

Tuesday - June 13, 2000 - 5:00 p.m.

Regular Meeting

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 Burleson

Absent: None

INVOCATION

Councilman Peterson gave the invocation.

ADDITION TO THE AGENDA

Vice-Mayor Cloninger asked that an issue regarding the Public Access Channel Commission be added under "Other Business."

I. PROCLAMATIONS:

A. PROCLAMATION PROCLAIMING JUNE 25-30, 2000, AS "WORLD BOTANIC GARDENS WEEK"

Mayor Sitnick read the proclamation proclaiming the week of June 25-30, 2000, as "World Botanic Gardens Week" in the City of Asheville. She presented the proclamation to Mr. Gerry Hardesty and Mr. George Briggs, who briefed City Council on some activities taking place during the week.

B. ANNUAL SAFETY AWARD FROM THE N.C. PUBLIC TRANSPORTATION ASSOCIATION

Transit Director Bruce Black said that the Asheville Transit System was the recipient of the annual safety award for Urban/Small Urban Fixed-Route Systems With Nine to Twenty Two Buses from the North Carolina Public Transportation Association at its annual meeting and conference in New Bern, North Carolina, on Monday, May 8, 2000. This award is in recognition of outstanding performance in traffic and pedestrian safety among transportation systems for the year 1999. There is one award in the state per category of transit system. This is the fifth time the City has won this award in the past seven years. The past awards were won in 1993, '95, '96, '97.

Mr. Black also advised Council that they received an award from the Asheville City Schools for appreciation of 30 years of service with virtually no accidents.

On behalf of City Council, Mayor Sitnick congratulated Mr. Black on the awards

C. MAYOR'S CUP RAFT RACE

Councilman Hay and Councilman Worley proudly announced that the City of Asheville won first place in the Mayor's Cup Raft Race held on June 4, 2000. They thanked the other crew members who were firefighters.

-2-

D. RECOGNITION OF PLAYERS AND COACHES FROM THE INVITATIONAL INTERNATIONAL BASKETBALL TOURNAMENT IN ASHEVILLE'S SISTER CITY SAUMUR, FRANCE

On behalf of City Council, Councilman Hay recognized the girls and boys basketball team and coaches from the Invitational International Basketball Tournament in Asheville's Sister City Saumur, France. The girls team won 2nd place and the boys team placed in 5th place.

E. RECOGNITION OF ASHEVILLE HIGH SCHOOL'S WOMEN'S SOCCER TEAM

On behalf of City Council, Councilman Hay was pleased to acknowledge Asheville High School's Women's Soccer Team.

F. RECOGNITION OF T.C. ROBERSON HIGH SCHOOL'S TEAMS AND INDIVIDUAL STATE CHAMPION

On behalf of City Council, Councilman Hay recognized some of the players of the T.C. Roberson High School's Girls' Track Team, Baseball Team, Girls' Cross Country Team, and Brad Pomeroy, State Individual Champion in Boys' Tennis.

II. CONSENT:

Vice-Mayor Cloninger requested Consent Agenda Item "J" be removed from the Consent Agenda.

Councilwoman Whitmire requested Consent Agenda Item "L" be removed from the Consent Agenda.

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON MAY 23, 2000; THE COMMUNITY MEETING HELD ON MAY 30, 2000, AND THE WORKSESSION HELD ON JUNE 6, 2000

B. RESOLUTION NO. 00-89 - RESOLUTION AUTHORIZING THE NEGOTIATION OF NEW LEASES TO EXISTING TENANTS OF REDEVELOPMENT PROPERTIES AT 5 AND 7-1/2 BILTMORE AVENUE PRIOR TO DISPOSING OF THE PROPERTIES

Summary: The consideration of a resolution authorizing the negotiation of new leases to existing tenants of redevelopment properties at 5 and 7-1/2 Biltmore Avenue prior to disposing of the properties.

The properties at 5 and 7-1/2 Biltmore Avenue were acquired as part of the Pack Plaza Redevelopment Project. They are currently leased to commercial tenants as a music hall and retail 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, 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

-3-

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:

Address (Area in sq ft.)	7/1/00 – 6/30/01	7/1/01 - 6/30/02	7/1/02 - 6/30/03
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

Approval of the resolution will authorize staff to negotiate market rate leases with the current tenants at 5 and

7 1/2 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.

RESOLUTION BOOK NO. 26 – PAGE 45

C. RESOLUTION NO. 00-90 - RESOLUTION AUTHORIZING THE CITY CLERK TO ADVERTISE AN OFFER OF PURCHASE FOR UPSET BIDS REGARDING REDEVELOPMENT PROPERTY AT 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.

RESOLUTION BOOK NO. 26 – PAGE 46

D. RESOLUTION NO. 00-91 - RESOLUTION TO WITHDRAW FROM PUBLIC DEDICATION A PORTION OF OAK TERRACE DRIVE

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.

-4-

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.

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.

RESOLUTION BOOK NO. 26 – PAGE 47

E. ORDINANCE NO. 2700 - BUDGET AMENDMENT FOR AN APPROPRIATION FROM THE COMMUNITY FOUNDATION OF WNC TO ASSIST WITH OPERATION COSTS OF THE 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.

ORDINANCE BOOK NO. 18 – PAGE

F. RESOLUTION NO. 00-92 - RESOLUTION AUTHORIZING THE CITY MANGER TO ENTER INTO AN AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION FOR PEDESTRIAN STREETSCAPE IMPROVEMENTS ALONG THE URBAN TRAIL

-5-

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.

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.

RESOLUTION BOOK NO. 26 – PAGE 48

G. ORDINANCE NO. 2701 - BUDGET AMENDMENT FOR THE N.C. DEPT. OF TRANSPORTATION FOR PEDESTRIAN STREETScape IMPROVEMENTS ALONG THE URBAN TRAIL

Summary: See Consent Agenda Item "F" above.

ORDINANCE BOOK NO. 18 - PAGE

H. RESOLUTION NO. 00-93 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT WALDEN RIDGE DRIVE AS A PUBLIC RIGHT-OF-WAY AND PUBLICLY MAINTAINED STREET

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.

RESOLUTION BOOK NO. 26 – PAGE 49

-6-

I. ORDINANCE NO. 2702 - BUDGET AMENDMENT TO REFLECT ADDITIONAL REVENUE AND OFFSETTING EXPENSES IN THE TRANSIT SERVICES DEPARTMENT BUDGET

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.

