

Regular Meeting

Present: Mayor Terry M. Bellamy, Presiding; Vice-Mayor Diana Hollis Jones; Councilwoman Robin L. Cape; Councilman Jan B. Davis; Councilman Bryan E. Freeborn; Councilman R. Carl Mumpower; Councilman Brownie W. Newman; City Manager Gary W. Jackson; City Attorney Robert W. Oast Jr.; and City Clerk Magdalen Burleson

Absent: None

PLEDGE OF ALLEGIANCE

Mayor Bellamy led City Council in the Pledge of Allegiance.

INVOCATION

Councilwoman Cape gave the invocation.

I. PROCLAMATIONS:

A. PROCLAMATION PROCLAIMING 2006 AS “YEAR OF THE MUSEUM”

Mayor Bellamy read the proclamation proclaiming 2006, as “Year of the Museum” in the City of Asheville. She presented the proclamation to Frank Thomson, Cassie Moore, Kelly Miller and Robert Sipes, all representing the Asheville Art Museum, who thanked City Council for this designation.

B. PROCLAMATION PROCLAIMING MAY, 2006, AS “PRESERVATION MONTH”

Councilman Davis read the proclamation proclaiming May, 2006, as “Preservation Month” in the City of Asheville. He presented the proclamation to Mr. Jim Coman, President of the Preservation Society, who briefed City Council on some activities taking place during the month.

C. PROCLAMATION PROCLAIMING MAY, 2006, AS “DISABILITIES AWARENESS MONTH”

Vice-Mayor Jones read the proclamation proclaiming May, 2006, as “Disabilities Awareness Month” in the City of Asheville. She presented the proclamation to Ms. Liz Huesemann, Executive Director of the Irene Wortham Center, who briefed City Council on some activities taking place during the month.

II. CONSENT AGENDA:

Councilman Mumpower asked that Consent Agenda Item “E” be pulled from the Consent Agenda for an individual vote.

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON APRIL 25, 2006

B. RESOLUTION NO. 06-93 - RESOLUTION SETTING A PUBLIC HEARING ON MAY 23, 2006, TO CONSIDER THE VOLUNTARY ANNEXATION AT 3820 SWEETEN CREEK ROAD

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Summary: The consideration of a resolution fixing the date of a public hearing on May 23, 2006, for property located at 3820 Sweeten Creek Road.

John W. Couch has petitioned the City of Asheville for the annexation of one lot located at 3820 Sweeten Creek Road containing approximately .72 acres. The area is contiguous to the existing corporate limits and qualifies for annexation by petition as set forth in N. C. Gen. Stat. sec. 160A-31.

Pursuant to N. C. Gen. Stat. sec. 160A-31 such petitions must be investigated by the City Clerk for sufficiency in accordance with state law. This investigation has been completed.

This property contains a single-family home and is zoned R-1 under Buncombe County's Limestone Township Zoning

Ordinance.

The next step in this process is for City Council to fix the date for the public hearing on this matter. Should City Council decide to proceed with this request, the effective date for the annexation would be June 30, 2006.

Considerations:

- .. Provides for the orderly growth of the City and the tax base through the acceptance of contiguous areas into the corporate limits where owners desire annexation.
- .. Marginal increase in service costs (too small to measure or respond to).

This action complies with the 2025 Plan in that it supports the strategy of promoting voluntary annexation of developing areas and meeting the goal of continued use of the urban development tool of annexation in providing for the orderly growth of the City.

City staff recommends City Council accept the petition and adopt the resolution setting the date for a public hearing on the annexation petition for May 23, 2006.

RESOLUTION BOOK NO. 30 – PAGE 1

C. RESOLUTION NO. 06-94 - RESOLUTION SETTING A PUBLIC HEARING ON MAY 23, 2006, TO CONSIDER THE VOLUNTARY ANNEXATION OF FOUR LOTS ON ROCKWOOD ROAD

Summary: The consideration of a resolution fixing the date of a public hearing on May 23, 2006, for properties located on Rockwood Road.

Hankins Properties, LLC, has petitioned the City of Asheville for the annexation of four lots located along Rockwood Road in South Buncombe County (off of Airport Road) containing a total of approximately 6.54 acres. The area, while contiguous to other non-contiguous ("satellite") properties in the City of Asheville, is not contiguous to the primary corporate limits of the City and therefore is subject to the standards for annexation of noncontiguous areas contained in N. C. Gen. Stat. sec. 160A-58.1.

Pursuant to N. C. Gen. Stat. sec. 160A-58.2 such petitions must be investigated by the City Clerk for sufficiency in accordance with state law. This investigation has been completed.

The next step in this process is for City Council to fix the date for the public hearing on this matter. Should City Council decide to proceed with this request, the effective date for the annexation would be June 30, 2006.

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Considerations:

- .. Provides for the orderly growth of the City and the tax base through the acceptance of appropriate areas into the corporate limits where owners desire annexation.
- .. Marginal increase in service costs (too small to measure or respond to).

This action complies with the 2025 Plan in that it supports the strategy of promoting voluntary annexation of developing areas and meeting the goal of continued use of the urban development tool of annexation in providing for the orderly growth of the City.

City staff recommends City Council accept the petition and adopt the resolution setting the date for a public hearing on the annexation petition for May 23, 2006.

