

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

**CONSENT:**

**Next Community Meeting on April 30, 2002, at the North Asheville Community Center beginning at 7:00 p.m.**

A short discussion took place regarding the process of community meetings.

**Parking Study Update**

Summary: The consideration of an up-to-date Status Report Spreadsheet that is used to track the progress of the Parking Study Implementation.

The City's Comprehensive Parking Study was adopted by the City Council in December 1998. The Parking Study Implementation Team was formed and the LX Team Charter was signed in June 1999. The study made about 60 recommendations for potential changes that would improve parking issues within the City. In addition, a few other recommendations have been made by other groups including the Asheville Downtown Association and the Implementation Team itself. A total of 68 recommendations have been incorporated into a single Status Report Spreadsheet. This spreadsheet is used to track the progress on evaluating and implementing the recommendations. Beginning in July 1999, updates have been provided to the City Council twice each year. The most recent report to City Council was on August 21, 2001.

Many of the items on the list are now completed resulting in less overall action each month. At this time, the team has agreed that meetings will be held quarterly rather than monthly, because there is often little progress to discuss on a monthly basis. Likewise, the team would like to report to City Council once per year instead of twice per year, unless Council has objections.

A few issues have been completed in the past 8 months and some are nearing completion. Item B4 in the status report spreadsheet identifies a need to look for opportunities to add additional on-street parking in various areas of downtown. The redesign of streets and sidewalks around the Grove Arcade includes a reconfiguration of the parking resulting in increased on-street parking availability. The final result of this improvement should be visible in the next several months. Items C1 and D1 indicate a need to encourage bicycling and walking in downtown and Biltmore Village. Many bike racks have recently been installed in downtown and more are on their way. All of the planned bike racks have been installed in Biltmore Village. Item D4 addresses the optimization of the timing of the downtown traffic signals. The signal timing throughout downtown has been updated and the final report has been received from the Consultant. Item H2 indicates a need to make crosswalk improvements at the intersection of Lodge Street, All Souls Crescent and the McDowell Street Viaduct. In late 2001, the N. C. Dept. of Transportation installed pedestrian signals and pedestrian pushbuttons at this intersection.

The spreadsheet outlines the continuing work being done by employees from several departments to implement many of the remaining recommendations.

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Staff recommends that Council review the Status Report Spreadsheet and direct staff to continue implementing the Parking Study.

Traffic Engineer Michael Moule responded to various questions/comments from Council, some being, but are not limited to: what are the City's parking plans for around the City-County Plaza; has the City looked at raising the rates at some of the parking decks and parking meters; why are there no parking meters in Biltmore; some parking meters need to have placards that say parking is enforced on Saturdays; need for a pedestrian button at the intersection of Montford Avenue and Cherry Street.

**Clerk to Advertise an Offer for Upset Bids on 17 Kendall Street**

Summary: The consideration of a resolution authorizing the City Clerk to advertise an offer to purchase property at 17 Kendall Street in the West Asheville community.

A bid has been received from Neighborhood Housing Services of Asheville in the amount of \$10,000 for the purchase of land at 17 Kendall Street in the West Asheville Community.

The land at 17 Kendall Street is a rectangular shaped residential zoned lot comprising 0.11 acre±. It is level at street grade and slopes down from front to rear. The property was acquired at a tax foreclosure sale in 2000 to recover on a demolition lien and has been available for sale since that time. The property was acquired at the tax foreclosure sale for the amount of \$3,700.00. Of that amount \$634.13 was remitted back to the City for the City's share of delinquent taxes. The amount of the demolition lien which included asbestos removal and removal of abandoned furniture was \$7,842.44 bringing the City's total cost related to the property to \$10,908.31. The previous tax value was \$4,700. The bid from Neighborhood Housing Services in the amount of \$10,000 includes a request for short term financing of \$9,500 of the purchase price and the proposal to construct an affordable house on the property for sale. The purchase money loan would be due on sale of the completed structure. Staff recommends that if the bid is accepted the following terms be added: (1) the loan be due on sale or within 24 months of closing whichever comes first, (2) the loan bear interest at the rate of 2% per annum. The proposed construction is consistent with the policy of encouraging infill development.

