

Tuesday - June 6, 2000 - 3:00 p.m.

Worksession

Present: Mayor Leni Sitnick, Presiding; Vice-Mayor M. Charles Cloninger; Councilwoman Barbara Field; Councilman Edward C. Hay Jr.; Councilman Brian L. Peterson; Councilwoman Terry M. Whitmire; and Councilman Charles R. Worley; City Attorney Robert W. Oast Jr.; City Manager James L. Westbrook Jr.; and City Clerk Magdalen Burlison

Absent: None

CONSENT:

Advertise for Upset Bids for 135 Cherry Street

Summary: The consideration of a resolution authorizing the City Clerk to advertise an offer from Neighborhood Housing Services of Asheville, Inc. (NHS) for

the purchase of 135 Cherry Street in the Head of Montford Redevelopment Project in the amount of \$105,000.00.

135 Cherry Street is an Office zoned parcel located on Cherry Street about 150 feet east of Montford Avenue facing the Billy Graham Freeway. The property comprises a 0.16 acre lot improved with a 1,984 sq. ft. two story residential type structure along with a contiguous 0.046 acre parking lot encumbered by a non-exclusive parking easement for the adjoining property and including a non-exclusive access easement across the adjoining property. The Fair Reuse Value for the property is \$105,000.00. The proposed use for the property is Office.

NHS has submitted a bid to purchase 135 Cherry Street in the amount of \$105,000.00. NHS is the current tenant and plans to continue to occupy the building for the immediate future. The property is in good condition having been rehabilitated by NHS at the time of occupancy and no additional improvements are planned.

Approval of the resolution will initiate the sale of the property through the upset bid process as provided in N. C. Gen. Stat. sec. 160A-269.

Community Development staff recommends adoption of the resolution.

Withdrawal of Dedication of Oak Terrace

Summary: The consideration of a resolution finding that a portion of the right-of-way known as Oak Terrace Drive is not part of an adopted street plan.

According to N. C. Gen. Stat. sec. 136-96, if a right-of-way is not utilized within 15 years of dedication, it can be abandoned through a recording of a Declaration of Withdrawal.

To proceed with this process, Matney & Associates, on behalf of Sweeten Creek Realty, LLC, which is the successor in interest to the original developer of Stadley Mountain Park where Oak Terrace Drive is located, has requested that the City of Asheville verify if the specific rights-of-way are or are not part of the City's adopted street plan. The statute requires that the City adopt a resolution stating whether the right-of-way to be abandoned is or is not part of a proposed street plan.

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Public Works Department staff has determined that the right-of-way known as Oak Terrace Drive, beginning at the Northwest corner of Parcel Identification Number 9626-11-66-6108, and ending at the Southwest corner of Parcel Identification Number 9626-11-66-6422 as shown on plat book 12, page 7 is not part of an adopted street plan and is not a City maintained right-of-way.

City staff recommends City Council adopt the resolution finding that a portion of the right-of-way known as Oak Terrace Drive is not part of an adopted street plan.

Budget Amendment re: Youth Employment Services! 2000

Summary: The consideration of a budget amendment in the amount of \$14,320 for an appropriation from the Community Foundation of Western North Carolina in the New Horizon Grant Program.

The City of Asheville applied for funds in February 2000 for the New Horizon Grant Program from the Community Foundation of Western North Carolina. The grant was recently awarded in the amount of \$14,320 and designated to assist with operational costs of the Youth Employment Services! 2000.

City Council authorized Parks and Recreation on February 8, 2000 to apply for and enter into an agreement with the Community Foundation of Western North Carolina for a grant for \$7,000. Since then, more elements were added to the project which increased the amount to \$14,320.

Parks and Recreation is responsible for the management and operation of YES! 2000. The program is a result of a collaborative partnership between the City of Asheville, the Community Foundation, Job Link, the Asheville Housing Authority, and the Chamber of Commerce.

The Parks and Recreation Department recommends City Council approve the budget amendment in the amount of \$14,320 to increase the budget for YES! 2000.