RESOLUTION BOOK NO. 30 – PAGE 3

D. RESOLUTION NO. 06-95 - RESOLUTION AUTHORIZING THE SALE OF PROPERTY ON DUNDEE STREET TO ROBERT SIMON

Summary: The consideration of a resolution authorizing the Mayor to convey land on Dundee Street to Robert Simon.

On April 25, 2006, City Council authorized advertising for upset bids pursuant to a bid from Robert Simon for land on Dundee Street in the amount of \$26,200. The advertisement was published on April 28, 2006, and no upset bids were received.

The land on Dundee Street was acquired by the City as part of the East End/Valley Street Community Improvement Program. It is a rectangular shaped lot comprising 0.115 acre±. It has a moderate slope downward from the street. It is zoned RM-8 Residential Multi-Family Medium Density District and it is suitable as a home site. The bid from Robert Simon is in the amount of \$26,200. We have in file an appraisal prepared by Joseph F. Moore dated September 13, 2005, estimating the market value of the property at \$26,200. Mr. Simon proposes to acquire the property next door to live in and eventually build on the subject parcel.

The positive aspects of the transaction are:

- The sale will be at fair market value as established by the upset bid process.
- It will return property not needed for public use to the tax rolls.
- It will transfer responsibility for maintenance to the private sector.

There is no negative impact.

City staff recommends adoption of the resolution authorizing the Mayor to convey land on Dundee Street to Robert Simon in the amount of \$26,200.

RESOLUTION BOOK NO. 30 – PAGE 6

E. RESOLUTION SUPPORTING CONTINUATION OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

This item was pulled from the Consent Agenda for an individual vote.

F. RESOLUTION NO. 06-97 - RESOLUTION AMENDING THE 2006 CITY COUNCIL MEETING SCHEDULE TO DELETE THE BUDGET WORKSESSION SCHEDULED FOR MAY 22, 2006

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RESOLUTION BOOK NO. 30 – PAGE 8

G. RESOLUTION NO. 06-98 - RESOLUTION OF COMMITMENT TO THE PRESERVATION OF OUR COMMUNITY'S CULTURAL AND NATURAL HERITAGE ASSETS

Summary: The consideration of a resolution to be included with the Preserve America designation application package, reconfirming the City's commitment to the preservation of its cultural and natural heritage assets

Preserve America is a White House initiative developed in cooperation with the Advisory Council on Historic Preservation and the U.S. Department of Interior, Commerce, Agriculture and Housing and Urban Development. The program recognizes and designates communities that celebrate and protect their cultural heritage. Asheville has been invited to seek designation as a Preserve America Community based on its embodiment of the goals and spirit of the Preserve America initiative. The adoption of a resolution by the local governing body, indicating commitment towards preservation of the community's heritage assets is required as part of the application package.

As a designated Preserve America Community, Asheville will not only be eligible to apply for a Preserve America matching grant, but will also benefit from increased community visibility and pride for its preservation efforts. Other benefits include: White House recognition, a Preserve America Community road sign, authorization to use the Preserve America logo, inclusion in national and regional press releases and the opportunity to receive one of four Presidential awards.

This program is consistent with the goals for preservation as indicated in the 2025 Plan. It is also a great opportunity for Asheville to further its reputation as a community dedicated to the preservation of its valuable cultural heritage.

Pros

- Eligibility to apply for matching grants
- Increased visibility and pride

Cons:

- Staff can find no potential challenges with this program

City staff recommends that City Council adopt the resolution reconfirming our commitment to the preservation of our cultural and natural resources.

RESOLUTION BOOK NO. 30 – PAGE 9

H. MOTION SETTING A PUBLIC HEARING ON MAY 23, 2006, TO CONSIDER RENAMING THE EXISTING STREET OF “HOLIDAY INN DRIVE,” LOCATED OFF HIGHWAY 240 EAST, TO “RESORT DRIVE”

Summary: The consideration of a motion setting a public hearing for May 23, 2006, to consider renaming the existing street of “Holiday Inn Drive,” located off Highway 240 East, to “Resort Drive.”

The owners of Crowne Resort have petitioned the City of Asheville to rename “Holiday Inn Drive” to “Resort Drive.” City staff has reviewed the proposed name and found no conflicts that would impede emergency service response. The primary purpose of establishing a name for any street is to facilitate emergency response. Staff researched the street data and has

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determined that this name is not duplicated. The adoption of the new street name is to enhance emergency response to these citizens.

Pros:

- The street will be utilized to access the existing hotel golf resort.
- Assignment of specific addresses, utility connection, and potential emergency response will be enhanced with specific the street name.

Cons:

- There are no negative affects of for assignment of “Resort Drive” to this existing road.

Asheville City Council has directed staff to validate levels of emergency services provided for our citizens through the city's strategic operation plan. This action complies with the City of Asheville Strategic Operating Plan section on Critical Services and Infrastructure: Goal 3 – Strong City and County Partnerships; Objective 1 – Review and validate the levels of critical emergency services provided throughout the city; Task 3 – Review and validate the levels of critical emergency services provided throughout the city.

City staff recommends City Council set a public hearing for May 23, 2006, to consider renaming the existing street of “Holiday Inn Drive,” located off Highway 240 East, to “Resort Drive.”

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

Councilman Freeborn moved for the adoption of the Consent Agenda. This motion was seconded by Councilman Davis and carried unanimously.

