

Tuesday - May 22, 1990 - 4:00 p.m.

Regular Meeting

Present: Vice-Mayor William G. Moore, Presiding; Councilmen Mary

Lloyd Frank, Eugene W. Ellison, William W. Estes and Norma Price; City Attorney William F. Slawter; Assistant City Manager Charles Penny; and Associate City Manager/City Clerk William F. Wolcott Jr.

Absent: Mayor Kenneth M. Michalove, City Manager Douglas O.

Bean and Councilman Wilhelmina Bratton

### **INVOCATION**

The invocation was given by Councilman William Estes.

### **SPECIAL NOTES**

1. Vice-Mayor Moore stated that Mayor Michalove and City Manager Bean were in Myrtle Beach, South Carolina, presenting the City of Asheville's proposal to the Southern Conference Basketball Tournament.

2. Vice-Mayor Moore stated that if there was anyone present at the meeting relative to the rental of City property to Billy Reece, that that item has been re-advertised for June 5,

1990.

### **APPROVAL OF THE MINUTES**

Upon motion of Councilman Frank, seconded by Councilman Price, the minutes of the May 15, 1990, City Council minutes were approved unanimously.

### **I. PROCLAMATIONS**

#### **A. Proclamation - "Wimledon Celebrity Tennis Tournament Weekend" - May 25 - 27, 1990.**

Vice-Mayor Moore proclaimed the weekend of May 25 - 27, 1990, as "Wimledon Celebrity Tennis Tournament Weekend" in the City of Asheville.

#### **B. Proclamation - "Rape Prevention Month" - June 1990.**

Vice-Mayor Moore proclaimed June, 1990, as "Rape Prevention Month" in the City of Asheville and presented the proclamation to Ms. Leigh Dudasik.

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#### **C. Glad Bag-A-Thon Presentation**

Ms. Janie Wilson, from Quality Forward, thanked the City Council and City staff, particularly the Sanitation Division and the Parks, Recreation and Public Facilities Department, for all their help and support in this year's Glad Bag-a-Thon. She stated that 9,000 pounds of trash was picked up this year. She presented awards to a couple from Kenilworth, Ms. Myra Fuller, from the Montford Community Club, Ms. Becky Tenpenny, from the Murphy-Oakley Community Center, and Ms. Iola Byers, from the Burton Street Community Center.

### **II. PUBLIC HEARING**

**A. Public hearing relative to submission of a final statement of objectives and projected use of funds to the Department of Housing and Urban Development for Community Development Block Grant entitlement funds for 1990-91.**

Vice-Mayor Moore opened the public hearing at 4:18 p.m.

City Clerk Wolcott presented the notice to the public setting the time and date of the public hearing and presented the affidavit of publication.

Mr. Marvin Vierra, Director of Community Development, said that the City anticipates receiving \$965,000 through the CDBG entitlement program for 1990-91. He said that the total budget including \$58,000 of program income will be \$1,023,000. He said that this was the second public hearing on this matter - the first one being held on May 14, 1990, in the Montford community.

Upon inquiry of Councilman Estes relative to what percentage of the budget would be used for new housing or renovation, Mr. Vierra stated that new housing construction is eligible on a very limited basis and that no percentage has been set aside just for those activities. Councilman Estes said that there was a need for elderly housing renovations and new housing.

Councilman Estes asked if the \$30,000 budgeted for comprehensive planning could be used for home renovations. Mr. Vierra said that the \$30,000 budgeted was for one staff person in the Planning Department.

Upon inquiry of Councilman Frank relative to downtown affordable housing, Mr. Vierra stated that a study was done showing a market for affordable housing in downtown and that this is a new activity.

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Upon inquiry of Councilman Ellison relative to the number of houses in Montford being burned and if a study has been done to replace those structures, Mr. Vierra said that they are presently working on putting structures on those vacant lots. Councilman Ellison stressed the importance of redeveloping those areas for low and moderate income people.

Councilman Estes asked questions relative to acquiring land with CDBG funds.

Ms. Cindy Weeks, Mountain Housing Opportunities, stressed the importance of the Community Development office working with nonprofit housing agencies and said that working together with the City is a very positive trend and hoped that relationship could continue.

Mr. Lewis Kraus, Director of Habitat for Humanity, spoke in support of legislation that would broaden the scope of CDBG funds to acquire new house construction money. Councilman Ellison suggested that Mr. Kraus talk to Congressman Clarke for more information on this pending legislation.

