

Tuesday - March 3, 1992 - 4:00 p.m.

Hillcrest Community Center

Regular Meeting

Present: Mayor Kenneth M. Michalove, Presiding; Vice-Mayor Eugene W. Ellison; Councilwoman Barbara Field; Councilmen William G. Moore, Chris J. Peterson, Joseph Carr Swicegood and Charles R. Worley; City Attorney William F. Slawter; City Manager Douglas O. Bean; and Associate City Manager/City Clerk William F. Wolcott Jr.

Absent: None

INVOCATION

Councilman Worley gave the invocation.

APPROVAL OF MINUTES

Mayor Michalove announced the approval of the February 18, 1992, City Council minutes.

I. PROCLAMATIONS:

A. PROCLAMATION PROCLAIMING MARCH 3, 1992, AS "USS ASHEVILLE PG-21 MEMORIAL DAY"

Mayor Michalove proclaimed March 3, 1992, as "USS Asheville PG-21 Memorial Day."

B. PROCLAMATION PROCLAIMING THE CITY OF ASHEVILLE'S APPRECIATION TO THE WESTERN NORTH CAROLINA JEWISH FEDERATION FOR THE DONATION OF \$1,500 FOR THE PLANTING OF TREES IN THE MARTIN LUTHER KING JR. PARK

Mayor Michalove proclaimed the City of Asheville's appreciation to the Western North Carolina Jewish Federation for the donation of \$1,500 for the planting of trees in the Martin Luther King Jr. Park.

He presented the proclamation to Mr. Richard Laibson, President of the North Carolina Jewish Federation, who felt that this donation would help cement the relationship between the Jewish community and the Black community.

C. RESOLUTION NO. 92-18 - RESOLUTION WELCOMING THE SOUTHERN BASKETBALL CONFERENCE

Mayor Michalove read the resolution welcoming the Southern Basketball Conference to Asheville.

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Mr. Wright Waters, Executive Chief Officer of the Southern Conference, and Mr. Honeycutt, thanked the Council for their support of the Southern Conference. They gave sweatshirts to Hillcrest Community Center Director John Hayes to distribute amongst the children in the community and passed out keychains to the City Council.

Mayor Michalove said that members of Council have been furnished with copies of the resolution and it would not be read in its entirety.

Upon motion of Vice-Mayor Ellison, seconded by Councilman Moore, Resolution No. 92-18 passed unanimously.

RESOLUTION BOOK NO. 19 - PAGE 104

D. PROCLAMATION PROCLAIMING THE WEEK OF MARCH 9-15, 1992, AS "VOLLEYBALL WEEK"

Mayor Michalove proclaimed March 9-15, 1992, as "Volleyball Week" and presented to proclamation to Donny Luke of the Asheville Volleyball Club.

II. PUBLIC HEARINGS:

A. PUBLIC HEARING RELATIVE TO THE REZONING OF 750 BILTMORE AVENUE, 762 BILTMORE AVENUE, 760 BILTMORE AVENUE, 6 BRYSON STREET, 10 BRYSON STREET, AND THE WESTERN PORTION OF 766 BILTMORE AVENUE FROM HI HEAVY INDUSTRIAL DISTRICT TO CH COMMERCIAL HIGHWAY DISTRICT; AND REZONING THE EASTERN PORTION OF 766 BILTMORE AVENUE FROM R-3 RESIDENTIAL DISTRICT TO CH COMMERCIAL HIGHWAY DISTRICT.

ORDINANCE NO. 1963 - ORDINANCE AMENDING ZONING OF PROPERTIES LOCATED AT 750, 760, 762, AND 766 BILTMORE AVENUE AND 6 AND 10 BRYSON STREET

Mayor Michalove opened the public hearing at 4:24 p.m.

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

Mr. Gerald Green, Senior Planner, said that in October, 1991, Lewis and Carol Higdon, owners, presented a petition requesting the rezoning of the eastern portion of 766 Biltmore Avenue from R-3 Residential to HI Heavy Industrial. The requested rezoning would have made the zoning of the eastern portion of the lot compatible with the current HI zoning of the western portion of the lot. The - 3-

Planning and Zoning Commission and residents of Kenilworth were uncomfortable with rezoning property adjacent to a residential neighborhood to HI. The petitioners were advised to contact owners of adjacent property and have them join in a request to rezone a larger area to CH Commercial Highway. The CH zoning would make the zoning of the property compatible with the current use.

