

Regular Meeting

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

INVOCATION

Councilwoman Jones gave the invocation.

I. PROCLAMATIONS:

II. CONSENT:

Mayor Worley asked that an additional item be placed on the Consent Agenda conferring the Mayor's powers and duties to the Vice-Mayor during his absence next week.

- A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON MAY 28, 2002, AND THE WORKSESSION HELD ON JUNE 4, 2002**
- B. RESOLUTION NO. 02-99 - RESOLUTION APPROVING ISSUANCE OF MULTI-FAMILY HOUSING REVENUE BONDS (ASHEVILLE TERRACE APARTMENTS)**

Summary: The consideration of a resolution approving the issuance of revenue bonds by the Housing Authority for the Asheville Terrace Apartments project.

The Housing Authority of the City of Asheville proposes to issue revenue bonds in the amount up to \$7,500,000 to refund existing bonds at a lower interest rate, and to provide funds for interior renovations for the 248 unit apartment development known as Asheville Terrace Apartments, which is operated by Asheville Assisted Housing, Inc., a nonprofit corporation affiliated with the Authority, for rental to elderly, disabled and handicapped persons and families of low and very low income.

A public hearing will be held by the Housing Authority on June 11, 2002, on the question of the issuance of the bonds. The bonds must now be considered and approved by the Asheville City Council.

The bonds being issued are "private activity bonds" under IRS regulations. Essentially, this is a form of financing that allows private entities (both for profit and not-for-profit) to engage in public purpose projects, with some of the advantages of tax exempt financing. There are many requirements and limitations in the use of the money derived from bond proceeds. One of the requirements is that the governmental unit having jurisdiction over the area in which the activity occurs must approve the issuance of the bonds, and this approval may only come after a public hearing. According to the Housing Authority's attorney, concurred in by bond counsel and the attorneys for Asheville Assisted Housing and issuer, this public hearing requirement will be satisfied by the public hearing to be held by the Housing Authority prior to the City taking action, and a separate hearing by the City is not necessary. Our bond counsel has confirmed this, and this is the position of the Local Government Commission.

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If City Council wishes to approve issuance of the revenue bonds for the Asheville Terrace Apartments project, as required by Sec. 147(f) of the Internal Revenue Code, adoption of the resolution is recommended.

RESOLUTION BOOK NO. 27 – PAGE 182

- C. RESOLUTION NO. 02-100 - RESOLUTION CONFIRMING THE APPOINTMENT OF A MEMBER TO THE MINORITY BUSINESS COMMISSION**

Summary: The consideration of a resolution confirming the appointment of a member of the Minority Business Commission.

On May 26, 1998, City Council adopted Resolution No. 98-63 adopting a City-County Minority Business Plan.

The Minority Business Commission consists of 13 members, 10 of whom are nominated by various groups and three of who are minority business owners nominated by the Minority Business Commission. All nominees are considered and appointed by both the City Council and County Commission.

Ms. Carmella D. Watkins has been named by the NAACP to represent them on the Minority Business Commission. Ms. Watkins has been nominated to fill the position left vacant by Ms. Grace Dorn who died unexpectedly in December 2001. Ms. Watkins' term will run through August 2002 and then she will serve a full two-year term, which will run through August 2004.

City staff recommends City Council adopt the resolution confirming the appointment of a member of the Minority Business Commission.

RESOLUTION BOOK NO. 27 – PAGE 183

D. RESOLUTION NO. 02-101 - RESOLUTION ACCEPTING THE NEW STREET NAME OF “SECLUDED VISTA DRIVE”

Summary: The consideration of a resolution accepting the new proposed street name of “Secluded Vista Drive.”

Leo and Kendell Wentzel, owners of lots off of Ballantree Drive, have petitioned the City of Asheville to accept the street name “ Secluded Vista Drive.” The new street will begin at Ballantree Drive and end at the cul-de-sac on Secluded Vista Drive.

City staff recommends adoption of the resolution.

RESOLUTION BOOK NO. 27 – PAGE 184

E. RESOLUTION NO. 02-102 - RESOLUTION CREATING A HOUSING CODE TASK FORCE

Summary: The consideration of a resolution supporting a Housing Code Review Task Force.

