

Worksession

Present: Mayor Charles R. Worley, Presiding; Vice-Mayor Terry M. Bellamy; Councilman Joseph C. Dunn; Councilman James E. Ellis; Councilwoman Diana Hollis Jones; Councilman R. Carl Mumpower; and Councilman Brian L. Peterson; City Attorney Robert W. Oast Jr.; City Manager James L. Westbrook Jr.; and City Clerk Magdalen Burleson

Absent: None

REPORT FROM THE FUTURE OF THE CIVIC CENTER TASK FORCE

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Mr. Edward Hay, Chair of the Future of the Civic Center Task Force, briefly explained why the Task Force recommends City Council, at the appropriate time, adopt the Heery International Report as the strategic plan for the Civic Center. He explained that it was the Task Force's intent to submit a full report to Council at this meeting, however, City Engineer Cathy Ball, lead staff person with the Task Force, had to leave unexpectedly due to a family emergency and the report was not quite in final form. He hoped to have that final report to Council shortly.

Mr. Ian Vingoe, Project Director for Heery International, explained to Council their team's qualifications, this mission and their process, which was very inclusive. He stressed that the Arena is structurally solid and the building is of sufficient volume. He then talked about the market overview, physical plan, costs and funding options. He responded to the several frequently asked questions, e.g., why renovate the arena, why not renovate the Thomas Wolfe Auditorium, why expand, why not build a new arena, why not convert the arena to a performing arts facility, why not separate facilities, why not 10,000 seats and why not build at another site.

Mr. Joe Baker, Project Manager, pointed out the Civic Center's functional disabilities: substandard ice floor, inadequate sightings, poor circulation, woefully inadequate backstage for auditorium, temporary ice and outdated audio and rigging. Physical disabilities include: roof in very poor condition, 1930's electrical system in auditorium, cooling tower at end of useful life, inoperable smoke vents, poor and noisy lighting, worn seating, improperly functioning mechanical systems and severe water damage in auditorium. The cost to repair and maintain the Civic Center is \$10 million and the result would still be a 1975 arena, an auditorium with no acoustics and no backstages and exhibit hall in basement of building.

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Mr. Jerry McClendon, Strategic Advisory Group, showed Council a market overview of the arena trends. He explained how our arena was impacted by the Bi-Lo arena in that it is a newer, larger arena in a bigger market (5 times bigger). Our family shows were hardest hit and it will require significant improvements to win shows back. He then showed a trend line of family show attendance. He explained how building a new, larger arena will not compete with the Bi-Lo Center and that overall, our arena has held up well in the face of new competition. He then showed a trend line of total attendance in the arena.

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Mr. McClendon explained that the theatre is doing very well: all event types are exhibiting strong performance - the Symphony, Bravo, concerts, touring and local performing arts, special events and graduations, etc.; and promoters like the 2,400 seating size. However, the Thomas Wolfe Auditorium cannot achieve its potential with its physical shortcomings. A new theatre can expect better results. Many view a new theatre as a key to Asheville's vibrancy as a community.

He said the primary driver is consumer shows, both in the Exhibit Hall and the full building. It will provide pedestrian activity and economic impact in downtown, which was important to the Task Force and other community leaders. Convention and trade show activity is

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moderate in that Asheville has a lack of air access, small hotel supply and a small market limits large conventions. Many meeting planners are turned off by the existing Civic Center, but would consider Asheville. We need a mix of exhibit, ballroom and meeting rooms. A ballroom would be for special events, banquets and civic events.

Their recommendation would be (1) to renovate the arena to include a full size built-in ice floor; 5-6,000 seats, with good sight-lines; adequate support spaces; improved circulation; and new service dock (addition); (2) to build a new performance arts center; 2,400 seat auditorium; multi-use community performance space; and symphony rehearsal spaces; (3) renovate the Exhibit Hall to include 40,000 square feet of leasable floor area; pre-function space (addition); and adequate truck dock (addition); and (4) convert the Thomas Wolfe Auditorium to include a ballroom with pre-function to seat 900 for banquets; full kitchen and adequate support space; and six break-out meeting rooms (addition).

Mr. McClendon then gave Council the following menu of potential funding options: naming rights, suite sales, lease of ground floor retail, CP&L (to relocate power station), community fund-raising campaign, other private equity and debt; and spin-off development. Public sector options include: project cost afforded by bonding revenue stream; countywide sales tax, citywide sales tax; countywide prepared food and beverage tax; countywide hotel tax; and product development fund.

Mr. Vingoe then showed Council a vehicular travel analysis, pedestrian travel analysis and then a view analysis.

Mr. Baker then explained to Council the different completed project cost options. He said the level of completion can be determined by the community. He showed illustrations of the levels and explained the different Completed Project (CP) levels and what those levels would contain.