He said two additional parcels (750 and 762 Biltmore Avenue) joined in a request to rezone the lots to CH. This request was heard by the Planning and Zoning Commission at their December 4, 1991, meeting. Due to the small size of the area to be rezoned and the fact that the lots are not contiguous to an existing CH district, legal staff advised that the rezoning might be considered spot zoning. In light of this advice from the legal staff, the Planning and Zoning Commission directed Planning staff to include three additional properties (760 Biltmore Avenue, 6 Bryson Street and 10 Bryson Street) in a rezoning action.

He said that owners of the three additional properties were notified, the rezoning was advertised, and the rezoning was considered by the Planning and Zoning Commission at their January 8, 1992, meeting. Staff and the Commission recommend approval of the rezoning for it will make the zoning of the property compatible with its use. The recommended rezoning is:

766 Biltmore Avenue, PIN 1304

HI to CH (western portion)

R-3 to CH (eastern portion)

762 Biltmore Avenue, PIN 0465 - HI to CH

760 Biltmore Avenue, PIN 0554 - HI to CH

750 Biltmore Avenue, PIN 0658 - HI to CH

6 Bryson Street, PIN 0287 - HI to CH

10 Bryson Street, PIN 1272 - HI to CH

Mr. George Gooseman, attorney for Lewis and Carol Higdon, spoke in favor of the rezoning and asked that Council consider all three readings of the ordinance at this meeting.

Mayor Michalove said that it was the Council's policy to do only 2 readings at one meeting.

Mayor Michalove closed the public hearing at 4:33 p.m.

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Mayor Michalove said that members of Council have been furnished with copies of the ordinance and it would not be read in its entirety.

Councilwoman Field moved for the adoption of Ordinance No. 1963. This motion was seconded by Councilman Moore.

On a roll call vote of 7-0, Ordinance No. 1963 passed on its first reading.

Vice-Mayor Ellison moved to suspend the rules and proceed to the second reading of Ordinance No. 1963. This motion was seconded by Councilwoman Field and carried unanimously.

On a roll call vote of 7-0, Ordinance No. 1963 passed on its second reading.

B. PUBLIC HEARING RELATIVE TO AN AMENDMENT TO THE SUBDIVISION PLAT FOR BEAVER LAKE HEIGHTS SUBDIVISION

Mayor Michalove opened the public hearing at 4:34 p.m.

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

Mr. Gerald Green, Senior Planner, said that Beaver Lake Heights is a six lot residential subdivision located off Greenleaf Circle in north Asheville. The entire site is 3.5 acres in area and the lots range in size from .3 acre to .9 acre. The zoning for the parcel is R-1 single family residential. The subdivision required the construction of a roadway and cul-de-sac to serve the six lots. The roadway is required to meet City standards. MSD has approved the allocation for sanitary sewer. The plans for the sewer line construction and the installation of a pump station required approval through MSD and the N. C. Environmental Management Commission. The project was originally denied water service by the City Engineering Department due to low water volume and low pressure. Adequate fire protection was not available from the City system when the plat was approved. A City Street Cut Permit was required for the proposed roadway off Greenleaf Circle.

The Asheville City Council considered the preliminary plat at several of their meetings.

At the June 4, 1991 meeting, the Asheville City Council approved the preliminary plat for Beaver Lake Heights Subdivision subject to the following contingencies:

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1) The proposed street be constructed to City standards and be dedicated to the City once completed.

2) The developer be responsible for installing a 2 inch water line but in no case shall the line be extended more than 1000 ft. in order to tie into the existing City water system and the water lines shall meet all state and local regulations;

3) That each house be installed with sprinklers;

4) That approval is contingent upon the Water Authority approving and moving ahead with the installation of the 6" water line along Merrimon Avenue to increase the pressure and quantity of the water in the area; and

5) The project shall comply with the City's Erosion Control Ordinance.

At the October 15, 1991, meeting, the Asheville City Council voted to approve the final plat for Beaver Lake Heights Subdivision subject to two contingencies:

1) That each house be installed with sprinklers; and

2) That the entire project comply will all City and State codes.