ITEM PULLED FROM THE CONSENT AGENDA FOR DISCUSSION

RESOLUTION NO. 06-96 - RESOLUTION SUPPORTING CONTINUATION OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Summary: The consideration of a resolution in support of the Community Development Block Grant (CDBG) Program.

The President's draft budget for federal Fiscal Year 2007 proposes a 25% cut to the CDBG program.

The City of Asheville has used the CDBG program since its start in 1974 to revitalize blighted city neighborhoods, renovate many hundreds of units of housing, provide land and infrastructure for several hundred new homes, invest in downtown economic development, and support key social service programs. Aside from downtown economic revitalization, all funds have been used to benefit low income individuals and low-income neighborhoods. A fact sheet is attached on the City's CDBG accomplishments in 2004-05.

Between 2004 and 2006, federal funding for the CDBG program was reduced by 15%. This has caused significant cuts in Asheville's program, including closing down our long-standing housing rehabilitation program, and cutting funding to several well-

established and successful social service programs operated by local non-profits. A further 25% cut would cause further cuts in these programs and serious setbacks in the progress we are making to provide low-income people with decent housing and economic opportunities and to address homelessness.

Advantages:

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- Authorizes the Mayor to express the City's concern to our Congressional representatives
- Adds the City's voice to that of the National League of Cities and US Conference of Mayors, who have set this as a top priority issue in 2006.

Disadvantages: None

City recommends approval of the resolution supporting renewed federal funding for the CDBG program at \$4.3 billion nationwide, the same level as in Fiscal Year 2004.

Councilman Mumpower said that we do try to use these federal dollars to good use, but philosophically he had a hard time about borrowing this money on our children's lives. He would have to speak against the misuse of the system that does good upfront, but charges us very heavily on the backside.

Vice-Mayor Jones spoke strongly in support of the CDBG Program. She felt this is one of the programs that actually invests in our community where you can see tangible returns. She felt this is a federal tax dollar investment that is actually giving back substantially to our community.

Councilman Newman moved to adopt Resolution No. 06-96. This motion was seconded by Vice-Mayor Jones and carried on a 6-1 vote, with Councilman Mumpower voting "no."

RESOLUTION BOOK NO. 30 – PAGE 7

III. PUBLIC HEARINGS:

A. PUBLIC HEARING REGARDING THE APPROVAL OF THE EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE CONTRACT FOR THE CONSTRUCTION OF TWO FIRE STATIONS, THE REPLACEMENT OF A ROOF ON A CITY FACILITY, ACQUISITION OF VEHICLES AND PUBLIC SAFETY RADIOS

RESOLUTION NO. 06-99 - RESOLUTION AUTHORIZING THE INSTALLMENT FINANCING OF TWO FIRE STATIONS, A CIVIC CENTER ROOF, VEHICLES AND EQUIPMENT

Mayor Bellamy opened the public hearing at 5:12 p.m.

Chief Financial Officer Ben Durant said that this is the consideration of a resolution authorizing the installment financing of two fire stations, a Civic Center roof, vehicles and equipment. This public hearing was advertised on April 28, 2006.

The current capital improvement program (CIP) includes funds previously appropriated by City Council to finance (1) the construction of two fire stations and a civic center roof at an approximate cost of \$6,777,000 and (2) the acquisition of large vehicles and the upgrade of the 800 mhz public safety radio system at an approximate cost of \$2,523,000.

The Finance Department sought proposals from six firms to finance the purchase of the construction of the fire stations and the roof and to purchase vehicles and equipment. Five proposals were received, the best of which was submitted by Bank of America at an interest rate of 3.92% per annum for the stations and the roof and 3.84% per annum for the vehicles and equipment.

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Federal tax laws make it advantageous for banks to lend to "bank qualified" governmental borrowers. As a result, banks can provide lower rates for loans to their "bank qualified" borrowers. For a local government to be "bank qualified" it must not contemplate issuing more than \$10,000,000 in tax-exempt debt in the calendar year in which the loan is made. The City is currently bank qualified for 2006.

Upon approval of this resolution, the final step in the process is to receive approval from the Local Government Commission and to close the loan with the bank. We anticipate these steps taking place within the first two weeks of June.

The proposed resolution authorizes an installment purchase contract between the City of Asheville and Bank of America for the fire stations, a roof, vehicles and equipment; approves a deed of trust and provides for other related matters.

City staff recommends City Council adopt the resolution authorizing the installment financing of two fire stations, a Civic Center roof, vehicles and equipment

Mayor Bellamy closed the public hearing at 5:13 p.m.

Upon inquiry of Councilman Mumpower, Mr. Durant said that the Civic Center roof is approximately \$1 Million and that was approved as part of the current budget.

Regarding the financing for the Civic Center roof, Councilman Mumpower said that as long as we can stay flexible and not commit ourselves to a process that may be redundant (e.g. re-configuring the Thomas Wolfe Auditorium in the near future which would result in another new roof), and as long as we have a reasonable period of time to make decisions he would be comfortable in going forward with this action. Mr. Durant explained that the financing will be secured and the funds will be placed in escrow, but we won't requisition those funds until we actually start spending them. The City won't pay interest until we actually draw down the money and start using the funds. If Council decided not to build a new roof, we would not requisition the funds and they would be returned to the bank, however, there may be some penalty for not using the money. He said he would verify this. In addition, City Attorney Oast said that any change of that nature may require an amendment to the agreement.