Mr. Lee Creede, President of Neighborhood Housing Services ("NHS"), spoke in support of the \$30,000 presently budgeted for NHS. He stated that in their first 6 months of operation in the target area of Montford, they have received 59 requests for services. Councilman Ellison suggested that NHS help with the burned out structures in the Montford area.

At this time, 4:55 p.m., Vice-Mayor Moore called a 10 minute recess in order for Council to view a live telecast of the news conference on the status of whether or not Asheville would retain the Southern Conference Basketball Tournament for next year.

At 5:05 p.m., Vice-Mayor Moore reconvened the meeting.

Mr. Ernie Thurston, Vice-Chairman of Neighborhood Advisory Committee, spoke in support of the Head of Montford program. He stated that it has been in operation for 5 years and the program is now starting to see results. He said that

of the \$515,000 presently budgeted for this program, 10% is for administration. He said that since they have money left over in their administration budget from last year, they support the \$51,500 going into more grants and loans for the program this year. He said that this year's administrative costs would be taken out of the left over money from last year. He said that there is a large pool of rehabilitation money available.

Mr. Jim Barrett, Staff Attorney for Pisgah Legal Services, stated that CDBG funds should be spent to benefit low and moderate income people directly. He said that there was a

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critical need for affordable housing in Asheville. He handed a percentage sheet to Council members showing the percentages of different activities. He felt that there was no guarantee that low and moderate income people would be hired as a result of the business development loans. He said that it only required that the majority of those jobs are made available to low income people. He supported money going to the Housing Authority, NHS and Habitat for Humanity in order to rehabilitate and construct low and affordable housing. He said that the administrative costs should be paid out of the general fund budget and use the \$123,000 budgeted for administrative costs to benefit low and moderate income people. He said that a system should be developed so that the community, Council and agencies know what to expect from program income.

Upon inquiry of Mr. Barrett relative to the Magnetics loan, Mr. Vierra explained the UDAG loan repayment procedure stating that UDAG loan replacements are not CDBG program income.

At this time, 5:25 p.m., Vice-Mayor Moore announced that the Southern Conference Basketball Tournament will be returning to Asheville for the next 2 years.

Mr. Scott Dedman, 209 Cumberland Avenue, explained the range of low and moderate income stating that it was approximately \$15,250 to \$24,400 annually for a family of 4. He also spoke in support of using the administrative costs going to benefit low and moderate income people and also supported CDBG funds being used for new construction.

A student stated that she observed Martin Luther King Jr. Park ( the "Park") being used by mostly people who did not look like they were from the low and moderate income brackets and observed the same thing from some apartments which were built above the tunnel.

Councilman Price said that the Park was not built with CDBG funds and CDBG funds have not been used to build apartments.

Councilman Ellison said that he felt the Parks, Recreation and Public Facilities Department should fairly distribute the setting of games in the Park enabling everyone to use it.

Upon inquiry of Ralph Bishop, Mr. Larry Holt, Executive Director of the Housing Authority, explained how the relocation activities take place and what options are available to the people involved.

Mr. Larry Linney, 36 Elizabeth Street, spoke in support of the continued funding of the Head of Montford program. He also spoke in support of small business development from the downtown loan pool.

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Mr. Curtis Venable, 95 Cumberland Avenue, questioned the use of CDBG funds not being used for the Park. Mr. Holt explained that CDBG funds were only used to prepare the site for the building of the Park.

Ms. Lennie Sitnick spoke in support of the Community Development programs and stated that they needed to be looked at carefully until they were concluded.

Mr. Larry Holt, stated that he was proud of the cooperation and assistance among the nonprofit organizations, the

Housing Authority and the Community Development Division.

Vice-Mayor Moore closed the public hearing at 5:56 p.m. and stated that the Council would continue this topic at its meeting on Friday, May 25, 1990, at 5:00 p.m., in the Council Chambers.

### **III. OLD BUSINESS**

#### **A. Third and final reading of Ordinance No. 1849 - An ordinance rezoning property on Shiloh Road.**

Vice-Mayor Moore said members of Council were previously furnished copies of the ordinance and it would not be read in its entirety.

On a roll call vote of 5-0, Ordinance No. 1849 passed on its third and final reading.