N. C. Dept. of Transportation Agreement and Budget Amendment for TEA-21 – Urban Trail

Summary: The consideration of a resolution authorizing the City Manger to enter into an agreement with the N. C. Department of Transportation for pedestrian streetscape improvements along the Urban Trail, and associated budget amendment, in the amount of \$422,934.

The 2000-2006 Transportation Improvement Program (TIP) identifies the Urban Trail as the recipient of Transportation Equity Act for the Twenty First Century (TEA-21) funds. The project area will be defined to the path of the Urban Trail with a total project cost of \$422,934. The grant will provide a reimbursement to the City of up to eighty percent (80%) for a maximum of \$337,234 for the project. TEA-21 guidelines stipulate a minimum match of twenty percent (20%). The City's matching contribution will be \$85,700, \$40,000 of which is currently budgeted in the Fiscal Year 1999-00 budget, with the balance being supplemented by an appropriation from contingency.

Upon completion of the project and review, the City will be reimbursed for expenses as outlined in the agreement.

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City staff recommends City Council (1) adopt a resolution authorizing the City Manager to enter into a municipal agreement with N. C. Department of Transportation, and (2) adopt a budget amendment, in the amount of \$422,934.

Street Acceptance of Walden Ridge Drive

Summary: The consideration of a resolution to accept Walden Ridge Drive as a public right-of-way and City maintained street.

Section 7-15-1(f)-4.a requires that streets dedicated for public uses be accepted by resolution of City Council.

Walden Ridge Drive is a newly constructed street serving office and institutional uses. The street has been constructed and inspected in accordance with the City of Asheville Standard Specifications and Details Manual. The street is located off of Hendersonville Road. The street is a cul-de-sac that is approximately 755 feet long.

Following City Council's approval of this resolution, Walden Ridge Drive will be added to the official Powell Bill list.

Staff request City Council accept Walden Ridge Drive as a public right-of-way and City maintained street.

Budget Amendment re: Transit Services

Summary: The consideration of a budget amendment, in the amount of \$117,710 to reflect additional revenue and offsetting expenses in the Transit Services Department budget.

The City of Asheville received additional funds from the state for the operation of Routes Six (Airport) and Seven (Enka-Candler). The City has also received funds from the Federal Government designated for capital projects (Bike Racks). Also revenue beyond the current budgeted amount was received from the sale of advertising, including a past due payment for advertising from Fiscal Year 1998-99. Additionally, several older buses were sold at auction during Fiscal Year 1998-99 and the revenue from that sale was not recognized in the current budget.

Offsetting expenses include some small adjustments to various administrative line items. The bulk of the offsetting expenses is reflected in the operating budget line item. This represents the increased cost of fuel, and the operations of routes Six and Seven funded by the state New Services grant.

City staff recommends City Council adopt the budget amendment, in the amount of \$117,710, to reflect additional revenue and offsetting expenses in the Transit Services Department budget.

Contract with McGill Associates for the Survey, Design and Construction Documents for the W. T. Weaver Roadway and Greenway Project

Summary: The consideration of a resolution authorizing the City Manager to sign a contract with McGill Associates, P.A., to prepare design and construction documents for the W.T. Weaver roadway and greenway (Phase II) improvements.

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In 1999, the City received the opportunity to use Transportation Improvement Funds from the North Carolina Department of Transportation (NCDOT) to construct Phase II of the W.T. Weaver greenway. In order for this project to be eligible for the grant, detailed construction plans must be completed according to the NCDOT guidelines. Staff solicited costs for the design of the roadway and greenway (according to NCDOT guidelines) from Genesis Group, who were currently under contract for the conceptual plans for the greenway. The costs for design significantly exceeded staff's expectations. Staff then solicited proposals from McGill Associates to perform the work.

The contract with McGill Associates consists of surveying, preparing construction drawings and construction documents for roadway improvements and greenway installation. The scope of the roadway design is to create a round-about at W.T. Weaver and Barnard Avenue (also known as Edgewood Road Extension.) This entrance will become the main entrance to the University of North Carolina – Asheville (UNC-A). The fee for the project is based on an hourly rate plus allowable expenses, not to exceed \$91,750.