At the City Council 2002 planning retreat, staff gave a presentation that reviewed the development and regulatory processes. City Council was presented with 10 issues that would need Council consideration for streamlining and improving the processes in the City. One of the

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issues was reviewing and updating the Housing Code. Since Council has approved no updates to the Code since May 1999, staff is recommending that a Citizen Task Force be established to review the Housing Code and its enforcement.

The Housing Code was amended in 1993, effective July 1, 1994, with rental units required to be in compliance with the Code effective July 1,1999. In May 1999 City Council approved some updates to the Code and approved a 6-month extension for rental units to be in compliance by January 1, 2000. Other fees and penalties were approved to encourage landlords to be in compliance with the ordinance. The Code has been effective in bringing over 12,000 of the 30,000 residential units of the City up to a minimum standard. The Code was designed to be proactive in that it requires all rental units, and units being sold to show proof that the unit is up to the minimum requirements. Enforcement of the Code has allowed owners, landlords, and investors and staff an opportunity to assess the strength and weaknesses in the Housing Code. Staff has reviewed with the Council's Housing and Community Development Committee various areas of the Code that needed revisions. A review of the Code should involve the sectors of the population who have significant involvement with the Code. It is recommended that the Task Force be comprised of representatives from the Carolina Real Estate Investor Association, the Apartment Association, the Board of Realtors, Homebuilders Association, nonprofit organizations and other industry representatives. The review would be lead by staff that will forward suggested amendments and issues to the Council's Housing and Community Development Committee. The review will take place during the summer with presentation of an amended Code targeted for the fall.

City staff recommends City Council approve the resolution to create a Housing Code Task Force to review and recommend changes to the Housing Code and its enforcement. If any City Council member would like an additional citizen(s) to participate, they should contact Terry Summey before June 30th in order for the Task Force to begin work in mid-July.

RESOLUTION BOOK NO. 27 – PAGE 185

F. RESOLUTION NO. 02-103 - RESOLUTION ENDORSING THE CREATING OF A JOINT COUNTY-CITY TASK FORCE TO PROVIDE INFORMATION ON CURRENT HOUSING ISSUES AND RECOMMEND POLICY CHANGES

Summary: The consideration of a resolution endorsing the creation of a joint County- City Task Force to provide information on current housing issues, and recommend policy changes.

The Affordable Housing Coalition has approached Buncombe County and City of Asheville officials with a view to setting up a joint task force to look at housing needs and policies County-wide. The problems created by a high-priced housing market in a relatively low-wage economy are common to both the County and the City, and are serious enough to warrant exploration of new policies. While there is at present no clear consensus on what approaches to adopt, there is widespread agreement that any solution will require a coordinated approach in which both County and City governments take action together.

The Coalition's proposal is to explore options through an advisory task force, with members appointed jointly by the Mayor and the County Commission Chairman. The purpose of the task force would be:

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To provide the Buncombe County Commissioners and the Asheville City Council with information on current housing needs and programs, recommend changes to current housing policies, including the potential for a joint Housing Trust Fund, and help raise awareness and support throughout the community for housing issues.

The task force would have an inclusive membership representing all local stakeholders with an interest in housing, including for-profits, non-profits, and neighborhood residents. The County, the City, and the Coalition would jointly provide staff support.

The task force's first job would be to review its purpose and membership and create a work program. Its first report back to the County Commission and City Council would be to present this program and recommend any changes needed to its purpose and membership.

No budget changes are required to implement this proposal.

City staff recommends City Council approve a resolution to create a County-City Housing Task Force.

RESOLUTION BOOK NO. 27 – PAGE 186

G. RESOLUTION NO. 02-104 – RESOLUTION CONFERRING MAYOR'S POWER AND DUTIES TO VICE-MAYOR DURING MAYOR'S ABSENCE

RESOLUTION BOOK NO. 27 – PAGE 187

Mayor Worley 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.

Vice-Mayor Bellamy moved for the adoption of the Consent Agenda. This motion was seconded by Councilwoman Jones and carried unanimously.

III. PUBLIC HEARINGS:

ANNEXATION PUBLIC HEARINGS

Mr. Paul Benson, Urban Planner, explained that purpose of these hearings is for the City to explain the plan for extending City services to the proposed annexation area, and to give all persons resident or owning property within the areas, and all residents of the City, the opportunity to be heard. The effective date of the annexations will be June 30, 2003.