CP-1 – site improvements, including utilities, grading and roadwork; Lexington Street motor court; performance center auditorium; lower bowl seating and lower concourse in arena; rotunda; service plaza for arena. Total cost of \$72.8 million (includes construction cost of \$54.8 million).

CP-2 – conversion of Thomas Wolfe Auditorium to Great Hall ballroom, including kitchen support; expand and improve of arena support and operations space. Total cost \$13.1 million.

CP-3 - new construction-operation and service addition; construction of meeting rooms; renovation and expansion of exhibit hall. Total cost of \$13.7 million (includes construction cost of \$11.4 million).

CP-4 - new construction – performance center addition, including community multi-use performance space and Symphony support spaces; modification and reinforcement of the arena catwalk and roof structure. Total cost of \$8.3 million (includes construction cost of \$6.9 million).

CP-5 - renovation of the arena upper concourse and balcony seating area; modification and reinforcement of the arena catwalk and structure room. Total cost of \$7.2 million (includes construction cost of \$6.0 million).

Mr. Baker explained that every CP is a complete project.

Project costs include: arena renovation - \$24 million; theatre - \$35 million; exhibit/meeting function - \$16.7 million; rotunda - \$5.8 million; general site work - \$8.6 million,

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power station relocation - \$5 million; land acquisition - \$2 million, fees, fixtures and equipment - \$9 million; and fees – 9,000. Grand total is \$115.1 million.

Mr. Hay explained that with regard to private funding, they have spent a good part of the fall meeting with people and feels confident that \$20 million in private fund-raising is a minimum number. However, they need a plan first and this plan represents the most affordable way to meet the needs of our City. Again, he said the Task Force recommends this report be adopted as the strategic plan for the Civic Center. He hoped the City would commit to proceed with CP-1 as it meets the basic needs of the community. Also, CP-2 brings in the extra convention facilities in a big way. As funding becomes available, he urged City Council to proceed with CP-2.

Heery team members responded to various questions/comments from Council, some being, but are not limited to: how were the fees determined; is there a contingency built into the construction costs and designs; what does state-of-the-art mean and why is it necessary to have a state-of-the-art building; is private funding a reality; why are all three elements important; was the flat land by the river an option for building a new arena; using the existing Civic Center land, is there anything underground that we need to be concerned about; is there adequate parking around the Civic Center; what are some of the other economic benefit spin-offs; what will the seating be in the arena, the performing arts center and the banquet hall; what is the level of commitment for suite boxes; and what does other private equity mean.

Mayor Worley said that if Council adopts this report, we are at least a year away from developing sources of funding, given the State budget crisis. We cannot expect to approach the legislature and ask for any funding sources this year. During that time, we will have time to digest the information, to gage the community support, and to begin the process of the fund-raising efforts. So, when we do go to the legislature a year from now, we will have all the pieces together with a plan in place.

Upon inquiry of Councilman Mumpower, Mayor Worley said that after Council has an opportunity to review this report

thoroughly, we can place it on an agenda in approximately two months.

Mayor Worley thanked Mr. Hay and the Task Force members, along with the Heery team for their hard work with regard to this project.

At 5:30 p.m., Mayor Worley announced a short break.

CLERK TO ADVERTISE OFFER TO PURCHASE AIR RIGHTS OVER REAR PARKING LOT AT 9-13 BILTMORE AVENUE

Field Services Coordinator Ed Vess said that this is the consideration of a resolution establishing minimum price and authorizing the City Clerk to advertise an offer to purchase the air rights to the parking lot on South Lexington Avenue at the rear of 9 -13 Biltmore Avenue.

The land area comprises 7,940 square feet located on the east side of South Lexington Avenue, about 150 feet south of the intersection with Patton Avenue. It is at the rear of 9 - 13 Biltmore Avenue and is improved with marked parking spaces on an asphalt surface. The lot is rectangular in shape and slopes up from street level access. It is part of a proposed sale to the Asheville Area Arts Council, which includes the building at 9 - 13 Biltmore Avenue but minus the air rights over the rear parking lot. The appraisal of the property reflects a land value for the parking lot of \$135,000. The value of the air rights over the property is calculated at 50% of the land value or \$67,500.

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Robert Camille, Jr., Peter Y. Alberice and Robert M. Todd have submitted a proposal to purchase the air rights in the amount of \$67,500. The bid from Camille, Alberice and Todd includes the proposal to construct a new mixed use building containing parking, retail, offices and residential units which would connect to the building proposed to be constructed on the adjoining lot to the north. The new building would contain approximately 8 stories and the estimated cost of the proposed improvement is about \$2.4 million.

Approval of the resolution will establish the air rights value and 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.

Mayor Worley 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.

UDO AMENDMENT REVIEWS

City Attorney Oast said that these Unified Development Ordinance amendments are being brought before City Council in order that staff may respond to questions Council may have prior to the public hearings, which are scheduled for April 9, 2002. He advised Council that it would be inappropriate for Council to receive comments from the public at this worksession.