Plans should be completed by the middle of August with construction beginning early fall 2000.

Staff has coordinated this project with UNC-A staff and the neighborhood.

City staff recommends City Council authorize the City Manager to sign a contract with McGill Associates, P.A. to prepare design and construction documents for the W.T. Weaver roadway and greenway improvements.

Vice-Mayor Cloninger noted that when this matter comes up for consideration at the next formal meeting, he would ask that it be pulled from the Consent Agenda due to a conflict of interest.

Contract for Conceptual Design and Opinion of Cost for Water Maintenance Complex Renovations

Summary: The consideration of a resolution confirming the award by the Regional Water Authority of a contract with Padgett & Freeman Architects, P.A., for conceptual design and an opinion of cost for renovating a portion of the Old Water Maintenance Building for the Water Resources Department.

In January 2000, the Water Resources staff presented to the Regional Water Authority a list of the most critical capital needs of the Water System. Among those needs identified was the renovation of the Water Maintenance facility on South Charlotte Street. The existing facility includes a prefabricated metal building currently housing the offices of the Water Maintenance Division, surrounded by a parking area for Division employees as well as the parking for the heavy equipment and service trucks which are used in the maintenance of the Water Distribution system. The metal building was built in the early 1970's and is in poor condition. The building was nearly condemned in 1993 (temporary repair was completed) due to a failure of a section of the roof after a large snowstorm.

Staff has performed a review of the entire facility to determine the best approach to take to renovate the facility. Problems which have been identified include the following: (1) the metal building must be either extensively renovated or abandoned in the near future due to its condition; (2) the site does not have sufficient space for parking for the construction equipment, service vehicles, and provide adequately for employee parking; (3) the site is surrounded and there is no room for site expansion, except for a small grassy area between the current

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employee parking area and Charlotte Street; and (4) Water Resources Administration and meter reading are located in City Hall but interact regularly with the Maintenance Division.

As part of the staff survey, the staff reviewed the current space allocation of the Old Water Maintenance Building, which is owned by the City of Asheville and is on the same site. About one-third of the floor area of this building is being used by the Asheville City Schools, but the remaining area is available with the relocation of some storage area being used by City Purchasing. The staff has determined that it is feasible to effectively combine Water Administration, Meter Reading, and Water Maintenance in the available space in the Old Water Maintenance Building, and combined with the demolition of the metal building, there will be adequate parking space. Given the high cost of land to develop a site elsewhere, and the need for Water Maintenance to remain close to the City Warehouse and Fleet Maintenance, the development of the Old

Water Maintenance Building is the most cost-effective concept.

The recommended Water Fund budget for Fiscal Year 2000-2001 includes a recommendation that an \$11.3 million revenue bond sale be held in early 2001. A sum of \$1.0 million of the total is tentatively assigned to this project. At the present time, there is a need for a conceptual architectural plan to be developed to confirm if the concept of using the Old Water Maintenance Building will provide the present and future needs of the Water Resources Department and to provide a more detailed preliminary cost estimate for the upcoming revenue bond application.

Padgett and Freeman Architects, P.A., are already very familiar with the site, having been selected by the City of Asheville through an extensive consultant selection process in September 1996 for the renovation of the space now occupied by the Asheville City Schools. Padgett & Freeman's knowledge of the Old Water Maintenance Building, including the knowledge of the building, structure, plumbing, mechanical and electrical systems and capabilities, as well as the site and its stormwater conditions, allow Padgett & Freeman to offer the Authority economies in developing the conceptual plan for Water Resources. In addition, our review of their performance in renovating the area for the school was excellent. Staff has negotiated a fee not to exceed \$17,150 to develop a conceptual floor plan, overall site plan with parking layout, and a budget opinion of cost to complete the project.

The Regional Water Authority approved award of a professional services contract to Padgett & Freeman, P.A., of Asheville, North Carolina in an amount not to exceed \$17,150, on May 16, 2000.