City Attorney Oast also stated that he didn't think the City is obligated to spend all the money, but that money is not available for other purposes. He said the City would pay interest only on the money that we use.

Councilman Davis said that regardless of which option Council chooses to go with regarding the Civic Center (to be discussed later in the meeting), the Thomas Wolfe Auditorium needs a new roof.

Councilman Newman suggested that we approve this resolution because when we put the money in our budget cycle, we knew there was going to be more discussion on what is going to happen with the future of the Civic Center and we committed ourselves to start the process. He felt we should also ask City staff to not take additional steps to draw down the funds for at least another 60 days and hopefully over the next 60 days we will reach a direction on how we want to move forward. If it's clear that we are moving in a direction that would result in us having to fix the roof twice, then a decision could be made to not draw down the money.

Mr. Durant said that the City won't officially close until we get Local Government Commission approval which is slated for the first two weeks in June. He hoped that Council would have some final direction at that point.

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When Vice-Mayor Jones asked what the cost of the contract was, Mr. Durant said that the annual debt service payments are estimated at a little over \$900,000 a year, and our legal counsel on this financing is approximately \$15,000.

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

Councilman Mumpower moved for the adoption of Resolution No. 06-99. This motion was seconded by Councilman Davis and carried unanimously.

RESOLUTION BOOK NO. 30 – PAGE 10

IV. UNFINISHED BUSINESS:

A. RESOLUTION NO. 06-100 - RESOLUTION ESTABLISHING MEMBERS FOR THE HUB PROJECT'S POTENTIAL COMMUNITY AND ECONOMIC ALLIANCE BOARD OF DIRECTORS

Economic Development Director Sam Powers said that this is the consideration of a resolution establishing members for the HUB Project's potential Community and Economic Development Alliance Board of Directors.

The governance structure for the HUB Project has previously been discussed by City Council at their January 10, 2006, meeting. At that time, Council asked that discussions be conducted between the City and County about a possible governance structure and the Mayor has met with the Chairman of the County Commission. Consequently, the following make-up of the HUB governance has been provided by the County Manager and proposed for consideration by City Council:

Members based on their Position in the Community

1. Asheville Mayor
2. Asheville City Council Planning and Economic Development Committee member
3. UNCA Chancellor
4. Asheville Buncombe Technical Community College President
5. Mission Hospitals CEO
6. Asheville Citizen Times President
7. Department of Transportation Board Member
8. National Climatic Data Center CEO
9. Buncombe County Chair
10. Buncombe County Economic Development Coalition Representative

Ex-Officio members

1. Asheville City Manager
2. Buncombe County Manager
3. Buncombe County Schools Superintendent
4. Asheville City Schools Superintendent
5. Other ex-officio to be named

At-Large

Fourteen spots to be split between City Council and County Commissioners.

If Council agrees with the proposed governance structure of the HUB, adoption of the resolution is recommended.

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Mayor Bellamy said that in light of the over \$100 Million in projects by the N.C. Dept. of Transportation they wanted to make sure they had a seat on the Board and for them to be involved in the up-front planning process.

At the suggestion of Vice-Mayor Jones, it was the consensus of Council to have 10 at-large members (not 14) to be split by the City Council and County Commissions, with the four other members being appointed by the Board itself.

There was a brief discussion initiated by Councilman Newman's concern that the Board may be too large, however, after discussion, it was determined that it will be a functional group.

When Councilwoman Cape wondered if it might be more appropriate to have the organizations select the best person in their organization to be appointed to the Board, Mayor Bellamy said that they were intentional in the actual position being appointed to the Board because they are the ones who can move things forward.

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

Councilman Mumpower moved for the adoption of Resolution No. 06-100, with the following amendments: (1) five at-large members being appointed by the Asheville City Council; (2) five at-large members being appointed by the Buncombe County Commissioners; and (3) four members being appointed by the Board itself, once the Board is established. This motion was seconded by Councilman Davis and carried unanimously.

Mayor Bellamy stated that the board and commission vacancy process will be used for the City Council five at-large members.

RESOLUTION BOOK NO. 30 – PAGE 13

V. NEW BUSINESS:

A. RECOMMENDATION FROM THE CIVIC CENTER TASK FORCE

RESOLUTION NO. 06-101 - RESOLUTION ACCEPTING THE CIVIC CENTER TASK FORCE REPORT

Councilman Davis, Chair of the Civic Center Task Force, said that The Civic Center Task Force was created by City Council to examine the options for the Civic Center. He thanked various people for their contributions in reaching this point including, but not limited to the former City Council members, present City Council members, Mayor Bellamy, former Mayor Charles R. Worley, Ms. Sasha Vrtunski, City Manager Gary Jackson, Civic Center Director David Pisha, all the Task Force members and their alternates, and the hundreds of people who have expressed their desire for the community.

Ms. Vrtunski summarized by saying that in October, 2005 City Council held a special worksession on the Civic Center in response to the proposal brought forward by the Asheville Area Center for the Performing Arts. At the worksession, Council agreed that the Civic Center should be a multi-purpose facility and remain downtown if at all possible. City Council then created the Task Force to further investigate options and bring back recommendations to Council. Task Force members are: Mayor Terry Bellamy, Councilman Jan Davis, City Council; Max Alexander, Civic Center Commission; Sidney Powell, Asheville Area Center for the Performing Arts; Bill Stanley, Buncombe County Commission; Ron Storto, Tourism Development Authority; and Charles Worley, former Mayor.

