9 MR. LEWIS: Thank you.

10 MS. DODSON: So with that, our next meeting is the end of
11 February and I think we are good.

12 MR. HOWARD: Are you sure you don't want us to do something
13 like vote to move forward based on something so we don't
14 have to wait till the end of February but RFP to be
15 released one weekend? Are you going to do a call
16 meeting? How do we handle that?

17 MS. WEST: So right now I have the RFP being released the
18 day after our next meeting, or the day of our next
19 meeting, so we will work on that diligently. We need to
20 pick a land strategy together and then --

21 MR. HOWARD: We need a draft.

22 MS. WEST: Yes, and then we can start to shape that out, and
23 the goal would be that we would release it at the next
24 meeting. But we need to make sure that our marketing
25 strategy fits into that schedule as well because if we

1 don't -- if we cut our marketing strategy in time short,
2 then I think we may be doing ourselves a disservice. So
3 we'll go back and look at the schedule based on our
4 conversations today and send out a revised one.

5 MR. SMITH: For me, this intentional and this -- do this
6 kind of -- make sure we have enough time.

7 MR. NIESS: We need 30 days. I mean, if you really want to
8 go out and recruit folks and make sure that we're doing
9 the best job we can to get the highest, you know, a good
10 group of super-high caliber type of respondents we need
11 to give ourselves 30 days.

12 (A motion to adjourn was made by Mr. Howard and
13 seconded by Mr. Lewis. The motion carried
14 unanimously.)

15 (WHEREUPON, the record was closed at 3:24 PM.)

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STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

CERTIFICATE OF REPORTER

I, SALLY W. LOWRANCE, CVR-M, Notary Public, do hereby certify that the foregoing meeting was taken and transcribed under my supervision and direction, and that the attendees were present as stated.

I do further certify that the foregoing 59 pages constitute a true and accurate transcript of the testimony.

This the 12th day of February 2019.

SALLY W. LOWRANCE, CVR-M

Notary #19971610098