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.”

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

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cities, and state annexation law is designed to include these people in the costs and benefits of governing and servicing the City.

Mr. Benson then reviewed with Council the three statutory tests necessary to qualify areas for annexation. He explained the City’s annexation strategy has been to target areas (1) that are clearly developed, (2) where water and sewer infrastructure is in place, (3) that improve the City’s boundaries, (4) eliminate pockets of urban development that are essentially surrounded by the City or where all access is through the City; and (5) disburse the annexation areas geographically instead of just targeting one direction.

Mr. Benson then reviewed the various services that would be provided to the annexed areas. He then reviewed the following financial plan:

Revenue: Total ad valorem property tax revenue - \$375,547; Total state utility tax revenue - \$51,300; Total local option sales tax - \$144,058; Total Powell Bill allocation - \$37,393; and Total fees, permits, licenses and charges for services - \$47,149. Total revenue - \$655,447.

Annual recurring expenditures: Fire (rural fire department contracts expected to be in place for at least 5 years) - \$64,564; Solid waste (tonnage fee) - \$9,632; and Street lighting (electrical charge to CP&L) - \$6,644. Total recurring expenditures - \$80,840.

Annual capital expenditures: Water line improvements - \$310,000; Sewer line improvements - \$101,000; Solid waste (economic loss compensation for private solid waste haulers) - \$25,920; Rollout containers - \$12,040; Street signs - \$1,599; Street repair - \$2,500; and Street lighting - \$2,307. Total one-time annual capital expenditure - \$455,366.

Mr. Benson then reviewed with Council a chart of how Asheville is growing in comparison with other cities. It showed that Asheville’s growth through annexation is 65%.

City staff responded to various questions from Councilman Dunn relating to the City’s ability to provide faster police response, solid waste collection services and street maintenance services to the proposed annexed areas.

A. PUBLIC HEARING TO CONSIDER THE ANNEXATION OF THE LEICESTER HIGHWAY AREA

Mayor Worley opened the public hearing at 5:35 p.m.

Mr. Benson explained the Leicester Highway area – 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. This area meets all three qualifying tests. There is a one-time capital cost of \$160,000 for improvements in fire protection water service.

Mr. Mike Anders, resident on Old County Home Road, spoke against the annexation in that he could not understand why the City wanted to annex only one side of Old County Home Road. He felt it wasn’t fair that one side of the road will get free street lights and the other side would have to pay for it. Also, he felt they will never get sidewalks and there will be confusion in providing police and fire services.

Ms. Laura Hopper, property owner on Smile Avenue, felt that the Unified Development Ordinance is a random set of guidelines, which increases the cost of development.

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City Attorney Oast said that N.C. Gen. Stat. sec. 160A-49 requires that the appropriate persons who handled those tasks make certain certifications regarding public notice provided for this hearing. Urban Planner Paul Benson and City Clerk Burlison

have made the appropriate certifications. In addition, City Clerk Burleson has certified certain other ministerial facts regarding the availability of the Annexation Services Plan; the delivery of the statement of impact to Buncombe County; letters to volunteer fire departments and their responses; and letters to the solid waste providers and their responses. He asked that these certifications be entered into the record.

Mayor Worley closed the public hearing at 5:47 p.m.

Mayor Worley said that the ordinance to extend the corporate limits into this area would be considered by City Council on June 25, 2002.

B. PUBLIC HEARING TO CONSIDER THE ANNEXATION OF THE SHERWOOD HEIGHTS AREA

Mayor Worley opened the public hearing at 5:47 p.m.

Mr. Benson explained the Sherwood Heights area – 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. This area meets two of the qualifying tests.

Mr. Bruce Stirling, resident on Robinhood Road, felt that the residents in the Sherwood Heights area would not be receiving better service if annexed. They are happy with what they have. He asked that in the future, Council strongly consider whether they are inappropriately skewed toward annexation as a revenue base rather than other methods of tax revenue.

City Attorney Oast said that N.C. Gen. Stat. sec. 160A-49 requires that the appropriate persons who handled those tasks make certain certifications regarding public notice provided for this hearing. Urban Planner Paul Benson and City Clerk Burleson have made the appropriate certifications. In addition, City Clerk Burleson has certified certain other ministerial facts regarding the availability of the Annexation Services Plan; the delivery of the statement of impact to Buncombe County; letters to volunteer fire departments and their responses; and letters to the solid waste providers and their responses. He asked that these certifications be entered into the record.