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The report reviews the work of the Task Force over the past six months and brings several recommendations forward for Council to consider. The Task Force has looked at different options for the Civic Center building and events and narrowed the field to two main options. The first option is to build a new arena, and then build a performing arts and media center inside the current arena. The second option is to build a new performing arts hall and media center, and then refurbish the existing arena. Both options propose making Thomas Wolfe a flat-floor facility, which adds space for hosting a number of events and could be tied into existing events that need more space.

In addition, staff expects the economic impact study to be completed at the beginning of June. This will show what the impact of the Civic Center is on our local economy.

During the Task Force process, the Asheville Area Center for the Performing Arts organization offered to pay for professional services to examine the feasibility of a performing arts center on the Parkside site (which is on the lot next to City Hall). It is expected that this analysis would take between 30 to 60 days.

Advantages:

- The report brings forward several options for City Council's consideration and holds exciting possibilities for our community.
- Further examination of the Parkside site will help illuminate the potential of the site and funding possibilities.

Disadvantages:

- Two of the three options coming forward are large projects and will require the participation of other partners and multiple sources of funding.

City staff recommends that City Council: (1) receive the report and take it under advisement while waiting for the final economic impact analysis to be reported (early June); (2) accept the offer of \$10,000 from the Asheville Area Center for the Performing Arts to further investigate the feasibility of the Parkside site; and (3) plan a worksession to discuss a preferred model options once the economic impact analysis and Parkside feasibility analysis are completed.

Ms. Vrtunski then briefed Council with the following: In August, 2005, the Civic Center Commission held a public forum about the future of the Civic Center. In September, 2005, the Asheville Area Center for the Performing Arts presented to City Council & Council formed the Civic Center Task Force (TF). In October, 2005, the Civic Center Task Force began meeting and collecting data. And, in March, 28806 – the Task Force worked on finalizing the best options and funding plan for those options to bring back to City Council.

Several policy questions arose. Those include, does Asheville need to host a multi-purpose facility; what is the preferred location for each component; total budget; phases; sources of funding; desired partners/coalition; and what trade-offs are acceptable to secure support.

The Task Force data gathering included: overview of the Civic Center operations and finances; panel of facility users (AC Entertainment, Asheville Symphony, WNC Productions, Broadway in Asheville, Palace Sports); comparisons of other facilities; presentations of building proposals (Heery, Highland Group report, PBC+L Architects, Asheville Area Center for Performing Arts

("AACPF")); review of hotel occupancy and food & beverage taxes collected in North Carolina; review of funding strategies; review of potential new arena sites; review of cost estimates; review of Parkside potential; public input at all meetings, and extensive public input at January 18, 2006, meeting.

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Key data and findings included: 67% of the revenue of the Civic Center is generated by the Arena; staff does the best they can with the facility and funds they have; received many compliments from event producers; the Civic Center has met needs for diverse community and needs to continue to do so; there is very strong support in the community for a performing arts center, especially as Asheville is an arts destination; and the downtown businesses feel that the Civic Center is very important to them, especially the multi-day events, and arena events.

The Task Force reached the following findings: the Thomas Wolfe Auditorium cannot be renovated for a performing arts venue; doing nothing is not an option; multiple sources of funding are needed, there is no one source that will pay for it; and the City should not be the sole funder of improvements.

Two main options rose to the top: (1) Build a new arena and then build Performing Arts Center and Media Center inside the existing arena; and (2) Renovate the arena and build a new performing arts center on the lot next to City Hall (Parkside). Both options include making Thomas Wolfe a flat floor facility.

Option 1 major design concepts include: (1) Convert existing arena into 2400 seat Multiple Purpose Performing Arts Center – enhanced support; resolved load-in; and ample lobby space; (2) Convert Convention Space into Theatre Support and Media Center – performer support and equipment storage; and studio and classroom spaces; and (3) Convert Thomas Wolfe Auditorium Space into a flat floor banquet/conference/reception center - flexible, divisible space; full service catering support; and ability to use stage as rehearsal or open up to room for special presentations/dais/ or dinner theatre venue.

A combination performing arts and media has synergies, opportunities and efficiencies. Organizations benefit from co-location – share common infrastructure, share common support spaces, share content, and share exposure to patrons. The Civic Center becomes a public service resource, building on the foundation of the arts, education and media.

Sites studied included the current Civic Center site, Patton Avenue downtown gateway, south of City-County Plaza – "Parkside", Innsbruck Mall, Biltmore Square Mall, and Brevard Road at I-40 & I-240.

Option 2 would be to build a new performing arts center (and media center) on the lot next to City Hall (Parkside) and refurbish the arena.

Development challenges and opportunities for the City Hall parking lot include: City doesn't own entire block or Hayes-Hopson building; context issues – Mt. Zion, EMS, Pack Square design guidelines, parking logistics are excellent, considerable developer interest, proximity to Pack Square Renaissance, and possible linkage with other downtown properties.

The Parkside development potential for the performing arts center and media center also has the potential for residential units, commercial space and 600-700 space garage.