Amendment to the Residential Level I Thresholds

Urban Planner Carter Pettibone said that this is the consideration of an amendment to the Unified Development Ordinance (UDO) to increase the threshold for Level I administrative review of residential projects from 7 units to 50 units.

Currently, by-right residential development projects containing 8 to 50 units are required to be reviewed by the Technical Review Committee (TRC), while residential developments containing three to seven units are reviewed administratively as Level I projects. This amendment would increase the Level I threshold to include these projects containing up to 50 units.

This ordinance amendment will help streamline the review process for smaller residential developments by removing the requirement for these projects to go before the TRC. These projects would still be reviewed by all applicable city departments but only administratively. Applicants would also not have to wait until the submission deadline since Level I projects may be submitted anytime.

The ordinance amendment would also provide for a more equitable treatment of smaller residential projects as compared to commercial, office, or institutional uses at the current threshold levels for Level II review in terms of traffic impact. The current

residential minimum of 8 units for Level II review generates about 53 trips per day while the minimum levels of commercial, office, and institutional generate 385 to 3,903 trips per day.

Staff believes this ordinance amendment provides a more streamlined and equitable alternative for review of smaller residential projects.

At their March 6, 2002, meeting, the Planning and Zoning Commission voted unanimously to recommend approval of the proposed ordinance amendment. The Planning and Development staff also recommends approval of the amendment.

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Councilman Peterson was concerned that this would eliminate an avenue for public comment at the TRC meeting. Chief Planner Gerald Green responded that the City reviews only approximately 4-5 projects a year that this would fall into and over half of those are subdivisions and they go to TRC and the Planning & Zoning Commission.

Amendment to the Flexible Development Standards

Chief Planner Gerald Green said that this is the consideration of an amendment to the Unified Development Ordinance (UDO) to identify lot size, lot width, off-street parking, and landscaping as categories for modification by design review boards using flexible development standards and to identify alternative landscape compliance as a flexible development standard.

Flexible development standards allow minor modifications to be approved administratively or as part of the standard review process rather than requiring a separate hearing by the Board of Adjustment to grant a variance. This procedure streamlines and simplifies the review process for all involved. Currently, design review boards are authorized to modify structure floor area and height and setbacks when structures or lots subject to design review are found to comply with the applicable design guidelines. The proposed ordinance amendment identifies two new dimensional categories, lot area and lot width, as well as off-street parking and landscaping, for the application of flexible development standards. In addition, the proposed amendment identifies alternative landscape compliance as a flexible development standard. Alternative landscape compliance is a tool that has been in place for almost 5 years. This change will not result in any change in the tool; it will only bring it under the umbrella of flexible development standards, possibly resulting in increased use of the tool.

This ordinance amendment encourages infill development that follows historic development patterns within the design review areas of Montford, Biltmore Village, Albemarle Park, Downtown Asheville, and the River District. This flexibility will allow development on lots that do not conform to the UDO standards, helping to implement the City's smart growth policies. The revision should also result in increased use of the alternative landscape compliance tool.

Staff believes that this ordinance provides needed flexibility to evaluate and approve reasonable adjustments to lot dimensions, off-street parking and landscape requirements.

Councilman Dunn hoped that staff and developers will work together regarding alternative landscaping compliance.

At their March 6, 2002, meeting, the Planning and Zoning Commission voted 7 to 0 to recommend approval of the proposed ordinance amendment. The Planning and Development staff also recommends approval of the amendment.

Mayor Worley asked that the record show that City Council has received this information and instructs the City Manager to proceed with the appropriate public hearings on April 9, 2002.

BOARDS/COMMISSIONS

City Council instructed the City Clerk to arrange for interviews for vacancies on the following boards: Board of Electrical Examiners, Civic Center Commission, Educational Access Channel Commission, Film Commission, and the Historic Resources Commission.

City Council instructed the City Clerk to re-advertise the vacancy on the Citizens-Police Advisory Committee. That appointment must be a Central resident and no applications were received from that area.

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After discussion, it was the consensus of City Council to

reappoint Andrew Reed and Marianna Bailey to the Public Access Channel Commission and that the two remaining vacancies be brought back before City Council in approximately three months. Prior to that time the Commission can update City Council on their incorporation to a non-profit organization.

candidates.

City Council narrowed the questions to be sent to School Board

MISCELLANEOUS

Campaign Finance Reform

Mayor Worley announced that the Council subcommittee to look at a citizen study committee for campaign finance reform will consist of Vice-Mayor Bellamy, Councilman Mumpower and Councilman Peterson.

ADJOURNMENT:

Mayor Worley adjourned the meeting at 7:30 p.m.

CITY CLERK

MAYOR