Mayor Worley closed the public hearing at 5:50 p.m.

Mayor Worley said that the ordinance to extend the corporate limits into this area would be considered by City Council on June 25, 2002.

C. PUBLIC HEARING TO CONSIDER THE ANNEXATION OF THE HUNTINGTON-CHASE AREA

Mayor Worley opened the public hearing at 5:50 p.m.

Mr. Benson explained the Huntington Chase area – 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. This area meets two of the qualifying tests. There is a one-time capital cost of \$105,000 for some sewer and fire protection water service improvements, which are planned.

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Mr. Benson said that City staff will ask Council to amend the Annexation Services Plan on June 25, 2002, to eliminate a 12-acre tract classified agriculture vacant. Staff initially looked at including it for just boundary purposes, however, in line with our intent not to include vacant and agriculture land, staff is recommending that the Plan be amended to exclude this property.

Ms. Nancy Williams, resident in Huntington-Chase, felt that for City Council to annex any areas at this time is insensitive to the individuals involved. She felt that Council should consider staff's recommendations only as one source of information and then take that information and overlay the human component.

City Attorney Oast said that N.C. Gen. Stat. sec. 160A-49 requires that the appropriate persons who handled those tasks make certain certifications regarding public notice provided for this hearing. Urban Planner Paul Benson and City Clerk Burleson have made the appropriate certifications. In addition, City Clerk Burleson has certified certain other ministerial facts regarding the availability of the Annexation Services Plan; the delivery of the statement of impact to Buncombe County; letters to volunteer fire departments and their responses; and letters to the solid waste providers and their responses. He asked that these certifications be entered into the record.

Mayor Worley closed the public hearing at 5:56 p.m.

Mayor Worley said that the ordinance to extend the corporate limits into this area would be considered by City Council on June 25, 2002.

D. PUBLIC HEARING TO CONSIDER THE ANNEXATION OF A PORTION OF BELL ROAD

Mayor Worley opened the public hearing at 5:56 p.m.

Mr. Benson explained the Bell Road area – 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 population of 32. This area meets one of the qualifying tests. There is a one-time capital cost of \$116,000 for fire protection water service improvements, which are planned.

City Attorney Oast said that N.C. Gen. Stat. sec. 160A-49 requires that the appropriate persons who handled those tasks make certain certifications regarding public notice provided for this hearing. Urban Planner Paul Benson and City Clerk Burleson have made the appropriate certifications. In addition, City Clerk Burleson has certified certain other ministerial facts regarding the availability of the Annexation Services Plan; the delivery of the statement of impact to Buncombe County; letters to volunteer fire departments and their responses; and letters to the solid waste providers and their responses. He asked that these certifications be entered into the record.

Mayor Worley closed the public hearing at 5:57 p.m.

Mayor Worley said that the ordinance to extend the corporate limits into this area would be considered by City Council on June 25, 2002.

E. PUBLIC HEARING TO CONSIDER THE ANNEXATION OF THE FOREST LAKE AREA

Mayor Worley opened the public hearing at 5:57 p.m.

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Mr. Benson explained the Forest Lake area – 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. This area meets all three qualifying tests.

Ms. Delores Constantino, resident of Forest Lake Subdivision, said the City would annex regardless of whether they have services to offer or not. They have adequate services in their subdivision and will not benefit from being annexed. Single parents, widows and retired senior citizens will feel the overburden of increase in taxes. She felt that if Asheville continues to grow that crime will increase and it will be a less desirable place to live. The City should strive to take care of existing residents before trying to annex more. She stressed that the City has nothing to offer Forest Lake residents except higher taxes.

Mr. Dennis Seeney, President of the Forest Lake Homeowners Association, presented City Council with a petition containing 180 signatures asking Council to vote against annexation of the Forest Lake Subdivision. He felt that now is not a good time for forced participation. He said the City doesn't have anything to offer the residents. The only benefit for him personally would be solid waste collection and after calculating expenses, he feels it would be a net loss of over \$800 annually for him to become an Asheville citizen.