She showed an example of a parking deck wrapped with development with housing.

The process for redevelopment would include a (1) feasibility analysis to determine scope, cost of project, recommend financing strategy; (2) RFQ/RFP process to identify qualified master developer; (3) design process with master developer: community input and final approval of design; and (4) begin construction in phases.

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Preliminary Cost Estimates: (a) Option 1: New Arena, AACPA - Estimated cost \$107,700,000 - \$128,000,000; and (b) Option 2: Renovate Arena, New PAC - Estimated cost \$131,380,000 - \$140,730,000. Estimates are rough, and could be more or less.

Potential funding alternatives; Hotel Occupancy Tax 1% = \$1.3 million/year; private contributions: proposed \$10 million - \$15 million; County contribution; ½% Sales Tax (*generates \$15 million/year*); Food and Beverage Tax; other State & Federal contributions; and Tax Increment Financing.

The Civic Center Task Force voted as follows: Task Force voted 2-2-2 on proposals - 2 in favor of Option 1 (Powell, Stanley); 2 in favor of Option 2 (Davis, Worley); and 2 in favor of either option. (Alexander, Storto). The Task Force is bringing these options forward to City Council for input.

The following steps are recommended (Item 1 which has been accomplished): (1) The Task Force processes and weighs options and criteria; (2) Economic Impact Study investigation of Parkside site; (3) Council determination of a preferred option; (4) coalition building and funding strategies; (5) management programming and operation plan; and (6) begin construction.

She felt the next steps would be: (1) accept the report; (2) receive the economic impact analysis in early June; (3) direct staff to flush out details of how the \$10,000 will be used with the input of the AACPA and to bring those details back to Council with the Economic Impact Study is completed; and (4) plan a worksession in at a later date to discuss the results of the feasibility analysis and economic development study.

Councilman Davis said that two really good options have been presented. A third option that was not formalized is the fall-back position. If neither options 1 or 2 is approved, then the City needs to spend money for capital improvements. We can't just let that building sit.

Mayor Bellamy said that the information presented is more for Council to receive as a first step, understanding that partnerships will need to be developed, a funding package determined, and dialogue regarding other ownership possibilities.

Ms. Sidney Powell, President of the AACPA, said that "as a member of the Task Force and on behalf of the Asheville Area Center for the Performing Arts, I thank the City Council for convening the Task Force, Councilman Jan Davis for chairing it, and individual members: Mayor Bellamy, former Mayor Worley, Commissioner Bill Stanley, Max Alexander and Ron Storto, for donating their time to address these important issues. I also thank TDA for its expression of willingness to use 1% of a hotel occupancy tax, which would amount to an anticipated contribution of \$26 million to this project, and I thank the many citizens who attended our meetings. They have provided excellent suggestions and comments, along with the countless citizens who have written each of you—making plain the community's support for a new center for performing arts. All of this effort has brought us to the critical point NOW of having two thoughtful choices for Council—choices that give Council the opportunity to bring Asheville *alive* with exciting economic, cultural and educational development.

"The Board of Directors of the Asheville Area Center for the Performing Arts (AACPA) acknowledges and supports the two potentially viable options for a new Performing Arts Center: 1) the adaptive reuse of the current arena in the Civic Center into a modern Performing Arts Center with the construction of a new arena elsewhere; or 2) the construction of a new Performing Arts Center at the Parkside site adjacent to City Hall. The Board has studied option one extensively, and it has offered funding to the City to assist in the evaluation of the recently proposed option two.

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"The AACPA is a private, non-profit 501(c)(3), formed to explore and develop a performing arts center for all of the residents of Asheville; indeed, the WNC region. This need was identified by the City over a decade ago and confirmed again in the recent HUB economic development plan, as the City has continued to struggle to maintain and provide services in our venerable but aging, inadequate, and deteriorating facility. AACPA first examined and preferred building a stand-alone performing arts center that would face the new Pack Square Conservancy Park. When it became apparent that a solution to the Civic Center problem was compelling, and the option of a stand-alone facility near Pack Square seemed to be foreclosed, we fully explored and then presented the proposal for adaptive reuse of the Civic Center.

"Since learning of the possibility of the Parkside site a few weeks ago, AACPA has also undertaken its own initial evaluation of the land adjacent to City Hall and believe it offers real potential. Although a stand-alone, multi-use Performing Arts Center might provide less square footage than would be created through an adaptive reuse of the Civic Center, we anticipate that it would still be capable of most of the planned uses, including allowing the integration of media arts, technology, and education with the performing arts in a way that would allow Asheville to build on existing strengths while placing it at the forefront of the arts in this exciting merger of mediums. It would also allow the existing Civic Center to be renovated to enhance and enlarge the exhibition/trade show/ and conference space available by renovating the current auditorium, providing added economic benefit as indicated in tonight's Task Force Report.

"If the City Council decides to proceed with the Parkside Option, AACPA offers the following proposal for Council's consideration:

1. That the non-profit AACPA expand its board and be made solely responsible for designing, constructing and managing the operation of a new performing arts center on the Parkside site. The expanded governing Board of the organization

would provide broader representation of interested elements of the community, similar to boards of other successful projects in the City.