ORDINANCE BOOK NO. 18 – PAGE

J. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH MCGILL ASSOCIATES TO PREPARE SURVEY, DESIGN AND CONSTRUCTION DOCUMENTS FOR THE W.T. WEAVER ROADWAY AND GREENWAY PROJECT

Summary: This item was removed from the Consent Agenda.

K. RESOLUTION NO. 00-94 - RESOLUTION ACCEPTING THE RECOMMENDATIONS OF THE REGIONAL WATER AUTHORITY TO AWARD A PROFESSIONAL SERVICES CONTRACT TO PADGETT & FREEMAN FOR ARCHITECTURAL SERVICES IN 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

-7-

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 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.

RESOLUTION BOOK NO. 26 – PAGE 50

-8-

L. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH WOOLPERT, LLP, TO PREPARE PHASE I OF A FEASIBILITY STUDY FOR THE PROPOSED AZALEA ROAD DEVELOPMENT

This item was removed from the Consent Agenda.

M. RESOLUTION NO. 00-95 - RESOLUTION AUTHORIZING THE CITY TO LEVY A TAX ON GROSS RECEIPTS DERIVED FROM RETAIL SHORT-TERM LEASE OR RENTAL OF VEHICLES

Summary: 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 or 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, allow 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 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.

RESOLUTION BOOK NO. 26 – PAGE 51

N. RESOLUTION NO. 00-96 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT A DONATION FROM INGLES MARKETS INC. AND MILK-BONE/NABISCO INC. IN SUPPORT OF POLICE DEPARTMENT'S 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.

-9-

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.

RESOLUTION BOOK NO. 26 – PAGE 55

O. ORDINANCE NO. 2703 - BUDGET AMENDMENT TO REFLECT A DONATION FROM INGLES MARKETS INC. AND MILK-BONE/NABISCO INC. IN SUPPORT OF POLICE DEPARTMENT'S K-9 UNIT

Summary: See Consent Agenda Item "N" above.

ORDINANCE BOOK NO. 18 – PAGE

P. MOTION SETTING A PUBLIC HEARING ON JUNE 27, 2000, TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE IN ORDER TO REVISE THE MAXIMUM FOOTPRINT FOR ACCESSORY STRUCTURES IN RESIDENTIAL DISTRICTS

Q. MOTION SETTING A PUBLIC HEARING ON JUNE 27, 2000, TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE IN ORDER TO REVISE THE APPROVAL PROCESS FOR PRELIMINARY PLATS FOR MAJOR SUBDIVISIONS

R. MOTION SETTING A PUBLIC HEARING ON JUNE 27, 2000, TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE IN ORDER TO REVISE THE REVIEW AND APPROVAL PROCESS FOR DUPLEXES, TRIPLEXES AND QUADRAPLEXES IN SINGLE FAMILY ZONING DISTRICTS AND TO ESTABLISH NEW DEVELOPMENT STANDARDS FOR THESE USES

S. MOTION SETTING A PUBLIC HEARING ON JUNE 27, 2000, TO CONSIDER A PLANNED UNIT DEVELOPMENT OVERLAY ZONING FOR ARTISAN PARK LOCATED AT 1773 OLD HAYWOOD ROAD

Mayor Sitnick said that members of Council have been previously furnished with a copy of the resolutions and ordinances and the Consent Agenda and they would not be read.

Councilwoman Field moved for the adoption of the Consent Agenda. This motion was seconded by Councilman Worley and carried unanimously.

ITEMS REMOVED FROM THE CONSENT AGENDA

RESOLUTION NO. 00-97- RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH MCGILL ASSOCIATES TO PREPARE SURVEY, DESIGN AND CONSTRUCTION DOCUMENTS FOR THE W.T. WEAVER ROADWAY AND GREENWAY PROJECT

At the request of Vice-Mayor Cloninger, Councilwoman Field moved to excuse Vice-Mayor Cloninger from voting in Consent Agenda Item "J" due to a conflict of interest. This motion was seconded by Councilman Worley and carried unanimously.

-10-

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.

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.

Councilwoman Field moved for the adoption of Resolution No. 00-97. This motion was seconded by

Councilman Worley and carried unanimously.

RESOLUTION BOOK NO. 26 – PAGE 56

RESOLUTION NO. 00-98 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH WOOLPERT, LLP, TO PREPARE PHASE I OF A FEASIBILITY STUDY FOR THE PROPOSED AZALEA ROAD DEVELOPMENT

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.

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

-11-

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.

Vice-Mayor Cloninger moved for the adoption of Resolution No.00-98 . This motion was seconded by Councilwoman Field and carried on a 6-1 vote, with Councilwoman Whitmire voting "no."

RESOLUTION BOOK NO. 26 – PAGE 57

III. PUBLIC HEARINGS:

A. PUBLIC HEARING RELATIVE TO REZONING 23 CONGRESS STREET FROM RS-8 RESIDENTIAL SINGLE-FAMILY HIGH DENSITY DISTRICT TO RM-8 RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY DISTRICT, AND ISSUANCE OF A CONDITIONAL USE PERMIT (CONDITIONAL USE ZONING)

ORDINANCE NO. 2704 - ORDINANCE TO REZONE 23 CONGRESS STREET FROM RS-8 RESIDENTIAL

SINGLE-FAMILY HIGH DENSITY DISTRICT TO RM-8 RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY DISTRICT (CONDITIONAL USE ZONING)

ORDINANCE NO. 2705 - ORDINANCE GRANTING A CONDITIONAL USE PERMIT FOR 23 CONGRESS STREET

City Clerk Burleson administered the oath to anyone who anticipated speaking on this matter.

City Attorney Oast reviewed with Council the conditional use district zoning process by stating that this is a two part process. It requires rezoning, which is a legislative act, and the issuance of a conditional use permit, which is a quasi-judicial site specific act. Even though the public hearing on those two items will be combined, all the testimony needs to be sworn and two votes will need to be taken. The first vote will be to grant the rezoning to the conditional use district category and the second vote will be to issue the conditional use permit. If Council runs into a situation that it votes to rezone, Council doesn't have to vote to issue the conditional use permit on the same night.

-12-

After hearing no questions about the procedure, Mayor Sitnick opened the public hearing at 5:41 p.m.

Mr. Scott Shuford, Planning & Development Director, submitted into the record Affidavit of Publication (City Exhibit 1), the Certification of Mailing of Notice to Property Owners (City Exhibit 2), and the Staff Report (City Exhibit 3).