Mr. Stephen Galatioto, resident on Glen Woods Court, felt that the residents paid for all the work to be done in their subdivision and then the City comes in and takes over. He felt that it's time the City work with what they have or do less with what they currently have.

Mr. Jeff Grimm, resident on Goldfinch Lane, felt the City cannot provide better police protection service by asking the department to cover more territory with the same amount of officers.

Ms. Peggy Lyle, resident on Forest Lake Drive, stressed how annexation will double her taxes on an already stretched monthly budget.

City Attorney Oast said that N.C. Gen. Stat. sec. 160A-49 requires that the appropriate persons who handled those tasks make certain certifications regarding public notice provided for this hearing. Urban Planner Paul Benson and City Clerk Burleson have made the appropriate certifications. In addition, City Clerk Burleson has certified certain other ministerial facts regarding the

availability of the Annexation Services Plan; the delivery of the statement of impact to Buncombe County; letters to volunteer fire departments and their responses; and letters to the solid waste providers and their responses. He asked that these certifications be entered into the record.

Mayor Worley closed the public hearing at 6:15 p.m.

Mayor Worley said that the ordinance to extend the corporate limits into this area would be considered by City Council on June 25, 2002.

F. PUBLIC HEARING TO CONSIDER THE ANNEXATION OF THE MILL STONE AREA

Mayor Worley opened the public hearing at 6:15 p.m.

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

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City Attorney Oast said that N.C. Gen. Stat. sec. 160A-49 requires that the appropriate persons who handled those tasks make certain certifications regarding public notice provided for this hearing. Urban Planner Paul Benson and City Clerk Burleson have made the appropriate certifications. In addition, City Clerk Burleson has certified certain other ministerial facts regarding the availability of the Annexation Services Plan; the delivery of the statement of impact to Buncombe County; letters to volunteer fire departments and their responses; and letters to the solid waste providers and their responses. He asked that these certifications be entered into the record.

Mayor Worley closed the public hearing at 6:16 p.m.

Mayor Worley said that the ordinance to extend the corporate limits into this area would be considered by City Council on June 25, 2002.

G. PUBLIC HEARING TO CONSIDER THE ANNEXATION OF THE KENSINGTON-WINDSOR AREA

Mayor Worley opened the public hearing at 6:16 p.m.

Mr. Benson explained the Kensington-Windsor area – 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. This area meets one of the qualifying tests.

City Attorney Oast said that N.C. Gen. Stat. sec. 160A-49 requires that the appropriate persons who handled those tasks make certain certifications regarding public notice provided for this hearing. Urban Planner Paul Benson and City Clerk Burleson have made the appropriate certifications. In addition, City Clerk Burleson has certified certain other ministerial facts regarding the availability of the Annexation Services Plan; the delivery of the statement of impact to Buncombe County; letters to volunteer fire departments and their responses; and letters to the solid waste providers and their responses. He asked that these certifications be entered into the record.

Mayor Worley closed the public hearing at 6:17 p.m.

Mayor Worley said that the ordinance to extend the corporate limits into this area would be considered by City Council on June 25, 2002.

On behalf of City Council, Mayor Worley thanked all speakers and stressed that all of Council approach annexation seriously and will recognize their obligations to the entire City of Asheville.

Upon inquiry of Vice-Mayor Bellamy, City Attorney Oast explained the County representation on the City's Planning & Zoning Commission and the Board of Adjustment. He said that County's representatives vote on issues within the City of Asheville, even if they live in the extraterritorial jurisdiction area.

Police Chief Will Annarino responded to questions from Vice-Mayor Bellamy regarding 911 calls.

Upon inquiry of Vice-Mayor Bellamy, City Manager Westbrook explained how the Unified Development Ordinance was formed, noting that it was not a new document adopted in 1997 – just a compilation of development rules and regulations. He felt that less than 5% was new land use planning techniques that were not available in prior years.

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At the request of Vice-Mayor Bellamy, City Attorney Oast said that in order to get water service in other cities, a developer has to petition the City for a voluntary annexation. In Asheville we don't have that degree of control.

After discussion, Councilman Dunn felt that the City should earmark the revenue brought in from annexation for specific things, like streets and sidewalks.