The current tax appraisal on the subject parcel is \$14,300 (\$2.98 per square foot). That amount is almost triple the previous tax appraisal and more than double the per square foot price of recent appraisals of comparable parcels on Choctaw Street (0.22 ac. each @ \$11,800 or \$1.23 per square foot) which were twice as large, but clearly more buildable. The upset bid process will provide the opportunity for the market to produce the true value of the property.

Planning & Development staff recommends adoption of the resolution which will initiate the sale of the property through the upset bid process.

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

#### **DRAFT CONSOLIDATED COMMUNITY DEVELOPMENT BLOCK GRANT/HOME ACTION PLAN**

Community Development Director Charlotte Caplan said that this is the consideration of a resolution authorizing submission of the City's Consolidated Action Plan for 2002/03, allocating federal Community Development Block Grant (CDBG) and HOME funds.

The City expects to have available \$1,902,224 in CDBG funds and \$1,506,326 in HOME funds to allocate for housing and community development activities in the fiscal year beginning

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July 1, 2002. The City's Housing and Community Development Committee and the Asheville Regional Housing Consortium have made recommendations for allocating these funds to 21 CDBG-assisted and 13-HOME assisted projects.

If approved, the funding will assist in adding or preserving 92 affordable housing units in the City and 109 units in the rest of the Consortium area. CDBG funds will also help provide 150 Asheville residents with employment or business training and over 3,000 residents with other needed services. CDBG will also continue to support revitalization of the WECAN and South Pack Square neighborhoods.

Notice of the public hearing and a summary of the draft plan were published on March 22. A 30-day public comment period is required by federal regulations. The final plan must be submitted to HUD by May 15, 2002.

City staff recommends City Council hold a public hearing on April 9, 2002, to consider the Consolidated Action Plan for 2002-03. No action is needed at the public hearing. Approval of the draft Action Plan is recommended at the April 23, 2002, Council meeting.

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.

Ms. Caplan responded to several questions/comments from Council, some being, but are not limited to: what projects are

funded from the sale of properties on Biltmore Avenue; what type of renovations are taking place in the Eagle/Market Street area and do they have a Master Plan; and what is the makeup of the Asheville Regional Housing Consortium.

Councilman Mumpower, member of the Housing & Community Development Committee, felt the Committee made a good effort to not waste the monies allocated to the City of Asheville. He was impressed with what most people are trying to do with the money.

Councilwoman Jones, Chair of the Housing & Community Development Committee, agreed with Councilman Mumpower in that the City is being a good steward with the taxpayers money. She explained why she personally felt that the City should look at a future work plan of additional staff in the Community Development Division.

Councilman Dunn, member of the Housing & Community Development Committee, stated that this year more money was allocated to address the homeless problem in Asheville.

## **ANNEXATIONS**

### **Resolutions of Intent to Annex**

Urban Planner Paul Benson said that this is the consideration of adopting resolutions stating the intent of the City to annex seven areas.

Mr. Benson said that the State of North Carolina enables cities to grow by annexation, and provides incentives in the form of various shared revenues tied to population and street mileage.

This state legislation is based on the proposition that strong cities are the basis of a strong state economy and essential to the continued economic development of the state, and that cities are the best units of government to meet the needs of urban areas. The state's intent is often summed up as "what is urban should be municipal."

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In a growing urban area, annexation becomes an equity issue. This stems from the fact that the true "City of Asheville" (like most cities) is always growing and at any given time is larger than the area in the current city limits. North Carolina state law recognizes that the cities need to expand their boundaries to include this growth so that we don't end up in a situation where an increasingly relatively smaller number of citizens are financing the urban infrastructure used by a much larger population. The fact is that people living in close proximity to cities benefit from the cities, and state annexation law is designed to include these people in the costs and benefits of governing and servicing the City.

The City of Asheville has initiated annexations for the past two years – five areas in 2001 and five areas in 2002. These recent annexations, like the ones being presented are designed to include: areas that are clearly urban, areas surrounded by the City but not within the City of Asheville and can only be accessed through the City; areas that will create a more logical City boundary; and areas with at least some existing water and sewer service.

Mr. Benson then showed Council a chart for the past two year annexations which showed annual revenue, annual expenditures and capital costs for each of the areas. In the past two years, ten areas have been annexed (two are pending court decisions). In total, the estimated annual revenue from these areas is \$2,199,869, with estimated annual costs of \$281,987.