The developer and the property owners of Beaver Lake Heights Subdivision are proposing to cover the cost to extend the 6" line up to Greenleaf Circle to the entrance of the subdivision and install a fire hydrant. The Asheville Fire Department has completed a flow test on the nearest hydrant and has determined that water flow and pressure are adequate for serving the subdivision with fire protection. The developer and property owners are requesting your approval to allow them to cover the costs for the water line improvements and fire hydrant installation in lieu of the installation of sprinklers in the houses.

Mrs. Mary Julian, 6 Beaver Lake Heights Road, spoke against the sprinkler system requirement stating that one sprinkler would cost \$4,480.20.

Mrs. Mary Ann Sims, 4 Beaver Lake Heights Road, spoke against the sprinkler system requirement due to the high water bills they would receive.

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Mr. Ralph Julian, 6 Beaver Lake Heights Road, spoke against the sprinkler system requirement stating that the cost to install sprinklers in his home would be 12% of the total building cost.

Dr. Neil Sims, 4 Beaver Lake Heights Road, spoke against the sprinkler system requirement.

Mayor Michalove closed the public hearing at 4:49 p.m.

Vice-Mayor Ellison moved to allow the developer and property owners to cover

the costs for the water line improvements and fire hydrant installation in lieu of the installation of sprinklers in the houses. This motion was seconded by Councilman Worley and carried unanimously.

III. OLD BUSINESS:

A. ORDINANCE NO. 1960 - ORDINANCE AMENDING ZONING OF PROPERTY LOCATED AT 773 EMMA ROAD (PIN 9629-20-92-6230)

Mayor Michalove said that members of Council have been furnished with copies of the ordinance and it would not be read in its entirety.

On a roll call vote of 7-0, Ordinance No. 1960 passed on its third and final reading.

ORDINANCE BOOK NO. 13 AT PAGE 27

B. GROUP DEVELOPMENT RELATIVE TO THE MEMORIAL MISSION HOSPITAL PARKING DECK EXPANSION

Mr. Gerald Green, Senior Planner, said that this group development request involves an expansion to the East Parking Deck which is currently under construction on the Memorial Mission Campus, along Biltmore Avenue. The East Parking Deck was approved by City Council through the group development process in January of 1991. The original approval included a variance on the front setback along Biltmore Avenue. The proposal included five levels of parking with 605 parking spaces.

He said the current group development request involves an addition to the original parking deck proposal. The expansion would continue the five levels of parking along Doctors Drive. The expansion includes approximately 300 parking spaces. No variances are required for the expansion. All setback and landscaping standards have been satisfied.

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He said that at the Planning and Zoning Commission's meeting on February 5, 1992, they voted to approve the group development request for the East Parking Deck Expansion subject to two contingencies:

- (1) Receipt of a letter from the Asheville Fire Marshal, stating that adequate flow and pressure are available for fire protection.
- (2) Approval of a driveway permit for the Doctor's Drive entrance by the City Public Works Department.

He said that both of the above approvals are in the process and should be completed shortly. He also stated that no public comment has been received regarding this project.

He said that the Planning staff notified the Kenilworth Homeowners Association and they said that there would be only a minimal impact on their neighborhood and they did not object to the group development.

Mayor Michalove said that in accordance with the group development procedure whereby the Planning Director reports final recommendations of the Planning and Zoning Commission, if the City Council takes no action regarding the report of the Planning and Zoning Commission, the project is approved.

C. MOTION OF SUPPORT TO FORM CONSORTIUM WITH BUNCOMBE COUNTY AND OTHER UNITS OF

LOCAL GOVERNMENT THEREIN FOR PURPOSE OF APPLY FOR HOUSING FUNDS THROUGH THE HOME INVESTMENT PARTNERSHIP PROGRAM.

Mrs. Annette Coleman, Chairman of the Housing and Community Development Committee, said that the Committee recommends that the City pursue a consortia arrangement between the City of Asheville, County of Buncombe and other interested units of local government within the County for the purpose of apply for housing funds through the HOME Investment Partnership Program. The new HOME Investment Partnership Program provides an additional resource to fund affordable housing needs of low and moderate income persons. The City does not qualify to apply for funds directly from HUD due to a six factor formula based on population and housing characteristics. The City could receive funding from HUD as a member of a consortium. A consortium of all units of local government within Buncombe County would provide approximately \$1,250,934 for housing activities within the consortium. An advisory committee would -8-

recommend the allocation of funds among members of the consortium. If the funds were distributed on population alone, the City of Asheville would receive \$444,392.12.