#### **Ordinance Book No. 12 at Page 121.**

#### **B. Consideration of Planning and Zoning Commission's recommendation relative to a group development review - Park Avenue - Phase II.**

Vice-Mayor Moore stated that at the May 8, 1990, the developer, Chuck Brown, of Park Avenue - Phase II, requested Council to postpone any action until he had an opportunity to weigh his options.

Ms. Julia Cogburn, Planning Director, stated that Mr. Brown has now requested that the City Council remand this group development back to the Planning and Zoning Commission. Mr. Brown plans to make revisions to the site plan and to work with City staff for a favorable recommendation. She said that in checking with the Legal staff, remanding it to the Planning and Zoning Commission is an appropriate procedure.

Councilman Ellison moved to remand this item to the Planning and Zoning Commission upon the developer's request. This motion was seconded by Councilman Estes and carried unanimously.

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### **IV. NEW BUSINESS**

#### **A. Presentation of the 1990-91 Annual Operating Budget.**

Mr. Robert Wurst, Audit/Budget Director, presented the 1990-91 annual operating budget and highlighted major areas. Among other things, he said that a tax increase from 54 cents to 58-1/2 cents was included in this budget but that most residents would not see this increase if their property valuation was not increased more than 30% by the current valuation.

Councilman Ellison moved to schedule a public hearing on the budget for June 5, 1990. This motion was seconded by Councilman Price and carried unanimously.

#### **B. Resolution authorizing the City Manager to sign a letter of intent between the City of Asheville and Motorola, Inc., preparatory to the purchase of a two-way radio system as bid by Motorola, Inc., in November 1989.**

Mr. John Miall, Director of Risk Management, gave a brief history relative to this request. He said that in November of 1989, Motorola, Inc., was selected as the successful bidder for upgrading the City's two-way communication system and that funds have been budgeted for this program. He said that since then, Motorola has addressed major technical concerns regarding its proposal. He said that this resolution would state the City's good intentions to purchase the system subject only to final negotiations between the vendor and the City and its consultant for delivery of that system.

It was the consensus of Council to continue this item until the meeting on May 25, 1990, in order to give them time

within which to study the information provided at this meeting.

**C. Appeal of Dillard Searsey from the decision of the Disability Review Board for Asheville Police Officers and Firefighters.**

City Attorney stated that Mr. Dodd, attorney for Mr. Searsey, has agreed that this be postponed until a later date.

Councilman Price moved to postpone this matter at this time and reschedule it for a later date. This motion was seconded by Councilman Estes and carried unanimously.

**D. Appeal of Charles T. Parker from the decision of the Disability Review Board for Asheville Police Officers and Firefighters.**

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City Attorney stated that Mr. Ferikes, attorney for Mr. Parker, has agreed that this be postponed until a later date.

Councilman Price moved to postpone this matter at this time and reschedule it for a later date. This motion was seconded by Councilman Estes and carried unanimously.

**V. CONSENT**

None

**OTHER BUSINESS**

**A. Letter received by Councilman Ellison relative to timekeeping procedures.**

Councilman Ellison stated that he has received a letter from some City employees relative to timekeeping procedures.

Assistant City Manager Charles Penny stated that he was working with the Police Chief and Personnel Director on this matter and would be happy to report their findings to him when the report was concluded.

**B. Southern Conference Basketball Tournament.**

City Manager Douglas O. Bean, who had just returned from Myrtle Beach, South Carolina, gave a status report to the Council about his trip. He praised former Mayor W. Louis Bissette, Jr., who is Chairman of the Asheville Sports Committee, and present Mayor Ken Michalove for their excellent job in presenting the City of Asheville's proposal. He did state that the Southern Conference Basketball Tournament will be staying in Asheville for another two years.

Upon request of Councilman Ellison, City Manager Bean said that he would be happy to provide Council with a summary of the commitments relative to the tournament.

**C. Claims.**

Assistant City Manager Penny stated the following claims were received for the week ending May 18, 1990: Janie Bumgardner (Water); John Gull (Water); and Michael Medford (Sewer). He said that these claims have been referred to the appropriate insurers for investigation. He said that the City was not served with any summonses during this week.

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**VII. ADJOURNMENT**

Councilman Frank moved to recess the meeting (6:45 p.m.) until Friday, May 25, 1990, at 5:00 p.m. in the Council Chambers. This motion was seconded by Councilman Price and carried unanimously.

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CITY CLERK MAYOR

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