He said that this is the consideration of rezoning property at 23 Congress Street from RS-8 Residential Single-Family High Density District to RM-8 Residential Multi-Family Medium Density District, and issuance of a conditional use permit (conditional use zoning).

The Planning and Zoning Commission, at their May 3, 2000, meeting, reviewed and recommended approval, with conditions, of the change in zoning of property located at 23 Congress from RS-8 to RM-8 CU. The applicants are Steve Tensi and Jennifer Scovill. Two structures are currently located on the half-acre lot. One of the structures is used as a duplex and the other is vacant. The applicant has submitted an application and a site plan indicating that the structure that is currently vacant will be used as a duplex. The site plan indicates an improved parking area and buffering and landscaping to meet the requirements of the City's landscape ordinance. In recommending approval of the conditional use district zoning for the property, the Planning and Zoning Commission recommended that the following conditions be attached to the conditional use permit:

- Identify the species and exact locations of proposed buffer plantings;
- Indicate street trees on the site plan;
- Remove trash from the open shed at the rear of the property;
- Remove the abandoned car at the rear of the property; and
- Two duplexes be consistent with the Minimum Housing Code within 90 days of the date of the approval of the Order granting conditional use zoning.

There was no public comment at the Planning and Zoning Commission hearing.

In taking action to approve the conditional use district zoning of the property, Council must take two actions:

- Approve a change in the official zoning maps to designate the property as an RM-8 CU zone; and
- Issue a conditional use permit for the two duplexes on the property.

The second action is a quasi-judicial action and all actions taken by the Council must comply with the procedural requirements for such actions.

The Planning and Zoning Commission voted 6 to 0 to recommend approval of the conditional use district zoning. The Planning and Development staff recommends approval of the zoning change.

Ms. Jennifer Scovill, property owner, said that they are only 30 days away from the Certificate of Occupancy and have already started adhering to the conditions of the conditional use permit.

There being no request from the applicant for rebuttal, Mayor Sitnick closed the public hearing at 5:45 p.m.

-13-

Councilman Worley moved to adopt Ordinance No. 2704 to rezone 23 Congress Street from RS-8 Residential Single-Family High Density District to RM-8 CU Residential Multi-Family Medium Density District (conditional use zoning). This motion was seconded by Councilwoman Field and carried unanimously.

ORDINANCE BOOK NO. 18 – PAGE

Vice-Mayor Cloninger moved to adopt Ordinance No. 2705 granting the conditional use permit for 23 Congress Street (conditional use zoning), with the following conditions: (1) Identify the species and exact locations of proposed buffer plantings; (2) Indicate street trees on the site plan; (3) Remove trash from the open shed at the rear of the property; (4) Remove the abandoned car at the rear of the property; and (5) Two duplexes be consistent with the Minimum Housing Code within 90 days of the date of the approval of the Order granting conditional use zoning. Said motion also instructs the City Attorney to prepare the Order for the Mayor's signature. This motion was seconded by Councilwoman Field and carried unanimously.

ORDINANCE BOOK NO. 18 – PAGE

B. PUBLIC HEARING TO CONSIDER A CONDITIONAL USE PERMIT FOR A TELECOMMUNICATIONS TOWER AT 200 TUNNEL ROAD

Summary: American Tower Corporation has withdrawn the application for a new telecommunications tower at 200 Tunnel Road (Kenilworth Knoll).

On September 28, 1999, City Council opened the public hearing to consider a conditional use permit for a telecommunications tower at 200 Tunnel Road. After numerous continuances, on March 28, 2000, the matter was continued indefinitely in order for the applicant to resolve technical issues that would allow them to co-locate on the existing tower on Kenilworth Knoll. Instead of building a new tower, the applicant will place antennae on the existing tower near the Sports Club of Asheville.

American Tower Corporation was the first application for a new telecommunications tower since the City adopted a new ordinance regulating telecommunications towers. The ordinance requires applicants to exhaust all options for co-location before building a new tower. The ordinance also encourages the use of concealed structures and new technologies as alternatives to new towers. The fact that this application will not result in a new tower speaks to the effectiveness of the new ordinance. The resolution of this matter without a public hearing can be largely credited to the City's consultant, Paul Rosa. Consulting fees were paid by the applicant, as provided in the ordinance.

It was the consensus of City Council to accept the withdrawal of the application by American Tower

Corporation.

IV. UNFINISHED BUSINESS:

Annexation Ordinances and Services Plan

Planning & Development Director Scott Shuford said that this is the consideration of adopting ordinances that establish the City's commitment to serve the Phase I Annexation Plan areas and to set the effective date of annexation on June 30, 2001. Copies of the six areas proposed for annexation were passed out to City Council.

-14-

On May 23, 2000, City Council held a public hearing on the proposed annexation of six areas distributed across all quadrants of the City. Ordinances have been prepared that will complete the procedural part of the annexation process for each of these six areas. In addition, these ordinances adopt the Services Plan that lays out the City's commitment to provide these annexed areas with services reasonably similar to those received by other properties located within the City. Staff requests Council take separate action on each of these six ordinances.

In addition, staff recommends two changes to the Services Plan based on public comments we have received throughout the annexation process, as well as our own review. First, staff recommends that the septic system program proposed for portions of Annexation Area 01-C (Skyland area) be a no-fee program for those properties receiving this service. Second, we recommend the substitution of the entire agreement document with CP&L for the memorandum of understanding (Appendix 7).

Staff has also received five forms from property owners in both the Long Shoals and Old Shoals sections of Annexation Area 01-C requesting that the City provide sanitary sewer service in lieu of the septic system maintenance program. While these forms may not have been submitted in a timely fashion, staff has analyzed the requests for feasibility.

This analysis indicates that one property owner (315 Long Shoals Road) already has sewer service available to the rear of her property. Further discussion with this property owner indicates that she owns a parcel of approximately 30 acres in size and that her home is a considerable distance away from the sewer line, making it very expensive for her to connect to the sewer line. Her request is to be added to the septic system maintenance program. This is a very unusual circumstance and staff would have no problem modifying our policy for the provision of this service to accommodate individual single family residences that are physically located more than 1,000 feet away from a sanitary sewer line (even if their property is within 300 feet of such a line) to avail themselves of the septic system maintenance program. Staff requests City Council allow staff to modify the policies to reflect such circumstances like this in the future and to serve this property owner.