The deadline to apply for consortia funding from HUD for the current year has expired, however, the City could apply to the state for funding under the state's allocation of \$22 million for the current year. The state has not established a deadline for applying but has indicated applications will probably be received after April. They are encouraging formation of the consortia prior to April.

HUD has established a deadline of March 31, 1992, for consortia applicants to submit a "Notice to Apply" for Fiscal Year 1993 funds directly from HUD.

The program rules prohibit the use of grant funds to cover administrative cost of the "participating jurisdictions." Administrative cost would be much higher if the City is designated as the "lead agency" for the consortium. The administrative cost for the City could be funded from the CDBG Program as long as the cost does not cause the City to exceed the 20% limitation on CDBG funded administrative expenses.

Administrative cost would be greater with a regional consortium than a consortium within Buncombe County due to additional staff and travel requirements. The administrative cost for a county-wide program with the City administering the program is \$44,139 and the administrative cost for a regional program with the City administering the program is \$87,178.

The amount of funding the City would receive from the HOME grant would probably be the same for a county or regional program since population will probably be the primary factor used to distribute the funds within the consortium.

The administrative cost for a county program would be within the 20% limitation of CDBG administrative cost. The administrative cost of a regional program would exceed the 20% cap and would have to come from non-CDBG sources.

The match requirements for the first year of the program (Fiscal Year 1992) have been waived by Congress, however, there is a match requirement to receive funds for Fiscal Year 1993 and beyond. The match requirement depends on the type of project. Moderate rehab requires 25%, substantial rehab requires 33% and new construction requires 50% match. Based on 25% match, the match requirement would be approximately \$110,098 for years after Fiscal Year 1992.

Upon inquiry of Council, City Attorney Slawter said that in two weeks the City Council would be requested to consider execution of an agreement between the City of Asheville and the other entities who decide to participate.

There was discussion amongst the Council regarding the City being the lead agency and having to pay for administrative costs of grants for other entities.

Mayor Michalove asked for a letter from the Land-of-Sky Regional Council regarding their interest in administering the program outside Buncombe County and suggested that the City Attorney work with the Land-of-Sky Regional Council on drafting an agreement for same, if that can be done under the rules.

Vice-Mayor Ellison moved to support the formation with Buncombe County and other units of local government therein for the purpose of applying for housing funds through the HOME Investment Partnership Program. This motion was seconded by Councilman Moore and carried unanimously.

IV. NEW BUSINESS:

A. RESOLUTION NO. 92-19 - RESOLUTION APPROVING THE REPORT SETTING FORTH PLANS TO PROVIDE SERVICES TO THE AREA PROPOSED FOR ANNEXATION WHICH IS GENERALLY KNOWN AS THE BEAVERDAM RUN ANNEXATION AREA

Ms. Patty Tallerday, Senior Planner, highlighted the Plan by stating that one more sworn police officer would be needed; a five-year agreement with the Beaverdam Volunteer Fire Department would be entered into (or an amendment to its current contract); and approximately 400 linear feet of 6-inch water line, a fire hydrant and approximately 350 linear feet of 2-inch water line along Sunnyside Lane would be necessary. Solid waste collection and street maintenance services will be provided to this area on substantially the same basis and in the same manner as it is provided within the City on the date of annexation.

City Manager Bean responded to questions from Council relative to where this particular annexation fits in the 2010 Plan.

Mr. Johnny Lord felt that City staff should not have a plan already complete and then present it to the residents. He felt the residents should participate in the compilation of the plan and then submit that to the Council.

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Councilman Peterson felt he could not support any more annexations until the City is able to adequately provide those services within the City of Asheville. He felt the residents of the proposed annexation area should be given an opportunity to vote on whether or not they want to be annexed.

Upon inquiry of Councilman Worley, City Manager Bean explained that the Plan can be amended if changes are desired.

Councilwoman Field stated that a lot of people worked on the 2010 Plan and that the Plan should be used as a guideline.

Councilman Swicegood echoed Councilman Peterson's comments relative to not supporting future annexations.

Vice-Mayor Ellison felt that a meeting should be held with the residents before the Plan is presented to the Council.

Mayor Michalove spoke in favor of the annexation stating that the City is

following all the laws of the State of North Carolina with regard to annexation.