H. PUBLIC HEARING TO CONSIDER A REQUEST TO APPLY THE MANUFACTURED HOUSING OVERLAY ZONING CLASSIFICATION TO FIVE LOTS ZONED RS-2 RESIDENTIAL SINGLE-FAMILY LOW DENSITY DISTRICT AND RM-8 RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY DISTRICT LOCATED ON POWERS ROAD AND GORMAN BRIDGE ROAD

ORDINANCE NO. 2926 - ORDINANCE APPLYING THE MANUFACTURED HOUSING OVERLAY ZONING CLASSIFICATION TO FIVE LOTS ZONED RS-2 RESIDENTIAL SINGLE-FAMILY LOW DENSITY DISTRICT AND RM-8 RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY DISTRICT LOCATED ON POWERS ROAD AND GORMAN BRIDGE ROAD

Mayor Worley opened the public hearing at 6:37 p.m.

Mr. Carter Pettibone, Urban Planner, said that this is the consideration of an ordinance to apply Manufactured Housing Overlay District zoning to five properties located on Powers Road. This public hearing was advertised on May 31 and June 7, 2002.

The applicants, represented by Ricky Norton, are requesting the overlay zoning district to allow the construction of manufactured homes on the vacant lots within the proposed area, which is 7.02 acres (PIN Nos. 9639.05-09-3756, 9730.17-00-3012, 4135, 0315, and 6370). Two of the five properties are currently zoned RS-2, while the remaining three are RM-8. These properties are located within the extraterritorial jurisdiction (ETJ), in an area dominated by single-family residential land uses. Based upon a field investigation of the surrounding area, a mixture of stick-built, brick, and manufactured homes was observed, with 9 of the 20 immediately surrounding properties occupied by manufactured homes. Under "Guidelines for Identifying Manufactured Housing Districts," as listed in Section 7-9-4 of the Unified Development Ordinance, there are four criteria that shall be used in identifying potential areas for Manufactured Housing Overlay districts. The first criteria only applies during the development process, while the second criteria states that "Manufactured homes should be located in the area prior to its designation and at least 20% of the homes in area should be manufactured homes", the third criteria states that "vacant land should be available upon which to locate manufactured homes", and the fourth criteria states that "The area should be a minimum of five acres". Based on the information submitted by the applicant and a field investigation of the project and the surrounding areas, staff has determined at least 20% of the homes in the proposed area are manufactured homes, there is vacant land on which manufactured homes could be located, and the project area exceeds five acres (7.02 acres). In addition, the proposed overlay district would allow the establishment of manufactured homes on the lots, while the underlying zoning districts of RS-2 and RM-8 would still regulate density and setback requirements for the homes on the lots.

The Planning and Zoning Commission voted 6-1 to recommend approval a manufactured housing overlay for the five properties on Powers Road. The Planning and Development staff recommends approval of the requested rezoning as well.

Mr. Ricky Norton, property owner, spoke in support of the rezoning.

Mr. John Howard Olesky, resident on French Broad Street, spoke about police tactics.

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Mayor Worley announced a short break.

Mayor Worley closed the public hearing at 7:10 p.m.

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

Councilman Peterson moved for the adoption of Ordinance No. 2926. This motion was seconded by Councilman Dunn and carried unanimously.

ORDINANCE BOOK NO. 19 - PAGE

I. PUBLIC HEARING ON THE FISCAL YEAR 2002-03 ANNUAL OPERATING BUDGET

Mayor Worley opened the public hearing at 7:12 p.m.

Budget Director Ben Durant said that the Fiscal 2002/2003 Annual Operating Budget and Capital Improvements Program was presented to City Council on May 13, 2002. On June 4, 2002, City Council held a worksession. 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 31 and June 7, 2002. Adoption of the budget ordinance is scheduled for June 27, 2002, at the City Council meeting.

The Fiscal Year 2002/2003 Annual Operating Budget is balanced with an Ad Valorem Tax rate of \$0.51 per \$100 of assessed value, which is lower than the current rate \$0.56 per \$100 as a result of re-valuation. Minor service reductions are included in this budget to offset potential state cuts to local reimbursement revenues.

A copy of the budget is available for public inspection in the City Clerk's office. In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the budget may be changed by City Council in any way before adoption. It may also be changed by budget amendment after adoption with the only exception being the ad valorem tax rate, which cannot be changed once adopted.