The following steps and dates meet the process required by State law:

Adoption of Resolutions of Intent	April 9, 2002
Adoption of Plans of Services	April 23, 2002
Public Informational Meeting	June 3, 2002
Public Hearings	June 11, 2002
Adoption of Annexation Ordinances	June 25, 2002
Effective Date of Annexations	June 30, 2003

Mr. Benson under State law the City must follow a specific process for annexation that begins with the adoption of resolutions that describe the boundaries of the areas under consideration, and fix dates for a public informational meeting and a public hearing on the question of annexation. State law does allow simultaneous annexation of multiple non-adjacent areas.

City staff has identified the following seven areas with the potential for being annexed:

Leicester Highway – This is a one mile corridor along Leicester Highway. This has 68 lots, is 64 acres, and has an estimated population of 113. It has a mixture of commercial and residential development and provides a more rational City boundary. Current boundary excludes a pocket on east side of the highway. There is a one-time capital cost of \$160,000 for improvements in fire protection water service.

Sherwood Heights – This is a subdivision in North Asheville. This is the only pocket of development out of the City in this area and their only access is through the City of Asheville. This has 50 lots, is 97 acres and a population of 73.

Huntington Chase – This is a new subdivision in Haw Creek and forms isolated pocket out of the City. Their only access is through the City of Asheville. This has 41 lots, is 63 acres and a population of 68. There is a one-time capital cost of \$105,000 for some sewer and fire protection water service improvements which are planned.

Bell Road – This is a section of Bell Road between two existing sections of the City in Haw Creek. There is currently a service delivery problem. This has 14 lots, 22 acres and a

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population of 32. There is a one-time capital cost of \$116,000 for fire protection water service improvements which are planned.

Forest Lake – This is a large subdivision in South Asheville off of Sweeten Creek Road. Its access is only through the City. This has 128 lots, is 53 acres and a population of 250.

Mill Stone – This is a subdivision off Round Top Road and is in a corner formed by the City limits. This has a population of 51. There is a one-time capital cost of \$30,000 for some sewer improvements which are planned.

Kensington-Windsor – This is a large residential area off Sweeten Creek Road and Mills Gap Road. It includes two apartment complexes (Kensington Place and Pine Ridge Apartments) and the Windsor Park Subdivision. This has 30 lots, is 67 acres and has a population of 500.

Under State law the City must follow a specific process for annexation that begins with the adoption of resolutions that describe the boundaries of the areas under consideration, and fix dates for a public informational meeting and a public hearing on the question of annexation. State law does allow simultaneous annexation of multiple non-adjacent areas.

City staff recommends that the seven Resolutions of Intent be adopted. They have been working on these areas since last fall and City staff feels they can handle these annexations with existing staff and equipment.

Councilman Dunn stressed that there should be financial benefits to the community when annexation occurs, just not to City government. Mr. Benson explained some benefits to property owners include reduction of fire insurance ratings, bigger water lines to support fire hydrants, solid waste collection, improved level of police protection, and increased code enforcement protection for property owners.

City Manager Westbrook pointed out that there is a book entitled “Cities without Suburbs” that contains definitive work on why annexation of an urban area is the way to spread the cost to provide urban services to people who live in an urban environment. The book points out all kinds of factors, noting that they all can’t be measured in dollars and cents.

Upon inquiry of Councilman Peterson, City Manager Westbrook said that in addition to property taxes, the City receives additional Powell Bill funds, State intangible taxes, inventory taxes, sales tax, and utility franchise taxes.

Councilman Mumpower asked for a summation of figures on how much it cost the City to provide actually provide services to the 2001 annexations. Planning & Development Director Scott Shuford responded in that he would provide Councilman Mumpower with the Annexation Plan for Services for 2001.

Councilman Dunn was upset that the Metropolitan Sewerage District does not extend sewer lines and that the burden is placed upon the City of Asheville.

Upon inquiry of Councilman Dunn, Mr. Benson said that all of seven areas are in the City’s extraterritorial jurisdiction, except for Kensington-Windsor which is in the Limestone Township.

Discussion surrounded the City’s not providing trash collection service to multi-family apartments and some condominiums.