City staff recommends City Council confirm the award by the Regional Water Authority of a professional services contract to Padgett & Freeman, P.A. of Asheville, North Carolina in an amount not to exceed \$17,150.

Contract Award to Woolpert for Azalea Road Feasibility Study

Summary: The consideration of a resolution authorizing the City Manager to sign a contract with Woolpert, LLP, to prepare Phase I of a feasibility study for the proposed Azalea Road development.

In 1999, a task force was created to evaluate the Azalea Road site. The direction of the task force was to make a recommendation to City Council as to whether the property should be purchased by the City for the primary uses a beneficial fill site and soccer fields. The task force consists of City staff, area residents and other interested stakeholders. Prior to making the recommendation to City Council on the property, the task force has recommended that Phase I of a feasibility study be completed to evaluate critical issues.

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Staff developed a Request for Proposals (RFP) to select a consultant to prepare the feasibility study and design of the site. The RFP was completed in December 1999 and proposals were received in February 2000. Five firms submitted proposals. The selection team reviewed the proposals and narrowed the list to three firms: Woolpert, Vaughn and Melton, and MA Engineers. Interviews were held in March 2000 and the selection team recommended Woolpert, LLP, based upon qualifications.

Phase I of the feasibility will evaluate the following issues: (1) floodplain/floodway regulations; (2) beneficial fill operations; (3) traffic impact analysis; (4) utility investigation; (5) cost benefit analysis; and, (6) wetlands evaluation. The costs of Phase I is \$86,262.00.

If Phase I of the feasibility study indicates that the property is suitable for the uses described above, staff will request that City Council authorize the City Manager to sign a contract with Woolpert, LLP, to complete Phase II of the feasibility study and possibly the design of the site.

Woolpert, LLP proposes to use three sub-consultants in the project. One of the three are certified minority or women-owned businesses.

Staff recommends that City Council authorize the City Manager to execute a contract with Woolpert, LLP, to prepare Phase I of a feasibility study for the proposed Azalea Road development.

Discussion occurred regarding prior feasibility studies and the use of those studies with regard to this project.

Councilwoman Whitmire asked for a report on the amount of money spent to date by the City on this project. Parks and Recreation Director Irby Brinson said that \$80,000 was spent for the survey and \$10,000 for the option. He stated that he would put this information in a report form for Council.

Donation to Police K-9 Unit

Summary: The consideration of a resolution authorizing the City Manager to accept a donation from the Ingles Market Inc. and Milk-Bone of Nabisco Inc. and to adopt an associated budget ordinance amendment, in the amount of \$5,000.

Ingles Market Inc. and Milk-Bone of Nabisco Inc. have donated \$5,000 to support the Asheville Police Department's K-9 Unit. The funds are intended to provide training for two K-9 officers and their canines to enhance and improve their skills in providing police services to the citizens of Asheville.

City staff recommends City Council adopt (1) a resolution authorizing the City Manager to accept the donation; and (2) a budget ordinance amendment, in the amount of \$5,000, to appropriate the funds in the Police Department's operating budget.

Mayor Sitnick asked that the record show that City Council has received this information and instructs the City Manager to place these items on the next formal City Council agenda.

BUDGET REQUEST FOR THE BUNCOMBE COUNTY ECONOMIC DEVELOPMENT COMMISSION

Mr. Ernest Ferguson reviewed with Council the history of the Buncombe County Economic Development Commission (EDC). He said that it was established in 1994 to stimulate

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private sector investment, economic growth and job creation within Buncombe County. It creates a focused effort to assist existing industry and to recruit new business and industry, which will have a positive impact on the economic health of the community. Mr. Ferguson briefed Council on the impact of the EDC on the community along with existing business and industry. He then reviewed the members of the Commission as well as the funding request for Fiscal Year 2000-01. The EDC is request the City of Asheville budget \$50,000 which will allow them one voting member on the EDC.

Discussion surrounded the difference between what the EDC is doing and what the Chamber of Commerce is doing.