The other four locations are off Old Shoals Road (a private roadway) on the south side of Lake Julian. In considering these four requests, it appears to us that it would be difficult from an equity standpoint to provide sewer service to these four properties and not to the other surrounding properties. We feel that fairness dictates that we provide sanitary sewer service to the entire area around Old Shoals Road that would be covered by the proposed septic system maintenance program should Council direct us to positively consider these requests. The provision of sewer service to this area will cost approximately \$756,000 due to topographical considerations that require the wastewater to be pumped. Given the uncertainty of ultimate land use patterns in this area due to the surrounding industrial land uses proximate to Old Shoals Road, staff does not recommend making this capital investment at this time. Additionally, staff does not feel that service consistency will be a negative consideration for these new residents from either a legal or ethical standpoint.

City staff recommends that Council separately adopt each of six ordinances annexing areas into the City's corporate boundaries. These ordinances reflect the recommended modifications to the City's Services Plan.

Upon inquiry of Councilwoman Field, Mr. Shuford said that he is unable to give a date in the future that the City may provide sewer to Area C because the City is waiting for the long range annexation phase plan from our consultant. Once we have that, then the City can look at the area in a more comprehensive way.

-15-

A. ORDINANCE NO. 2706 - ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF ASHEVILLE TO INCLUDE THE CHUNNS COVE ROAD/PINEY MOUNTAIN ROAD AREA (AREA 2001-A)

Mr. Shuford recommended that City Council adopt the ordinance to extend the corporate limits of the City of Asheville to include the Chunns Cove Road/Piney Mountain Road area (Area 2001-A).

Councilwoman Field stated that she received a call from a person who wanted to know why the City was not annexing further up on Chunns Cove Road. Mr. Shuford said that he would get the information from Councilwoman Field and contact the person to see if they would be interested in voluntary annexation.

Mayor Sitnick said that members of Council have previously received a copy of the ordinance and it would not be read.

Vice-Mayor Cloninger moved for the adoption of Ordinance No. 2706. This motion was seconded by Councilman Worley and carried unanimously.

ORDINANCE BOOK NO. 18 - PAGE

B. ORDINANCE NO. 2707 - ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF ASHEVILLE TO INCLUDE THE AREA LOCATED NORTH OF U.S. HIGHWAY 70 BETWEEN RICEVILLE ROAD AND LOWER GRASSY BRANCH ROAD (AREA 2001-B)

Mr. Shuford recommended that City Council adopt the ordinance to extend the corporate limits of the City of Asheville to include the area located north of U.S. Highway 70 between Riceville Road and Lower Grassy Branch Road (Area 2001-B).

Upon inquiry of Ms. Eleanor Thomas, 112 Arnold Road, Mr. Shuford said that the City is allowed by the N. C. General Statutes to annex Parkway property. Mr. Rick Cowick, representative of Benchmark, then explained the qualifications of this area.

Mayor Sitnick said that members of Council have previously received a copy of the ordinance and it would not be read.

Councilman Worley moved for the adoption of Ordinance No. 2707. This motion was seconded by Councilwoman Field and carried unanimously.

ORDINANCE BOOK NO. 18 - PAGE

C. ORDINANCE NO. 2708 - ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF ASHEVILLE TO INCLUDE THE AREA LOCATED NORTH AND SOUTH OF LONG SHOALS ROAD BETWEEN I-26 AND HENDERSONVILLE ROAD (AREA 2001-C)

Mr. Shuford recommended that City Council adopt the ordinance to extend the corporate limits of the City of Asheville to include the area located north and south of Long Shoals Road between I-26 and Hendersonville

Road (Area 2001-C), as amended by City Attorney Oast below.

City Attorney Oast asked that the ordinance be amended to include the following paragraph to Section 3 of the ordinance: "That, for the properties identified on Exhibit X,

-16-

attached hereto, the provision of sanitary sewer service is not economically feasible due to the unique topography of the area. For these properties, the City will provide septic system maintenance and repair services as permitted by N. C. G. S. 160A-47 (3) b., as set forth on pages C-21 and C-22 of the Annexation Services Plan, attached hereto."

Upon inquiry of Councilman Worley, City Attorney Oast said Exhibit X does not include the property on Long Shoals Road because we are only required to list the properties that we would be otherwise required to serve due to the unique topography of the area. However, the City is asking permission to modify the policies to serve the property with the septic system maintenance program.

Upon inquiry of Councilman Hay, Mr. Shuford said that new construction does not get the benefit of the septic system maintenance program or a sewerage system. He said that this applies only to existing property and new construction would be responsible for providing one or the other of those two systems on their own.

Mr. Alex Cochran asked if he would be permitted to build on his vacant lot in the future if there was no sewer service. Mr. John Echeverri, Assistant Director of Engineering, responded that he would be able to build using a septic tank, however, the City will not maintain the system.

Ms. Myrna Hendrix felt that the City should pay for maintenance of septic systems for new construction in the future because they will pay additional taxes to the City. Mr. Shuford said that the City doesn't do that for any other area in the City currently and we will be treating this annexation area the same as any other areas in the City.

Mr. Rick Cowick, representative of Benchmark, then explained the qualifications of this area.

When Councilman Peterson asked what is the size of the area that cannot be economically served by a sewer system out of the total acreage of 1492 acres, Mr. Shuford responded that probably less than 10% of the area would be eligible for the septic tank maintenance program.

Mayor Sitnick said that members of Council have previously received a copy of the ordinance and it would not be read.

Councilman Hay moved for the adoption of Ordinance No. 2708. This motion was seconded by Councilwoman Field and carried unanimously.

ORDINANCE BOOK NO. 18 – PAGE

D. ORDINANCE NO. 2709 - ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF ASHEVILLE TO INCLUDE THE RIDGEFIELD BOULEVARD AND OAK TERRACE AREA (AREA 2001-D)

Mr. Shuford recommended that City Council adopt the ordinance to extend the corporate limits of the City of Asheville to include the Ridgefield Boulevard and Oak Terrace area (Area 2001-D).

Mayor Sitnick said that members of Council have previously received a copy of the ordinance and it would not be read.

-17-

Councilwoman Field moved for the adoption of Ordinance No. 2709. This motion was seconded by Councilwoman Whitmire and carried unanimously.