It was the consensus of Council not to annex any more areas until the process is looked into with regard to possibly meeting with the residents prior to the Plan being presented to Council.

Mayor Michalove said members of Council have been furnished with copies of the resolution and it would not be read in its entirety.

Councilman Moore moved for the adoption of Resolution No. 92-19. This motion was seconded by Councilwoman Field and carried on a 5-2 vote, with Councilmen Peterson and Swicegood voting "no".

RESOLUTION BOOK NO. 19 AT PAGE 105

C. RESOLUTION NO. 92-20 - RESOLUTION REVISING THE STORM DRAINAGE POLICY FOR THE CITY OF ASHEVILLE

City Attorney Slawter explained that this resolution will revise the existing storm drainage and subsurface drainage policy of the City by authorizing the City to participate in the construction or improvements to systems on private property for which the City has not previously -11-

accepted the dedication of a right-of-way for such improvements. The City may participate in the construction or improvements to systems so located upon the following conditions:

A. A determination first being made by the City that the improvements will enhance the storm drainage or sub-surface drainage system of the City of Asheville, including drainage of public streets or other public property.

B. Acceptance by the City of the dedication of a right-of-way adequate to construct and maintain the storm drainage improvements.

C. Approval of the project by the City by either of the following methods:

1. Pursuant to a petition for special assessments as authorized by Article 10 of Chapter 160A of the North Carolina General Statutes; or

2. Approval of the project for participation in the cost thereof by the City (on a joint basis with the property owners requesting the improvements where deemed appropriate by the City) on a priority basis to be determined by the City Manager giving consideration to the following factors:

a. The need for the improvements in relation to other requests for storm drainage improvements elsewhere within the City.

b. The extent to which the improvements will benefit the storm drainage system of the City as a whole, including storm drainage within City streets and other publicly and privately owned property.

c. The extent to which the property owners requesting the improvements are willing to participate in the cost of the improvements.

d. The extent to which imminent danger to the public health, safety or welfare is threatened by failure to proceed with the improvements.

Mayor Michalove said members of Council have been furnished with copies of the resolution and it would not be read in its entirety.

Vice-Mayor Ellison moved for the adoption of Resolution No. 92-20. This motion was seconded by Councilman Moore and carried unanimously.

RESOLUTION BOOK NO. 19 AT PAGE 119

C. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE ON BEHALF OF THE CITY OF ASHEVILLE A CONTRACT AND ANY CHANGE ORDER WITHIN THE BUDGETED AMOUNT WITH HOBSON CONSTRUCTION COMPANY INCORPORATED FOR THE PROJECT KNOWN AS PEBBLE CREEK CONDOMINIUMS CREEK BANK STABILIZATION PROJECT

Vice-Mayor Ellison moved to reject the bids and readvertise for the project known as Pebble Creek Condominiums Creek Stabilization Project. This motion was seconded by Councilman Worley and carried unanimously.

D. ORDINANCE NO. 1964 - BUDGET AMENDMENT RELATIVE TO CAPITAL EXPENDITURE FOR ASHEVILLE TRANSIT AUTHORITY

City Manager Bean explained that this budget amendment in the amount of \$73,200 provides funding for procurement of office and shop equipment for the Asheville Transit Authority.

Mayor Michalove said members of Council have been furnished with copies of the ordinance and it would not be read in its entirety.

Councilman Moore moved for the adoption of Ordinance No. 1964. This motion was seconded by Councilman Worley.

On a roll call vote of 7-0, Ordinance No. 1964 passed on its first and final reading.

ORDINANCE BOOK NO. 13 AT PAGE 37

V. CONSENT:

A. RESOLUTION NO. 92-21 - RESOLUTION AUTHORIZING THE MAYOR OF THE CITY OF ASHEVILLE TO EXECUTE AN EASEMENT IN FAVOR OF THE CAROLINA POWER & LIGHT COMPANY FOR PROPERTY AT THE ASHEVILLE REGIONAL AIRPORT

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This resolution will authorize the Mayor to execute an agreement with Carolina Power & Light Company to install an electric line to serve various facilities for the French Broad Golf Center on property owned by the City of Asheville.

RESOLUTION BOOK NO. 19 AT PAGE 122

B. RESOLUTION NO. 92-22 - RESOLUTION APPOINT MEMBER TO THE FIREMEN'S RELIEF FUND

The term of Donald O. Fowler, as a member of the Firemen's Relief Fund, expired on January 1, 1992. This resolution will appoint Mr. Mitch McEntire to serve a two year term, term to expire on January 1, 1994, or until his successor is duly appointed and qualified.