2. That the Parkside site proposed by the City of approximately 2.43 acres (including any private parcels) be leased at a nominal sum to the AACPA for not less than 55 years for the construction of a stand-alone center for the performing and media arts.
3. That the City provide a parking structure as needed replacement and for area parking contiguous to the 2.43 acre site, which would provide daytime/weekday parking for public and area businesses.
4. That the new Performing Arts Center would be designed and completed as an independent structure that acts as a cornerstone for redevelopment of the adjacent area.
5. That the non-profit organization, AACPA, would commit to fundraising millions in private donations and grants toward the construction, and work to assemble and secure the balance of funding needed from other sources, recognizing the value of the land and shared parking being provided by the City.
6. That the AACPA would develop an endowment fund and other fund sources to underwrite the operation of the PAC.

“Alternatively, to provide two new facilities to the community, the AACPA Board continues to believe that the adaptive reuse of the current Civic Center as a Performing Arts Center and the construction of a new arena at a separate location is a viable and financially feasible option. We

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have presented that alternative fully to the City Council previously, and to the Civic Center Task Force with supporting data. The facilities that this proposal represents would allow for:

- a new code-compliant and fully capable 2400-seat performance theatre, black box theatre, chamber music space, and classroom space;
- a new Great Hall for various uses including banquets, conferences, conventions, and trade shows;
- the incorporation of educational, media, and technological arts programs, including involving programs for students K-12, AB Tech and UNC Asheville;
- a new and more flexible entertainment arena and exhibition space at a separate location; and
- phased construction of each facility so that no interruption of current programming and use would be required.

“This proposal has been presented in detail, and it is a cost effective option to provide for both a new Performing Arts Center and new Arena.

“Accordingly, this Council has a choice of two achievable options, either of which will create a substantial economic, cultural and educational development engine for the region. This cannot be accomplished without the vision, dedication, and support of our elected representatives. Upon approval of the Council of either option, AACPA is prepared to commit its full effort in collaboration with the Park Conservancy, Art Museum, Diana Wortham, Media Arts Project, and our entire community to create a sparkling new centerpiece for this special place we all call ‘home.’”

Mr. Chuck Tessier, Chair of the Sustainable Economic Development Advisory Committee, said that “for years our community has debated the future of our civic center and the potential development of a performing arts center and arena. Where should it go? Who will do it? How will we pay for it? Many people have spent countless hours trying to resolve these issues only to be frustrated by the lack of a community consensus on how to proceed.

“If we are to proceed with actually completing something, it is important to understand that great things are possible through the cooperative efforts of all parties, moving step by step, in a consistent direction for a long period of time. It is also important that all parties understand their respective limitations and that each party have confidence that together they can accomplish the mission.

“Perhaps looking back at how our community has accomplished three major civic projects, Pack Place, the Grove Arcade and the new Pack Square Park, in the past twenty years, will give some insight on how we might accomplish the task at hand. All three projects were financed and built by a private non-profit coalition assisted by some public funding on publicly assembled property.

"Pack Place was developed by Pack Place Education, Arts and Science Center, Inc. on land assembled by the City with funding provided through private philanthropy, foundations, a City bond issue, the State of NC and the County. The parking was built in partnership with a private developer using a UDAG grant from the federal government. It was completed in 1991, cost \$14,000,000 and took seven years to develop.

"The Grove Arcade was developed by the Grove Arcade Public Market Foundation in a building given to the City by the Federal Government. Funding was provided through private philanthropy, foundations, Federal Grants, historic tax credits, Progress Energy and private bank financing. It opened in 2003, cost over \$30,000,000 and took 15 years to develop.

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"Pack Square is being developed by the Pack Square Conservancy on property owned by the City and County. It is being funded through private philanthropy, foundations, and grants from the Federal government and Buncombe County. The new park will open in 2008, will cost \$17,500,000 and will take eight years to develop.

"The Civic Center Task Force has met on this issue and has recommended that a new Performing Arts Center be built. This would represent a fourth major civic project and should become the top priority of the community's agenda following the completion of the Park. The Asheville Area Center for the Performing Arts has been working diligently on this project for over five years and are willing to sponsor the project taking the lead to raise the necessary funding. As have the three projects preceding it, this will take a mix of public and private sources to accomplish and will first require that a site be secured.

"The Task Force has presented two options for the location of a new theater. One is to build it within the current civic center arena. The other is to build it fronting the new park. The first option requires that a new arena also be built before work could begin on the theater. This doubles the money necessary because it absolutely requires that two new facilities be built. We currently have a functioning arena, downtown, that provides 65% of the current civic center revenue. This facility can continue to function with some improvements for years to come while we finance, design and construct a new performing arts theater to replace the obsolete Thomas Wolf Auditorium. Down the road, if another group wants to sponsor and finance a major new sports arena then it can happen at that time.

"The second option provides the best possible location in the City for a new theater. It would front our new park on City/County Plaza. Parking would be below it with easy access off South Charlotte Street. The parking would also serve during the day the City Hall, County Courthouse, Pack Place and other businesses in the area. The parking component should be primarily self funding through parking revenues. It would provide a catalyst in that area for new development on other public property facing the Block and South Charlotte St. This new associated development need not be lumped into the same project but could be leveraged with Tax Increment Bond Financing to offset part of the project cost.

"A new state of the art performing arts facility is essential to Asheville's national image as a leading arts destination. It is essential to attracting both wealth and the creative class to our City. It must provide a "show" that will appeal to the wide spectrum of entertainment interests in our community. Combined with our new world class park it would be a key anchor in the economic development of the region.