ORDINANCE BOOK NO. 18 – PAGE

E. ORDINANCE NO. 2710 - ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF ASHEVILLE TO INCLUDE THE NEW LEICESTER HIGHWAY AREA (AREA 2001-E)

Mr. Shuford recommended that City Council adopt the ordinance to extend the corporate limits of the City of Asheville to include the New Leicester Highway area (Area 2001-E).

Mayor Sitnick said that members of Council have previously received a copy of the ordinance and it would not be read.

Councilman Peterson moved for the adoption of Ordinance No. 2710. This motion was seconded by Councilman Worley and carried unanimously.

ORDINANCE BOOK NO. 18 - PAGE

F. ORDINANCE NO. 2711 - ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF ASHEVILLE TO INCLUDE THE ROCKY RIDGE ROAD/WEDGEFIELD DRIVE AREA (AREA 2001-F)

Mr. Shuford recommended that City Council adopt the ordinance to extend the corporate limits of the City of Asheville to include the Rocky Ridge Road/Wedgefield Drive area (Area 2001-F).

Mayor Sitnick said that members of Council have previously received a copy of the ordinance and it would not be read.

Vice-Mayor Cloninger moved for the adoption of Ordinance No. 2711. This motion was seconded by Councilman Worley and carried unanimously.

ORDINANCE BOOK NO. 18 – PAGE

Councilwoman Field said that the agreements between the City and CP&L, which are attached to the ordinances basically limits the amount that CP&L pays the City in a combination of property tax and franchise fee. This was a negotiation that happened several years ago and it's a piece of history that everyone should be aware of. That is, the amount of money that CP&L pays us doesn't increase because of our annexation. City Attorney Oast also noted that that was implemented by the legislature in 1995.

G. ORDINANCE APPROVING THE CROWELL FARMS MASTER PLAN

At the request of City staff, it was the consensus of City Council to postpone this action until June 27, 2000.

At 6:25 p.m., Mayor Sitnick announced a short break.

AGENDA ORDER CHANGE

-18-

At 6:50 p.m., Councilman Hay moved to advance New Business Item A next. This motion was seconded by Vice-Mayor Cloninger and carried unanimously.

CONSIDERATION OF A REQUEST TO WAIVE THE UNIFIED DEVELOPMENT ORDINANCE REQUIREMENT FOR A SIDEWALK ALONG 33 BROADVIEW DRIVE FOR ASHEVILLE CHURCH OF CHRIST

Mr. Oliver Gajda, Pedestrian and Bicycle Coordinator, said that this is the consideration of a resolution waiving the Unified Development Ordinance (UDO) requirement for a sidewalk along Broadview Drive for the Asheville Church of Christ building.

Section 7-11-6 of the UDO requires that new construction construct sidewalks as specified in the Asheville Standard Specifications & Details Manual along street rights-of-way or pay a fee in lieu of constructing the sidewalk. The Asheville Church of Christ has built a new church located at 33 Broadview Drive. Broadview Drive is a city-maintained street located in the Oakley community.

This development does not meet the requirements for a paying a fee in lieu of constructing the sidewalk due to the fact that is a moderately high volume of vehicular traffic on the street. This development has approximately 435 linear feet of frontage on a public street with two twenty-four foot wide driveways.

Staff does not recommend that City Council waive the requirement that the developer install sidewalk at the Asheville Church of Christ located at 33 Broadview Drive.

City staff requests that City Council not waive the requirement that a sidewalk be placed along Broadview Drive as required by the UDO Section 7-11-6 for the Asheville Church of Christ located at 33 Broadview Drive.

Reverend Joe Hickman, Asheville Church of Christ, requested City Council waive the requirement for a sidewalk and also requested that they not be required to pay the fee in lieu of building a sidewalk. His reasons being (1) the construction of a sidewalk on this site would be very much out of keeping with the setting and surroundings because none of the other properties near the Church has a sidewalk and looking from their property, no sidewalks can be seen; (2) the area around the Church has a more rural quality than an urban one; (3) the area has a very low volume of pedestrian traffic; and (4) construction of a sidewalk will increase the financial burden of building the Church.

Vice-Mayor Cloninger explained that this is a relatively new program of requiring sidewalks or in some instances letting people pay a fee in lieu of constructing sidewalks. He said that Council expects that in some of the early construction projects like this, it may look funny if you require a sidewalk in front of the property such as yours, but what the hope is that, over time as there is other development along a road such as yours that the additional sidewalks will be put in and this is not something that will happen overnight, but we are hopeful that over time it will be. He hopes that if Council doesn't waive the requirement, it is with that in mind. We hope that it will be a pedestrian friendly area.

Councilwoman Field asked about if there was any alternatives for sidewalks, like pervious materials, that might be more in character with the neighborhood. City Traffic Engineer Michael Moule said that up to this point, the City Engineer has not allowed other alternative-types for sidewalks. In addition, the sidewalks would have to be ADA compliant.

Upon inquiry of Councilman Worley, Mr. Gajda said that they would not have to put in curb and gutter, only a flat five foot sidewalk.

-19-

Mr. Earl Metcalf, member of the Asheville Church of Christ, urged Council to waive the requirement for a sidewalk for all the same reasons explained by Reverend Hickman.

Councilwoman Field explained that it would cost approximately \$5,000 to construct the sidewalk and if they were required to pay a fee in lieu of construction, that would be substantially more.

Mr. Metcalf said that if Council does not waive the requirement for a sidewalk to be constructed, he asked if Council would grant them a five year grace period to install the sidewalk.

Upon inquiry of Vice-Mayor Cloninger, Mr. Moule said that it is his understanding that the sidewalk would have to be constructed by the time a Certificate of Occupancy is issued, except in instances such as weather or unforeseen circumstances.

Councilwoman Field felt this is an appropriate place for a sidewalk but wondered if there might be a way of allowing the Church additional time within which to build the sidewalk, based on a traffic study of the area. Mr. Moule said that he did see how that could be enforced at a later date.

Discussion then surrounded the residential nature of the area and the opportunity for additional growth in the area.

Reverend Hickman said that he discussed with the City Engineer the issuance of a temporary Certificate of Occupancy, however, the maximum time period is only 90 days. He asked City Council to allow them an extended period of time within which to construct the sidewalk because he felt it would not violate the intent or purpose of the ordinance.

City Attorney Oast said that as a procedural matter, City Council has the authority to delay implementation of the sidewalk.

Assistant City Manager Doug Spell said that in situations where landscaping cannot be accommodated at a certain time, there have been situations where a bond has been posted by the owner and it is their responsibility to post that bond in the amount of the improvement. That could typically be six months or a year and staff would work with them on that.