Councilwoman Field voiced concern about comments made by some EDC Board members and staff which publicly oppose major City policy.

Vice-Mayor Cloninger asked if the City of Asheville could have two voting members on the EDC rather than one – noting that one more member of the EDC would bring the total to 10 which may result in a tie vote in some instances. Mr. Ferguson said that he would take that request to the EDC Board and try to let City Council know before their next formal meeting on the budget on June 13, 2000.

Councilman Hay wanted to be assured that the \$50,000 would be directly tied into some specific goal, activity or project that would fit into the City's sustainable economic development plan. He suggested that the money be allocated in the budget with the details to be worked out later. If no meaningful understanding could be worked out, then that money would be available for another use.

AUTHORITY TO EXECUTE NEW LEASES TO EXISTING TENANTS AT 5, 7-1/2, 9, 11 AND 13 BILTMORE AVENUE PRIOR TO DISPOSITION OF THE PROPERTIES

Mr. Ed Vess, Field Services Coordinator, said that this is the consideration of a resolution authorizing the negotiation of new leases to existing tenants of redevelopment properties at 5, 7-1/2, 9, 11 and 13 Biltmore Avenue prior to disposing of the properties.

The properties at 5, 7-1/2, 9, 11 & 13 Biltmore Avenue were acquired as part of the Pack Plaza Redevelopment Project. They are currently leased to commercial and non-profit tenants as retail and office space. The Annual Action Plan for Housing and Community Development approved by City Council on May 9, 2000, proposes disposition of the properties during Fiscal Year 2000/2001.

Although the properties are fully occupied at this time, all of the current leases expire on or before August 31, 2000. Advice from an MAI appraiser indicates that offering each of the current tenants a market rate lease would be appropriate as a first step towards marketing the properties. A lease term of three years would provide a purchaser with an assured income stream, while not significantly encumbering the property in case the purchaser desires eventually to occupy it. It would also enable the existing tenants to plan for relocation. The new monthly rents with incremental annual increases are estimated as follows:

<u>Address (Area in sq ft.)</u>	<u>7/1/00 - 6/30/01</u>	<u>7/1/01 - 6/30/02</u>	<u>7/1/02 - 6/30/03</u>
5 Biltmore Ave. (4,464)	\$5,200.00	\$5,400.00	\$5,600.00
7-1/2 Biltmore Ave. (600)	\$625.00	\$650.00	\$680.00
9 Biltmore Ave. (2,070)	\$2,400.00	\$2,500.00	\$2,600.00
11 & 13 Biltmore Ave. (4,141)	\$4,800.00	\$5,000.00	\$5,200.00
8 S. Lexington (17 parking spaces)	\$340.00	\$350.00	\$365.00

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Approval of the resolution will authorize staff to negotiate market rate leases with the current tenants at 5, 7-1/2, 9, 11 & 13 Biltmore Avenue for a period not to exceed three years and then to offer the properties for sale through the bid and upset bid process.

Staff recommends adoption of the resolution.

Mr. Vess noted that funds generated by the sale of these properties have tentatively been allocated to help fund eight Community Development Block Grant projects.

Mr. Vess noted that Habitat for Humanity has asked that the City proceed under a different statute that would allow them to purchase 9, 11 and 13 Biltmore Avenue without going through the upset bid process. However, proceeding under this statute would require restrictive covenants to be placed on the property which would mean that the ownership of the property would always have to be by a non-profit organization. Staff is not supportive of this request in that the property should be sold through the upset bid process on the open market without restrictive covenants in place. To do what Habitat is requesting would reduce the fair market value of the property by approximately 50%.

After discussion between Councilman Hay and City Attorney Oast about the reading of the statutes,

Councilman Hay requested that 9, 11 and 13 Biltmore Avenue be deleted from consideration at this time and to have staff work with Habitat for Humanity for the sale of properties without restrictive covenants.