RESOLUTION BOOK NO. 19 AT PAGE 125

C. RESOLUTION NO. 92-23 - RESOLUTION APPOINTING MEMBERS TO THE ASHEVILLE

TREE/GREENWAY COMMISSION

Mr. Arthur Allen, member of the Asheville Tree/Greenway Commission, has resigned. This resolution will appoint Mr. Julian Price to serve the unexpired term of Mr. Allen, term expiring August 1, 1993, or until his successor is duly appointed and qualified.

This resolution will also appoint Mr. Harry Baker, effective August 1, 1992, to serve a three year term, term expiring August 1, 1995, or until his successor is duly appointed and qualified.

RESOLUTION BOOK NO. 19 AT PAGE 126

Vice-Mayor Ellison moved for the adoption of the consent agenda. This motion was seconded by Councilwoman Field and carried unanimously.

VI. OTHER BUSINESS:

A. BIDS FOR ONE 4-WHEEL DRIVE TRACTOR/LOADER FOR PUBLIC WORKS, SANITATION DIVISION, AND ONE ARTICULATING SKID STEER LOADER FOR THE PARKS, RECREATION AND PUBLIC FACILITIES DEPARTMENT

Councilman Moore moved to award the bid for the one 4-wheel drive tractor/loader for Public Works, Sanitation Division, to the low bidder, Arden Equipment Company Inc., Arden, North Carolina, in the amount of \$27,519.00. This -14-

motion was seconded by Vice-Mayor Ellison and carried unanimously. A copy of the bid summary is attached as Exhibit "A".

Vice-Mayor Ellison moved to reject the sole bid (Viking Equipment Company, Asheville, North Carolina, in the amount of \$38,683.46) for one articulating skid steer loader for the Parks, Recreation and Public Facilities Department and readvertise. This motion was seconded by Councilwoman Field and carried unanimously.

B. UDO REPORT FROM COUNCILMAN MOORE

Councilman Moore stated that the Mayor's Committee to study the next steps in the UDO process met on January 17, 1992, and March 2, 1992. After discussion, the Committee members decided to recommend to the City Council as a whole the following steps:

A. To accept the formal recommendations from the UDO subcommittees reported to Council at the public meeting of February 17, 1992.

B. To instruct the Planning staff to start writing a tentative first draft of a proposed UDO ordinance in conformance, as much as possible, with the 2010 Plan.

C. To request the UDO Committee to submit to Council a list of the major public policy issues that should be settled by Council.

D. To publicize that list as widely as possible, inviting written comment from individuals and organizations in the community and for the Mayor's Committee to evaluate the reaction to the original list, reassess the progress of the UDO project and prepare another set of recommendations for the Council.

E. To schedule a work session at a convenient time for the Council as a whole to evaluate the UDO process as it now stands and set up a work schedule to

carry the project forward.

Upon inquiry by Vice-Mayor Ellison relative to expanding the Committee and appointing all the members at that time, Councilman Moore stated that the Mayor's Committee is not prepared at this time to deal with that issue. He stated that once the Mayor's Committee follows up -15-

on the steps that have just been outlined, a recommendation will come from the Mayor's Committee to the Council as a whole.

Councilman Peterson stated that as soon as staff starts writing the ordinance that all interested persons have an opportunity to look at it.

Councilman Moore said that that the Mayor's Committee is urgently in favor of making this project as public as possible. He said that the Committee would certainly require that as these various phases of the proposed draft are written that they be made available to all the interested people in the community.

Upon inquiry of Mayor Michalove relative to a timeframe to instruct the Planning Staff to start writing a tentative first draft of the UDO ordinance, Councilman Moore stated that there was no timeframe set. He said that the Planning staff would probably start entering it into the computer in the course of several weeks. Then, as the City Council comes to grips with those public policy issues, it would be no problem to conform the ordinance to the Council's decisions on those issues.

Mayor Michalove hoped that that the Planning staff would not spend a lot of time in areas where there are apt to be changes. He felt they should start typing those 80% technical things and that it might be better if they didn't start on those 10-15 issue items until the City Council can give them some guidance.