Councilwoman Field suggested this matter be remanded back to City staff to see if they can work something out.

Vice-Mayor Cloninger said that it seems like there is a consensus with Council that a sidewalk should be constructed at this location. Therefore, he suggested staff work with the Church to come up with some proposal as to when and how the sidewalk would be constructed.

Vice-Mayor Cloninger moved to deny the request to waive the UDO requirement for a sidewalk along 33 Broadview Drive and to instruct City staff go beyond normal circumstances and work with the Church officials on how and when the sidewalk will be constructed. If staff does not have the existing authority to accomplish the proposal, then staff is to report back to Council. This motion was seconded by Councilman Peterson and carried unanimously.

H. ORDINANCE NO. 2712 - ORDINANCE ADOPTING THE 2000-01 ANNUAL OPERATING BUDGET AND CAPITAL IMPROVEMENTS PROGRAM

Mayor Sitnick said that this public hearing was held on June 6, 2000.

-20-

Budget Director Ben Durant said that the Fiscal 2000/2001 Annual Operating Budget was presented to City Council on May 18, 2000. In accordance with the North Carolina Local Government Budget and Fiscal Control Act, a summary of the Budget along with a notice of the public hearing was published on May 26 and

June 2, 2000. The City Council conducted a public hearing on the budget on June 6, 2000.

The Fiscal Year 2000/2001 Annual Operating Budget is balanced with a tax rate of \$0.56 per \$100 of assessed valuation which represents a \$0.04 property tax rate increase over the current property tax rate. The \$0.04 property tax rate increase breaks down to \$0.02 being dedicated to street maintenance and repairs, \$0.01 dedicated to parks and recreation capital projects and \$0.01 dedicated to the establishment of a Housing Trust Fund. All essential City programs and services are maintained.

The Budget as currently presented to City Council includes a net budget of \$84,042,652 and a General Fund appropriation of \$63,116,468. This budget provides \$1.6 million in new funding for an enhanced street maintenance and repair program, new parks and recreation capital projects, and the establishment of a Housing Trust Fund. Key items for Council's review are summarized and discussed below:

- An additional appropriation of \$35,000 for traffic calming measures, which is balanced with a revised property tax revenue estimate, has been added to the Fiscal Year 2000/2001 Annual Operating Budget that is currently presented to Council.
- Outside Agency funding is presented in accordance with the Outside Agency Committee recommendations to allow most agencies that currently receive City funding to receive the same appropriation for Fiscal Year 2000/2001 as originally appropriated in Fiscal Year 1999/2000.
- Council requested additional information from the Economic Development Commission (EDC) regarding the number of voting seats the City would receive on EDC's board as part of the consideration of a \$50,000 contribution from the City. A \$50,000 appropriation to EDC is included in the budget that is currently presented to Council.
- Civic Center Fees have been drafted to reflect the waiving of increased arena changeover fees during hockey season for trades show tenants that have held shows each of the past three years. Based on staff's research, the shows that would be eligible for this consideration are the following: Spring Home Show, Boat Show, RV Show, Craft Fair of the Southern Highlands, and High Country Christmas Craft Fair.

The estimated cost to the Civic Center for waiving the changeover fees is approximately \$40,000. Thus, the Civic Center budget has been increased by \$40,000 and is offset with an additional subsidy of \$40,000 from the General Fund.

Staff requests that City Council review the Fiscal Year 2000/2001 Annual Operating Budget and make necessary recommendations or adjustments followed by adoption of the Budget Ordinance.

Upon inquiry of Councilwoman Field, Mr. Durant said that the total outside agency funding request is \$333,000.

Councilman Peterson supported the increased recycling program, however, he suggested City Council find another way to fund that program, other than increasing the fee.

-21-

City Manager Westbrook said that this increase was authorized by City Council on February 22, 2000, and that is not part of this budget proposal.

Civic Center Director David Pisha responded to questions from Councilwoman Whitmire regarding promotions at the Civic Center. In particular, she wanted to know how many events did the Chamber of Commerce book for the Civic Center.

With regard to outside agency funding requests, Councilwoman Whitmire explained her recommended changes: the Chamber of Commerce receive \$85,000; the Economic Development Commission receive \$25,000; Mountain Center for Substance Abuse Prevention receive \$3,000; Asheville Area Arts Council receive \$15,000; RiverLink receive \$18,000; One Youth at a Time receive \$8,000; Life on Life's Terms receive \$5,000; Project STEAM receive \$5,000; The Health Adventure receive \$5,000; Sister Cities receive \$2,000; YWCA receive \$20,000; Our Next Generation receive \$5,000; WNC Historical Association receive \$15,000; and the Community Relations Council receive \$63,000. Of the savings, \$15,000 should go to promotions of the Civic Center and the rest to go back into the General Fund.

Vice-Mayor Cloninger felt that City Council has a good faith obligation to advise the agencies at least a year or two in advance that funding will be reduced or phased out entirely. He felt that for some of the new non-profits, if Council were to substantially reduce their funding without any notice to them so they have a chance to plan for it, it could really be a hardship and he didn't think that would be fair. He said that the Outside Agency Committee will be reviewing the funding guidelines for next year but this year he felt Council should stay with the status quo.

Mayor Sitnick said that she would look forward to seeing a recommendation from the Outside Agency Committee about funding the agencies differently next year. She did agree that we need to give agencies at least a year notice that monies might change. She would also like to consider that outside agency funding be for a year or two as seed money for some of these agencies and then let them find other ways to fund themselves so we might use that money to fund other projects that come along.

It was the consensus of City Council to discuss each outside agency funding request separately as follows:

Asheville-Buncombe Community Relations Council

Approved in 1999-00 - \$63,000

Requested in 2000-01 - \$63,000

Committee Recommended - \$63,000

After discussion, it was the consensus of City Council to appropriate \$63,000 to the Asheville-Buncombe Community Relations Council.

Asheville Area Arts Council

Approved in 1999-00 - \$30,000

Requested in 2000-01 - \$75,000

Committee Recommended - \$30,000

After discussion, it was the consensus of City Council to appropriate \$30,000 to the Asheville Area Arts Council. Councilwoman Whitmire recommended \$15,000.

-22-

Asheville-Buncombe VISION Inc.