Mr. Lew Kraus, Habitat for Humanity, stated that Habitat has been working with the City for the past two years in trying to find a way to buy this building without having to go through the upset bid process. Information was given to them by the City of a statute that would allow them to do this. The City then sent them the information including the restrictive covenants. He said they do understand the restrictive covenants and that they do, in fact, reduce the market value of the property. Habitat understood the original appraisal of \$400,000 from two years ago. Habitat is willing to entertain talking in those terms with the City, but they are not willing to entertain that with restrictive covenants attached. They are prepared to make a fair market value offer on this property with the covenants attached with the full understanding that it remains as a use of a non-profit.

Mayor Sitnick asked that the record show that City Council has received this information and instructs the City Manager to place this item on the next formal City Council agenda.

ENACTMENT OF GROSS RECEIPTS TAX ON RENTAL VEHICLES

Budget Director Ben Durant said that this is the consideration of a resolution establishing a gross receipts tax on rental or leased vehicles to replace lost property tax revenue resulting from the General Assembly's recent repeal of the property tax on leased on rented vehicles.

On May 17, the General Assembly passed Senate Bill 1076 which repealed the property tax on leased or rented vehicles. Prior to the enactment of this legislation, municipal and county governments had the authority to levy property taxes on short-term leased or rented vehicles. Senate Bill 1076 now excludes these vehicles from the property tax base. According to information provided by the Buncombe County Tax Department, the City of Asheville will lose approximately \$55,000 in property tax revenue with enactment of this new law based on a current property tax rate of \$.52.

Senate Bill 1076 does, however, allows municipal and county governments to replace the lost property tax revenue with a tax on the gross receipts of companies operating leased or rental vehicles. Each municipal and county government must pass a resolution establishing the

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gross receipts tax for their districts. Municipal and county governments can tax leasing companies at one and one-half (1 ½) percent of gross receipts upon adoption of a resolution.

Buncombe County staff is recommending a resolution in June authorizing the County to tax the gross receipts of leasing companies at one and one-half (1 ½) percent of gross receipts to replace lost property tax revenue. Buncombe County recommends that all municipalities authorize the one and one-half (1 ½) percent gross receipts tax. Enactment of the gross receipts tax will allow the City of Asheville to replace the projected \$55,000 loss in property tax revenue.

City staff recommends City Council adopt a resolution establishing a gross receipts tax on leasing companies for leased or rented vehicles.

Mayor Sitnick asked that the record show that City Council has received this information and instructs the City Manager to place this item on the next formal City Council agenda.

RESOLUTION NO. 00-88 – RESOLUTION AMENDING THE INTERLOCAL AGREEMENT REGARDING LOCAL AIR POLLUTION CONTROL PROGRAM AND AGENCY

City Attorney Oast outlined the amendments as follows: (1) the name of the agency is changed to "Western North Caroling Regional Air Quality Agency;" (2) the agreement shall be effective "upon the later of July 1, 2000, or the date of certification by appropriate State agencies;" (3) with regard to finances, "the Agency's annual budget shall reflect and maintain a fund balance at least equal to 8% of the Agency's total annual operating budget;" and (4) with regard to the Clean Air Community Trust, "the City of Asheville will name two trustees to the Trust Board, and Buncombe County will name three trustees, including Professor Rick Maas, who shall be the convening and the initial chair of the Trust Board." In addition, "...the initial board of trustees shall unanimously elect two additional persons to serve on the board of trustees and the entire Board shall elect officers, except for the initial chair whose appointment is provided for above. Terms of the trustees will be for three years, and no person may serve more than two consecutive terms. Terms of officers will run concurrent with their terms as trustees."

Councilman Worley questioned the three year term of the Chair and wondered if the Chair term should be annually.

Vice-Mayor Cloninger moved to waive the rules and take formal action at this meeting. This motion was seconded by Councilman Peterson and carried unanimously.

City Attorney Oast then read the resolution amending the Interlocal Agreement regarding the local air pollution control program and agency.

Mr. Jack Fobes spoke in favor of the amendments to the Interlocal Agreement.

Vice-Mayor Cloninger moved to adopt Resolution No. 00-88. This motion was seconded by Councilman Peterson and carried unanimously.