Councilwoman Field said that a lot of ideas are floating around and that something needs to be put on paper for everyone to start working on.

Councilman Moore agreed with Councilwoman Field and asked that the Council agree on an orderly approach to deal with the public policy issues and felt that there will be, as a result of that, plenty of written material for people to look at. He stressed that the UDO Committee wanted everyone involved in every step of the way.

Mayor Michalove thought that some type of deadline should be set for the UDO Committee to submit to the Council the list of major public policy issues that should be settled by the City Council.

Councilman Moore stated that there is a meeting of the UDO Committee very soon and felt that the Committee would be concentrating on supplying the City Council with that list.

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Mayor Michalove asked the Committee to get as much to the Council as they could by the next meeting and then give the Council some information on how long it would take to wind that process up so that the Council can set some deadlines.

Council Moore moved to accept the above recommendations of the Mayor's Committee, with the additional points raised. This motion was seconded by Councilwoman Field and carried unanimously.

C. RESOLUTION NO. 92-24 - RESOLUTION TO AUTHORIZE EXECUTION OF AN AMENDMENT TO THE LOAN AGREEMENT WITH 58 BROADWAY CORPORATION

City Manager Bean stated that a request of additional funds in the amount of \$20,000 by Mr. Tom Steitler of 58 Broadway Corporation has been received due to the overruns of the 58 Broadway Demonstration Loft Project. He said that he will be asking the bank for an additional \$20,000 too.

Mr. Tom Steitler said that he is requesting the additional \$20,000 in CDBG monies in order to continue to offer these units to the target market - 80% of medium income. He said the increases in the project cost of \$40,000 are due principally to the following factors:

- About 1/3 due to project enhancements - i.e., raising the roof to allow more 'loft' space on second floor.
- About 1/3 due to protracted time and underestimating renovations costs
- About 1/3 due to inefficiencies in dealing with City Inspections and Planning Departments. Inspections Division - on numerous occasions reinterpreted code after preliminary approvals requiring additional labor costs, protracted interest carrying costs, additional material costs, etc. Planning Department - required group development review through City Council for a 3 unit project - time lost was 2+ months during summer of 1991. Community Development Division - Had already prepared a 1.5" thick document on project impacts a few months prior.

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In response to the inefficiencies in dealing with the Planning Development on group development review, the following excerpts of a memo from Julia Cogburn dated March 2, 1992, were discussed amongst the Council and Mr. Steitler:

"Mr. Steitler states in his letter that he feels there were 'inefficiencies' in dealing with the Department on this project. He sites the fact that the 'lost' 2+ months on group development review and the fact that our CD Division had previously reviewed his project proposal. In every regard on this matter I feel that the Planning Department staff acted appropriately and in accordance with established rules, regulations and procedures.

"Mr. Steitler infers that he feels that the CD review and the group development review were duplicative and, therefore, unnecessary. It is my opinion that although some of the information provided for these processes might overlap, the two processes involved were very distinct in purpose, different in most of the information required, and were handled by two separate divisions in our office. The CDBG proposal submitted for the project was completed in May of 1990, the group development review took place during the summer of 1991.

"The CDBG proposal and project impact analysis was prepared in conjunction with the use of Community Development Block Grant (CDBG) Funds for 58 Broadway. These documents include such information as: project description, unit layout, budget, etc. This is not a site plan review.

"The CD review has little, if any, relationship to the group development review required by Section 30-6-1 of the City of Asheville's Zoning Ordinance. This review is required for multi-family residential projects containing three (3) or more individuals units. This review, as you are aware, typically takes place shortly before a building permit is obtained. The items needed for this review include site plans, landscaping proposals, utility commitments, etc. The purpose of this review is to evaluate whether or not a project complies with

development regulations of the City of Asheville. Due to scheduling of the Planning and Zoning Commission and City Council, and the time needed for review on June 28, 1991, and completely approved on August 20, 1991."