Approved in 1999-00 - \$15,000

Requested in 2000-01 - \$20,000

Committee Recommended - \$15,000

After discussion, it was the consensus of City Council to appropriate \$15,000 to the Asheville Buncombe VISION Inc. Councilwoman Whitmire and Councilman Peterson recommended no funding.

Visitor's Center

Approved in 1999-00 - Zero

Requested in 2000-01 - \$100,000

Committee Recommended - \$100,000

After discussion, it was the consensus of City Council to appropriate \$100,000 to the Visitor's Center. Mayor Sitnick and Councilman Peterson recommended no funding and Councilwoman Whitmire recommended \$85,000.

Buncombe County Economic Development Commission

Approved in 1999-00 - Zero

Requested in 2000-01 - \$50,000

Committee Recommended - \$50,000

In response to the June 6, 2000, worksession with City Council, Mr. Ernest Ferguson, Chair of the Buncombe County Economic Development Commission (EDC), asked City Council to consider the following: (1) \$50,000 funding; (2) one voting member on the EDC; (3) in addition to the voting member, the EDC would extend to the Council one additional ex-officio non-voting member. In all, the City would have one voting member and three ex-officio non-voting members on the EDC; and (4) following adoption of the budget, the EDC and the City would identify mutually beneficial components of the Program of Work where the requested funds would be spent.

After discussion, it was the consensus of City Council to appropriate \$50,000 to the Economic Development Commission, however, prior to making the payment, City Council would like to discuss with the EDC how the funding might be used with regard to the City's Sustainable Economic Development Strategic Plan. Mayor Sitnick and Councilman Peterson recommended no funding and Councilwoman Whitmire recommended \$25,000.

Asheville Sister Cities Inc.

Approved in 1999-00 - \$2,000

Requested in 2000-01 - \$2,000

Committee Recommended - \$2,000

After discussion, it was the consensus of City Council to appropriate \$2,000 to the Asheville Sister Cities Inc.

-23-

Life on Life's Terms Inc.

Approved in 1999-00 - \$5,000

Requested in 2000-01 - \$20,000

Committee Recommended - \$5,000

After discussion, it was the consensus of City Council to appropriate \$5,000 to Life on Life's Terms Inc.

Mountain Center for Substance Abuse Prevention

Approved in 1999-00 - \$30,000

Requested in 2000-01 - \$39,500

Committee Recommended - \$30,000

After discussion, it was the consensus of City Council to appropriate \$30,000 to the Mountain Center for Substance Abuse Prevention. Councilwoman Field and Councilman Peterson recommended no funding and Mayor Sitnick stated that she wanted to cut the funding. Mayor Sitnick suggested reallocating the \$30,000 between the YWCA and the WNC Historical Association Inc.

One Youth At A Time, Inc.

Approved in 1999-00 - \$10,000

Requested in 2000-01 - \$18,000

Committee Recommended - \$10,000

After discussion, it was the consensus of City Council to appropriate \$10,000 to One Youth At A Time Inc.

Project STEAM

Approved in 1999-00 - \$5,000

Requested in 2000-01 - \$25,000

Committee Recommended - \$5,000

After discussion, it was the consensus of City Council to appropriate \$5,000 to Project STEAM.

RiverLink Inc.

Approved in 1999-00 - \$18,000

Requested in 2000-01 - \$25,000

Committee Recommended - \$18,000

After discussion, it was the consensus of City Council to appropriate \$18,000 to RiverLink Inc.

The Health Adventure

Approved in 1999-00 - \$5,000

Requested in 2000-01 - \$20,000

Committee Recommended - \$5,000

-24-

After discussion, it was the consensus of City Council to appropriate \$5,000 to The Health Adventure. Councilwoman Whitmire recommended the \$5,000 be reallocated to the YWCA.

Councilwoman Field spoke in support of the one-time funding of Our Next Generation.

Councilman Hay supported funding the YWCA, the WNC Historical Association Inc. and Our Next Generation. He suggested if City Council agreed with him, that Council agree upon an amount for the three and then set that aside to see if Council can find some extra funds to allocate to them.

Councilman Peterson spoke in support of the one-time funding of the WNC Historical Association Inc.

After discussion, it was the consensus of Council to fund the WNC Historical Association Inc. \$20,000, the YWCA \$15,000 and Our Next Generation \$5,000.

Councilman Worley explained why he now advocates a two-cent property tax increase – one cent for the Housing Trust Fund and one cent for street and sidewalk maintenance. He felt that if we hold the increase to two cents, we can look forward to the additional revenues that will come in from annexation a year from now.

Vice-Mayor Cloninger stated that presentations by the Public Works Director noted that nothing short of two cents was going to adequately address our terrible road conditions. He supported the four cent tax increase noting that no one on Council wants or likes to raise taxes. He felt City Council will be doing a disservice to the residents if they don't start addressing some of the most pressing needs of the community.

Councilwoman Whitmire emphasized the cumulative effect of increases of fees and taxes. She did not support the meter increase from 60 cents to 75 cents, however, she did not oppose the increase in parking deck fees. She felt Council should cut the expense of the recycling program and postpone the development of a new parking deck. She felt the City needs to do more promotions of the Civic Center. With regard to cost savings, she proposed (1) delaying the filling of vacant positions for at least six months and use the cost savings to support street maintenance; and (2) cut the proposed permit increases by 50%. She was also opposed to the increase of \$250 to \$500 fee for flag football. She also felt the property tax increase should be held to two cents – one cent for the Housing Trust Fund and one cent for the streets and sidewalks maintenance program.

Councilman Peterson suggested reducing the General Fund operating costs to fund some part of the streets and sidewalks repair program. He did support increasing the property tax by two cents – one cent for the Housing Trust Fund and one cent for the parks and recreation programs.

Councilwoman Field said that the City does receive approximately \$2.3 Million annually in Powell Bill money. About \$1.3-\$1.6 Million goes to pay off the debt service on the Street and Sidewalk Bonds from 1986. When those bonds are up, that money can go back into streets and sidewalks. If Council does raise taxes for streets and sidewalks, she would like to see Council set a policy of a sunset on that tax increase. She noted that in general, the ad valorem property taxes cover only the costs of police and fire and everything else that the City does comes from other sources of revenue. She suggested raising the property tax by three cents and divide it up some reasonable way.

-25-

Councilman Hay spoke in support of the four cent tax increase and that decisions were made poorly in the past and now this Council is faced with making the tough decisions.