RESOLUTION BOOK NO. 26 – PAGE 40

At 4:55 p.m., Mayor Sitnick adjourned the worksession to reconvene in the Council Chamber at 5:00 p.m.

PUBLIC HEARING ON THE 2000-01 ANNUAL OPERATING BUDGET AND CAPITAL IMPROVEMENTS PROGRAM

Mayor Sitnick opened the public hearing at 5:05 p.m.

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Budget Director Ben Durant said that this public hearing was advertised on May 26 and June 2, 2000. He summarized the proposed budget and the changes that took place subsequent to the initial presentation. The budget was distributed to City Council on May 12, 2000, and on May 18, 200, a budget worksession was held. A special budget worksession on affordable housing was held on May 30, 2000. Adoption of the budget is schedule for June 13, 2000. The budget that was originally presented to City Council included a \$0.2 tax rate increase to provide additional funding for an enhanced street maintenance and repair program. That tax rate which was proposed was \$.54 per \$100 of assessed valuation. During subsequent budget worksessions, revisions were made to the budget and City Council requested staff to add an addition \$.02 for parks and recreation capital projects and for affordable housing initiatives. The budget at this time

includes a tax rate of \$.56 per \$100 of assessed valuation compared to a current tax rate of \$.52.

Vice-Mayor Cloninger requested that the current budget of \$65,000 for traffic calming measures be increased to \$100,000 and explained where the additional \$35,000 could come from.

Councilman Hay explained his request that standing identified events at the Civic Center be exempt from paying the proposed increased set up and take down charges in the arena during hockey season. Mr. Durant said that the waiving of those fees will result in a loss of approximately \$40,000 and staff will need direction from City Council on how to make up that loss.

Councilwoman Whitmire recommended funding the Buncombe Economic Development Commission not their requested funding of \$50,000, but only \$25,000. She then suggested \$20,000 be allocated to the YWCA and \$5,000 to the WNC Historical Association.

Councilman Peterson recommended \$25,000 be allocated to the WNC Historical Association and approximately \$20-25,000 to allocated to the YWCA.

It was suggested and agreed upon by Council that outside agency funding requests at one time during the next formal meeting when the budget is adopted.

The following individuals spoke in favor of the City Council establishing a housing trust fund:

Ms. Mimi Cecil, representing the Hospitality House

Mr. Alan Thornburg, speaking on behalf of the Hospitality House

Ms. Christy Carter, west Asheville resident and employee of Hospitality House

Mr. Richard Genz

Ms. Amy Ray, speaking as an individual but staff attorney at Pisgah Legal Services

Mr. Gene Bell

Ms. Pat Parker

Mr. Walter Plowie, member of the Carolina Real Estate Investment Association

Ms. Beth Maczka, Director of the Affordable Housing Coalition

Ms. Joyce Harrison, speaking on behalf of the Homes for Asheville-Buncombe Task

Force

Ms. Beth Lazer, Chair of the Public Access Channel Commission, wanted to be assured, and was assured by City Manager Westbrook, that the \$340,000 collected from InterMedia as a result from the franchise agreement, will be available for use by the Public Access Channel Commission when they are ready to purchase equipment.

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Councilwoman Whitmire wanted to consider the \$60,000 request from the Educational Access Channel Commission when the budget adoption is discussed next week.

The following individuals spoke in support of allocating funds to the WNC Historical Association to go toward the purchase of the former Biltmore High School into a Museum of Western North Carolina with will be devoted to the traditions, cultures and history of the region:

Mr. Kevin Westmoreland, representing the Biltmore School Alumni Association

Ms. Rebecca Lamb, Executive Director of the WNC Historical Association

Ms. Joanne Grimes, President of the WNC Historical Association

Mrs. Roger James, representing the Preservation Society of Asheville

Mr. Bob Stewart, President of the Beaverdam Run Condominium Association, urged City Council to continue its financial support of the Reems Creek Fire Station. He stressed that the community does not want to substitute the excellent service they receive from the Reems Creek Fire Station for service by the City of Asheville Fire Station No. 7 located on Merrimon Avenue.