Upon inquiry of Vice-Mayor Bellamy, City Manager Westbrook said that staff is working on the issue of recycling at apartments.

Councilwoman Jones thanked staff for this informative presentation on annexation and hoped the City and news media would try to educate the public about annexation to dispel some myths.

When Councilman Dunn expressed concern that property owners taxes will almost double when they are annexed, Councilman Peterson stressed they are saving money in other ways.

Councilman Mumpower felt the City needed to be direct with the citizens in that taxes will go up, but there are compensations.

### **Resolution of Consideration for Potential Future Annexation Areas**

Urban Planner Paul Benson said that this is the consideration of a Resolution of Consideration identifying areas with potential for future annexation.

State law provides that a Resolution of Consideration may be adopted by cities as a preliminary step in the annexation process. While not required, the Resolution of Consideration serves the purpose of providing citizens with advance notice that certain areas in proximity to the city may, within the reasonably near future, be subject to annexation. After being in effect for a least one year, the Resolution of Consideration also has the benefit of reducing the time period required between adoption of the annexation ordinance and the effective date of that ordinance from a minimum of 1 year to a minimum of 40 days. The Resolution of Consideration is effective for 2 years.

The map staff has prepared in connection with the Resolution of Consideration basically includes areas with the potential for urbanization, such as the areas along major thoroughfares, areas within the City's existing extraterritorial jurisdiction, areas with existing infrastructure or areas where utility extensions are feasible, such as areas that are within drainage basins with existing sewer service, and other areas with potential for urban development. The map includes many areas that may not experience urban development in the near future, because the boundaries are drawn to be expansive enough so that any possible near term (1-5 years), annexation areas will be within the boundaries.

City staff recommends that the Resolution of Consideration be adopted.

City Attorney Oast stated that just because you may have property in the area, the property still must quality under the statutes for annexation.

Councilman Dunn felt that the City should be sensitive to industry when thinking about annexation.

Upon inquiry of Councilman Peterson, Mr. Benson said that even with this resolution of consideration, the City still could give property owners from 40 days to 400 days within which to make the effective date of the annexation. However, Mr. Benson felt that June 30 should be the date for effective annexations for tax billing purposes.

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

At 5:40 p.m., Mayor Worley announced a short break.

### **ASHEVILLE SCHOOL BOARD**

- It was the consensus of City Council to only consider applicants who submitted written responses to Council's questions and that only City residents who live in the Asheville School District be considered.

- City Council instructed the City Clerk to arrange interviews for the following individuals for the vacancy on the Asheville School Board: Allison Jordan, Keith Thomson, Marsha Bate, Pegi O'Hagan and Roxie Wynn.

## MISCELLANEOUS ITEMS

### Board Appointments

It was the consensus of the City Council to go to a monthly appointment process until the end of December, 2002. At that time the Boards and Commissions Committee will review the monthly vs. quarterly process. It was also the consensus of City Council to only keep board and commission applications for one year instead of two years.

### Council Subcommittee on Campaign Finance Changes

Councilman Peterson, Chair of the Council Subcommittee on Campaign Finance Changes ("Subcommittee"), said that he, Vice-Mayor Bellamy and Councilman Mumpower met on April 1, 2002. He summarized the following report: The Subcommittee recommends that City Council explore options to improve campaigns for Council and Mayor by appointing a Citizens Study Committee for Campaign Finance Reform. The Subcommittee members believe that recommendations to improve local campaigns should come from Asheville citizens and not from individual members of Council or from City staff. The Subcommittee further recommends that consideration of changes in the process for conducting City elections be postponed until a later time.

Make-Up of the Citizens Study Committee – To begin the process, the Subcommittee recommends that Council appoint a Citizen Study Committee ("Committee") composed of seven voting members and a few additional ex-officio members to represent interested civic organizations. For the voting members of the Committee, each member of Council and the Mayor shall nominate one individual to serve on the Committee. The Subcommittee believes that there are several local civic organizations that have a special involvement in local government and would be able to provide valuable information to the Committee. Therefore, the Subcommittee recommends that the Committee include several ex-officio members that are appointed by these civic organizations. City Council can decide which civic groups will be allowed to nominate ex-officio representatives to the Committee. The Subcommittee discussed including groups such as the League of Women Voters, Common Cause, and the NAACP.