Mayor Sitnick stressed that prior administrations have passed the buck for years and she doesn't know of any business (other than CP&L) who has not raised their prices in the last ten years. The Water Authority started raising their rates three years ago in part because for years those who preceded the current Water Authority deferred raising rates incrementally to pay for the needs demanded by the water system. The increases proposed by City Council will address the needs of the community in order to keep the City healthy, vital and prosperous. She requested a complete review of the outside agency monies and a complete review of festivals. She stressed the need to review the Water Agreement to find areas where there can be cost savings to our taxpayers. She spoke in support of all three programs proposed by the four cent tax increase. She felt if City Council does not adopt this tax increase, they will pass along to the next administration a worse situation than they are having to deal with now.

Councilwoman Whitmire again stated that she did not support the meter increases from 60 cents to 75 cents. She suggested cutting one of the new enforcement positions to off-set the increase. After discussion, it was the consensus of City Council to leave the budget as it is currently presented. Councilwoman Whitmire did not support this.

Councilwoman Whitmire suggested the postponement of the development of the new parking deck. After discussion, it was the consensus of City Council to leave the budget as it is currently presented. Councilman Peterson and Councilwoman Whitmire did not support this.

Councilwoman Whitmire felt the City of Asheville should do their own promotions of the Civic Center. Councilman Hay explained that the Civic Center does not promote acts because of the risk factor, however, he did agree that the City should support marketing the Civic Center.

Councilwoman Whitmire requested the delay of filling vacant positions for six months and that those savings go into the streets and sidewalks maintenance program. City Manager Westbrook explained his reasoning why he would not recommend this suggestion.

When Councilwoman Whitmire requested the inspection fees be cut by 50%, Building Safety Director Terry Summey explained the fees are for commercial permits only.

When Councilwoman Whitmire spoke in opposition of raising the flag football entry fee from \$250 to \$500, Parks and Recreation Director Irby Brinson explained that it is their philosophy that adult athletic leagues pay for most of the costs associated with that program. The youth flag football do not pay anything. He explained the adult program is so successful that the teams almost tripled over the year. Therefore, the City had to increase their costs and this is just prorating the costs associated to cover this increase. Broken down it is \$3 a game per person. After discussion, it was the consensus of City Council to leave the budget as it is currently presented. Councilman Peterson and Councilwoman Whitmire did not support this.

Mayor Sitnick said that members of Council have been previously furnished with a copy of the ordinance and it would not be read.;

City Manager Westbrook recommended that if City Council wanted to fund the WNC Historical Association Inc., the YWCA and Our Next Generation, that Council instruct staff to take that money out of Fund Balance.

Vice-Mayor Cloninger moved to adopt the 2000-01 Annual Operating Budget and Capital Improvements Program to include: (1) a \$0.04 property tax rate increase over the current property tax rate; (2) adding \$35,000 to traffic calming for a total of \$100,000; (3) \$50,000 for

the Economic Development Commission (included in the outside agency funding requests), with the provision that prior to making the payment, City Council would like to discuss with the EDC how the funding might be used with regard to the City's Sustainable Economic Development Strategic Plan; and (4) changing the Civic Center fee schedule in the amount of \$40,000 and offset that with an additional subsidy from the General Fund. This motion was seconded by Councilman Hay and carried on a 4-3 vote, with Mayor Sitnick, Vice-Mayor Cloninger, Councilwoman Field and Councilman Hay voting "yes".

ORDINANCE BOOK NO. 18 – PAGE

At 10:08 p.m., Mayor Sitnick announced short break.

V. NEW BUSINESS:

A. MOTION APPOINTING MEMBERS TO THE FUTURE OF THE CIVIC CENTER TASK FORCE

Councilman Hay, Chair of the Future of the Civic Center Task Force, said that it is necessary to appoint two new members to the Task Force and suggested appointing Mike Kryzanek to replace John Weinkenwerder and Tom Byers to replace Barbara Halton.

Councilman Worley moved to appoint Mike Kryzanek and Tom Byers as members to the Future of the Civic Center Task Force. This motion was seconded by Councilwoman Field and carried unanimously.

VI. OTHER BUSINESS:

A. PUBLIC ACCESS CHANNEL COMMISSION

As requested by Vice-Mayor Cloninger, it was the consensus of City Council to support the Public Access Channel Commission by agreeing to reimburse one of the members approximately \$2,000 to cover their expenses of attending an important conference in July 2000.

B. SUSTAINABLE ECONOMIC DEVELOPMENT STRATEGIC PLAN IMPLEMENTATION TASK FORCE

Mayor Sitnick reminded City Council that if they had any names to suggested be added to the Sustainable Economic Development Strategic Plan Implementation Task Force that they give those names to her by June 16, 2000.

C. OUTSIDE AGENCY REQUESTS

Councilwoman Field moved to adjust \$40,000 from Fund Balance for the three outside agency as follows: (a) WNC Historical Association Inc. - \$20,000. (b) YWCA - \$15,000; and (c) Our Next Generation - \$5,000. This motion was seconded by Councilwoman Whitmire and carried on a 6-1 vote, with Vice-Mayor Cloninger voting "no". Vice-Mayor Cloninger stated again that he felt that before Council takes on new endeavors, that they should have their new policy in place.

-27-

D. CLAIMS

The following claims were received by the City of Asheville during the period of May 12 – June 1, 2000: Paul M. Butler (Sanitation), Bell South (Water), Ricky B. Scott (Water), Wayne S. Robbins (Police), Lynn Austin (Water), Joyce Slagle (Police) and Rita Lunsford (Streets).

The following claims were received by the City during the period of June 2-8, 2000: Allen Rodderick (Water),

Debra Franklin (Water), Helen Baird (Water) and Deborah Farmer (Streets).

These claims have been referred to Asheville Claims Corporation for investigation.

E. LAWSUITS

The City received the following Complaint on May 25, 2000: County of Buncombe v. Lillian Buckner and Jack Buckner, Stan Hawkins as Trustee, NationsCredit Financial Services Corp. and the City of Asheville. The nature of the proceeding is tax foreclosure proceedings for unpaid real estate taxes. This matter will be handled in-house.

The City received the following Complaint on May 30, 2000: William Robert Anderson, et al, v. City of Asheville and Crowell Properties, LLC. The nature of the proceeding is a protest petition relative to the rezoning of Crowell properties. The matter will be handled in-house.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

VIII. ADJOURNMENT:

Mayor Sitnick adjourned the meeting at 10:20 p.m.

CITY CLERK MAYOR