Interim Fire Chief Robert Griffin explained that the contract in place with the Beaverdam Volunteer Fire Department was enacted five years ago as a result of annexation. State law requires cities to contract with the volunteer fire departments to replace their loss income for a period of five years. During that five year term, the volunteer fire department has the opportunity to adjust their budget, etc., to offset the loss of revenue. We have responded, along with the Beaverdam Volunteer Fire Department, to all calls in the City. Once the contract expires at the beginning of August, Chief Justice of the Reems Creek Fire Department, who provides the management for the Beaverdam Fire Department, has assured him that a mutual response pact will be drawn up that will include the County as well as the City for certain types of calls meeting criteria that will benefit the citizens of the County as well as the citizens of the City.

Mr. Gene Rainey, President of Our Next Generation, requested City Council to appropriate a one-time allocation of \$5,000 to Teen Work. He explained that the program is to purchase five houses in the affordable range within the City limits of Asheville. He hope that this would be considered part of the affordable housing aspect of the budget. The houses will be refurbished by teenagers under the mentorship of a contractor.

Mr. Mickey McHaffee, representing Peacemakers, urged City Council to examine the budget carefully for places where cuts can be made. Salaries of some City employees continue to rise, however, the average annual wage in Asheville is under \$25,000.

Ms. Shirley Dozier passed out a letter to Council which noted that she has not received a response from City staff regarding property at the Head of Montford. She requested the Mayor order them to respond to her by a date certain. She also said that a list of names and addresses were taken at a City Council meeting of race car fans and their families. She asked if those people were threatened because they did not show up at a protest meeting.

Councilwoman Whitmire responded that she was the only Council member who saw the names and addresses of those race fans and those were for her records only. She did not threaten anyone.

Mr. Chris Peterson, representing Citizens for Accountable Government, spoke in opposition of the 5% tax increase. He felt that City Council continues to overspend. He felt that City Council needs to cut 10% from the \$83 Million budget. He felt Council should not allocate any money to non-profit organizations and instead allocate that money to streets, sidewalks and the water system. He made several suggestions on how the City could get out of their deficit,

some being, but not limited to, not build the parking deck in the Grove Arcade area, get out of the business of the Civic Center, raise bus fares and cut routes, and implement a hiring freeze.

Mr. Fred English felt the Civic Center should be closed and the City should get out of the real estate/housing business. He felt residents should not have to pay to park and that's the reason people shop at the Malls and not downtown. He also noted that water bills continue to rise.

Ms. Holly Jones, Executive Director of the YWCA, asked City Council to appropriate funds to on-going program support to the YWCA because in terms of the strategic goals of the City, the YWCA is a true investment in the City.

Ms. Laurie Carroll, participant in a the YWCA program, spoke in support of the YWCA and their programs.

Mr. David Barker, President of the North Asheville Little League, spoke in favor of the one cent tax increase for parks and recreation. He expressed the need for ballfields in the north section of town.

Mr. Wayne Adams, Executive Director of Beverly Health Care of Asheville on Beaverdam Road, urged City Council to not discontinue the agreement with the Reems Creek Fire Station.

Mr. Steve Rasmussen and Ms. Dawn Humphries, representing Community Compassion, said that in the course of their advocacy work for compassion towards the medical and industrial use of marihuana and hemp, they raised questions regarding the City's Police Department budget, in particular the Metropolitan Enforcement Group. They feel tax dollars should go towards housing instead of harassing people to find drugs.

Ms. Ruth Summers, Executive Director of the Southern Highland Craft Guild, gave statistics of the large amount of economic benefit the Guild brings to the City of Asheville. She urged City Council to not raise fees from long-term users of the Civic Center.

Mayor Sitnick closed the public hearing at 7:08 p.m.

Mayor Sitnick said that City Council will consider adoption of the budget and capital improvements program at its regular meeting on June 13, 2000.

ADJOURNMENT:

Mayor Sitnick adjourned the meeting at 7:12 p.m.

CITY CLERK MAYOR