Operations of the Citizens Study Committee – The Subcommittee recommends that the operations of the Committee be left to the members of the Committee. The Committee members should elect a Chair, Secretary, and other positions (i.e. facilitator, parliamentarian) as they see necessary. The Subcommittee recommends that the City Attorney's office provide any staffing and administrative support that the Committee may require. As this is an official City Committee, it will be subject to the Open Meetings Law. The Subcommittee recognizes that City staff may need to provide some limited clerical assistance such as mailing notices and copying material. The Subcommittee also recommends that the City provide adequate meeting space for the Committee to conduct their meetings. The meeting space should be at a location that is accessible to the public. The Subcommittee encourages the Committee to establish, if possible, a regularly scheduled meeting time and place. The Subcommittee recommends that the

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Committee allow reasonable public comment at each of their meetings. The Subcommittee will be available to the Committee should they need any additional guidance or assistance with process or administrative issues.

Goals for the Citizens Study Committee – The Subcommittee recommends that we ask the Committee to provide Council with a written Final Report within 120 days of their appointment. This time-line may be extended by the Subcommittee upon request of the Committee. Following the submission of their written report, the Committee should make a presentation to City Council of their recommendations. The Subcommittee recommends that the Final Report include (1) possible options to improve the financing of city elections; (2) the Committee's recommendations and rationale as to the best option or options; (3) steps to implement their recommendations; and (4) relevant research material they gathered. The Subcommittee recommends that the Committee research the following specific issues: (1) What ordinance or campaign limits would be permitted under current North Carolina law; (2) What have other cities (in North Carolina and in other states) done to address the problems of campaign finance reform; (3) What Constitutional limits would the City face; and (4) What federal regulations would the City face. The Subcommittee recommends that the Committee consider the following possible campaign finance changes: (1) public funding for local campaigns (A) what threshold should there be to qualify for public funding (i) funding candidates in the primary; (ii) funding only candidates in the general; (B) how much to fund candidate; (C) how much could it cost; and (D) how could it be funded; (2) voluntary spending limits (A) what should the limits be; and (B) how to enforce the limits; (3) voluntary limits on contributions (A) what should the limits be; and (B) how to enforce the limits; (4) ways to reduce campaign spending and improve voter education (A) better coverage by media outlets; (B) free coverage by media outlets; (C) coverage by the Government Channel; and (D) other means to reduce campaign costs; (5) increased reporting requirement of contributions; (6) non-public funding options; (7) the role of the political action committees (PACs); and (8) any additional options.

After discussion, it was the consensus of Council that (1) clerical assistance from City staff means providing paper, copying

and mailing; (2) the City-provided meeting space might be Stephens-Lee Community Center; (3) there be no ex-officio members; (4) if one person from the Committee drops out, the Council member who nominated that person will be allowed to nominate another one; and (4) add the issue of the amount of filing fees to the Committee's charge.

It was the consensus of Council for each Council member to give their suggested name to City Clerk Burleson and that this report and the seven Committee members will be reviewed and appointed at the next formal meeting.

### **Memorial Day Observance**

After a brief discussion, it was the consensus of City Council to hold a Memorial Day event at City-County Plaza. Mayor Worley appointed Councilman Mumpower as Chair and Councilmen Dunn and Ellis to begin the process. This event is to move forward with the understanding that Buncombe County has agreed to be the City's co-sponsor, no City funds will be used, and that the event be coordinated with other groups that have events, such as the VA Hospital and Cemetery.

### **Closed Session**

At 7:00 p.m., Councilman Mumpower moved to go into closed session to consult with an attorney employed by the City about matters with respect to which the attorney-client privilege between the City and its attorney must be preserved, including proceedings involving the following parties: Buncombe County; Henderson County; Regional Water Authority of Asheville,

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Buncombe and Henderson; and the City of Asheville – G.S. 143-31-8.11 (a) (3). This motion was seconded by Councilwoman Jones and carried unanimously.

At 8:00 p.m., Councilman Mumpower moved to come out of closed session. This motion was seconded by Vice-Mayor Bellamy and carried unanimously.

### **ADJOURNMENT:**

Mayor Worley adjourned the meeting at 8:00 p.m.

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CITY CLERK

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MAYOR