In response to the inefficiencies in dealing with the Inspections Division, the following excerpts of a memo from John Rukavina, Fire Chief, and Bob Hixson, Director of Building Inspections, dated March 3, 1992, were discussed amongst the Council and Mr. Steitler:

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"In the course of dealing with Mr. Steitler and his architect, Peter Alberice (of Camille and Alberice), we jointly identified only two cases where there was a question of inspection interpretation. In the first case--an exit

stair--the inspector advised that the stair could be made of pressure-treated wood. He subsequently revised his statement and told the developers that, since 58 Broadway was in the Downtown Fire District, fire-resistive materials (steel or fire-resistant wood) would be required for the exit stair. In the second case, the contractor was advised that the building code required certain electrical boxes to be surrounded with 5/8" fire-rated sheetrock. Mr. Steitler was concerned because the electrical inspector hadn't raised this requirement. Since this was a building code requirement--not an electrical code requirement--it was the building inspector who pointed this out to the contractors.

"We are aware of these two code application questions. We are unaware of 'numerous' code interpretations."

Councilman Moore felt sure that there were needy agencies that would also like to have the benefit of CDBG funds if they knew there was some monies available.

Mayor Michalove felt that the Council should develop a policy on requests for additional funds due to cost overruns. He felt it would be a good idea for the request to come from the committee involved along with a recommendation from that committee.

Councilwoman Field and Councilman Moore both agreed that a policy should be developed relative to cost overruns.

Councilman Peterson felt that overruns occur all the time and the City should not start paying for them.

There was some discussion as to the additional amount which would be added to the monthly mortgage payments if the developer received the \$40,000, \$20,000 or \$10,000 additional funds.

Mayor Michalove said members of Council have been furnished with copies of the resolution and it would not be read in its entirety.

Vice-Mayor Moore moved for the adoption of Resolution No. 92-24, which authorizes the Mayor to execute an amended loan agreement, deed of trust, promissory note and other related documents, approved by the City Attorney, necessary -19-

to increase the loan amount by \$10,000 with 58 Broadway Corporation. This motion was seconded by Vice-Mayor Moore and carried on a 5-2 vote, with Councilmen Peterson and Swicegood voting "no".

RESOLUTION BOOK NO. 19 AT PAGE 127

D. ORDINANCE NO. 1965 - BUDGET AMENDMENT IN THE AMOUNT OF \$10,000 TO INCREASE LOAN TO 58 BROADWAY CORPORATION TO FUND PROJECT COST OVERRUN

City Manager Bean said that this budget amendment is in conjunction with Resolution No. 92-24 above. It will increase the loan by the amount of \$10,000 to help defray the cost overrun associated with the 58 Broadway Corporation Demonstration Loft Project.

Mayor Michalove said members of Council have been furnished with copies of the ordinance and it would not be read in its entirety.

Vice-Mayor Ellison moved for the adoption of Ordinance No. 1965. This motion was seconded by Councilman Moore.

On a roll call vote of 5-2, Ordinance No. 1965 passed on its first and final reading, with Councilmen Peterson and Swicegood voting "no".

E. NEXT MEETING OF THE ASHEVILLE CITY COUNCIL

Mayor Michalove stated that the next meeting of the City Council would be held at 4:00 p.m. at the Asheville Civic Center Banquet Room on March 17, 1992.

F. ANNUAL LEADERSHIP CONFERENCE SPONSORED BY THE CHAMBER OF COMMERCE

Mayor Michalove encouraged the Council members to attend the Annual Leadership Conference sponsored by the Chamber of Commerce on April 30, May 1 and May 2, 1992.

G. LUNCHEON INVITATION

Mayor Michalove stated that Sam Schuman, Chancellor of UNC-Asheville, has invited the Council members to a luncheon either on March 31, 1992, or May 5, 1992.

H. BREAKFAST INVITATION

Mayor Michalove stated that the Curriculum Team at Asheville Middle School has invited the Council members to a -20-

"Round Table Breakfast" on Thursday, March 12, 1992, at 7:15 a.m. in the Media Center. During the breakfast, they would like to share the progress that is being made by the administration and staff in the areas of curriculum and program development.

I. CITY PAGE

City Manager Bean stated that the new "City Page" will be started in April. He said that there will be a 1/2 page ad every Friday with a full page add the last Friday of the month.

J. CLAIMS

City Manager Bean said that the following claims were received during the week of February 17 - 21, 1992: Elmer Robinson (Water) and Christopher Holoroyd (Water).

He also stated that a claim from TCI Cable (Water) was received during the week of February 24-28, 1992.

He said that these claims have been referred to the appropriate insurers for

investigation.

VII. ADJOURNMENT

Mayor Michalove adjourned the meeting at approximately 6:50 p.m.

CITY CLERK MAYOR