The following residents spoke in support of not closing the Burton Street Community Center:

Mr. Dwayne Barton, resident of West Asheville
Ms. Gloria Johnson, President of the Burton Street Community Center (presented
Council with a petition containing 113 names)
Louis Grant, Pastor of Mt. Carmel Baptist Church in West Asheville
Ms. Anna Marie Smith
Ms. Alison Smith
Ms. Mary Thomas, resident on Bryant Street

City Manager Westbrook explained that the recommended budget does not include closing any community center, however, in the unlikely event that the State withholds franchise reimbursement fees in the amount of \$4.2 million, the Burton Street Community Center is just one of many necessary cuts.

Mr. Water Plaue hoped that City Council would deal with cuts fairly and objectively.

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Captain Michael Knisely, resident of West Asheville and Chief of the Executive Council of the Asheville Firefighters Association, presented City Council with a proposal for the creation of a special separation allowance for career firefighters. He showed how implementing the proposal would have immediate savings, in addition to savings in the future. As a result of this information, it was the consensus of City Council to place this proposal on the next worksession agenda for further information.

Mayor Worley closed the public hearing at 7:44 p.m.

Mayor Worley said that adoption of the budget has been scheduled for Thursday, June 27, 2002, at 3:00 p.m. in the Council Chamber, located on the 2nd Floor of the City Hall Building.

IV. UNFINISHED BUSINESS:

V. NEW BUSINESS:

Widening of I-240

At the request of Councilman Peterson and Councilwoman Jones, and after discussion of whether or not to take a formal

vote at the June 18, 2002, worksession, it was the consensus of City Council to add the topic of I-240 improvements on the June 18, 2002, worksession agenda. Said topic will include review of a draft resolution prepared by Councilman Peterson giving direction to City staff as to what the sense of City Council stands with regard to the number of lanes on the I-26 connector. The public hearing by the Transportation Advisory Committee is scheduled for June 12, 2002, regarding their recommendation on the number of lanes and their final vote will be taken on June 20, 2002. Therefore, some form of Council direction is requested at Council's June 18, 2002, worksession.

Super Wal-Mart Public Hearing

After discussion, it was the consensus of City Council to hold the City Council public hearing on the Super Wal-Mart in the Council Chamber on June 25, 2002. Measures will be taken to assure that the process will be orderly and every effort will be taken to set up monitors and speakers for persons who will not be able to be promptly seated in the Chamber or in the First Floor North Conference Room.

As public comment is very important to City Council, a request will be made to those who wish to speak to adhere to time limits, not to repeat comments, present only relevant information, and to focus on the issues.

After discussion, it was the consensus of City Council to recess the June 25 meeting, if necessary, at approximately 11:00 p.m. At, or near that time, Council will then discuss when to reconvene or how they will proceed.

Bob Pressley

Councilman Dunn asked for City Council to honor Mr. Bob Pressley, a local NASCAR driver, for his contributions to our community.

VI. OTHER BUSINESS:

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Lawsuits

The City filed a lawsuit on April 19, 2002, against Miranda Lynn and Jerry Rhew. The nature of the proceeding is a complaint for medical expenses resulting from injuries sustained by a City employee in a motor vehicle accident with defendants. This matter will be handled by attorney outside the City Attorney's Office.

The City received the following Complaint on June 4, 2002, filed by Michael T. and Rose Dixon. The nature of the proceeding is alleged denial of building and zoning permits for quadraplex at Morningside Park pursuant to approved site plan prior to property rezoning from R-3 to R1-A. This matter will be handled in-house.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Mr. Dennis Seeney, resident of Forest Lake Subdivision, felt he could support annexation if he could be assured his money would be used for something worthwhile, like keeping the Burton Street Community Center open.

Mr. Walter Plaue asked City Council to consider forming a task force to review the Unified Development Ordinance. He felt it has done irreparable harm in terms of affordable housing in the City and needs to be more user-friendly.

Ms. Rebecca Campbell, resident in West Asheville, felt the Unified Development Ordinance needed to be reviewed as well. In addition, she felt the public hearing on the Super Wal-Mart should be moved to a larger venue.

VIII. ADJOURNMENT:

Mayor Worley adjourned the meeting at 8:32 p.m.

CITY CLERK

MAYOR