"Likewise Asheville needs a "civic center". For years, this facility at the end of Haywood Street, has provided a home to the Mountain Folk Festival and the Southern Highlands Craft Show, high school graduations and concerts. Adding a new theater does not eliminate our need to continue to provide facilities for the full variety of events that currently use the civic center. The relocation of Thomas Wolf Auditorium will allow space in the civic center for other groups to use the facility that currently do not have a home. It will allow for additional exhibit and banquet space to be developed. The current civic center has been an anchor in our community for years and can continue to function for years to come. With a decision made, the City can proceed immediately to establish a capital facility plan to repair and improve their existing facility rather than continue to let it deteriorate while they debate the alternatives.

"In summary, it is our recommendation that (1) The City assemble the site fronting the park and make it available for the development of a new Performing Arts Center; (2) As a part of this project the City should agree to develop and fund, using parking revenues and TIF financing, a parking facility sufficient to meet the long range parking needs of the area; (3) The City should enter into a long term lease of said property to The Asheville Area Center for the Performing Arts

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provided they are expanded to provide for the leadership and community representation necessary to sponsor this project and are able to raise the necessary funds for both its construction and operation; (4) The City should recognize that the Civic Center will need to continue to be an integral part of the cultural opportunities of this community for many years to come and as such the City

has a responsibility to provide for its maintenance, repair, operation and improvement; and (5) The City explore other private development opportunities in the area around the new performing arts center to provide for additional tax base but that the development of the parking and Performing Arts Center not be contingent upon a larger private development project.

“We have proven time and time again that as a community working together we are able to accomplish significant civic projects. If each project can be isolated into manageable steps and funding can be distributed among a number of public and private resources then great things are proven possible. Too often false hope or trying to accomplish more than is feasible at any one time can stall a project. We hope that these recommendations can provide the roadmap to allow this project to finally get moving.”

Former Mayor Charles R. Worley thanked the Task Force and Councilman Davis for the outstanding job he has done as Chair. He said that both options presented are good but he favored Option 2. He believes that Option 2 provides the most flexibility in terms of meeting other City needs, e.g., housing, creation of a public/private partnership with the development of the project. He cautioned Council about the cost estimates. A big problem with the results presented from the first Task Force was the estimated large dollar amount. He felt that amount slowed down and stopped that process. He stressed these numbers are pure guesses and some estimates. He pointed out that some of these things can be done at a lower cost. In any event, the options are costly and we know we cannot put that cost on the back of the Asheville taxpayer. There are multiple sources of funding but the only way we can get those is by working with our legislative delegation. He felt the economic benefit report will prove again the benefit to Asheville in ways that we don't really think of. He felt Council needs the determination to move forward and seek funding. The time is now.

Mr. Dennis Justice has heard that if the renovating of an existing building would cost more than half the cost of constructing a new building, then you would be better off in the long run of building the new building. He felt Option 1 is the only option that will not disrupt any scheduling. In addition, he felt that Council needs to talk about flexible rates for parking.

Councilman Mumpower felt we are heading down another dead-end with the two proposals presented. He agreed we need a community gathering place that will be practical, affordable, pleasant and useful. However, we have “hotdog pocketbooks and steak visions.” In both options presented, there will be two facilities, which equals two staffs, two budgets, and two potential dark holes (due to that type of facility and expense). We now have the lowest deficit of any facility he is aware of, and there is a reason we do well – we don't have a tremendous debt service. He felt that Option 3 would be to do a cursory repair job on what we have – with the Heery Study estimate of \$10 Million, understanding that all the numbers are estimates. He, however, is concerned with the numbers because they can cause great harm if we are not extremely careful. He suggested an Option 4, which would be to upgrade the Civic Center. This would not be easy, but there is a potential to fix what we have, e.g., have a design competition. If we can get the 1-cent room tax, that would fund roughly \$26 Million in debt service. The middle ground between the proposals is approximately \$30 Million and that is a point of realism for a City of 75,000 people. A lot of people in the County talk about a bigger and better Civic Center, but the bottom line is the Asheville taxpayers carry the ball and we have to be fair to them. He noted that some of the example projects mentioned by Mr. Tessier did not require a large participation by the City of Asheville that this project will require. When he looks at the people who will be paying the majority share of this and then looks at the other needs in the City, e.g.,

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infrastructure, affordable housing, tax relief, etc., the proposals presented represents a step towards an elitist solution not practicable to our pocketbooks, especially when there are other options available. Because he felt it would be a terrible mistake to not look closely at all of our options, he requested the Task Force to look at the option of a bare-bones upgrade of our facility to keep it going, and an option of a more moderate renovation which will take it into the next 15-20 years.

Councilman Davis said that the Task Force is asking is for Council to accept the Task Force Report because it is the report of the people. The Report is thinking “outside the box.” He personally didn't think this is something that the City taxpayer should shoulder either. The Task Force is asking that City Council take the Report on advisement until our economic impact study comes in June. Then we can determine if it is useful to spend the generous offer of \$10,000 to get real figures about the feasibility of the Parkside site. The Task Force is just asking Council to give them the opportunity to prove whether or not the Report is flawed in its thinking or is genuine in its thinking. The third option of \$15 Million (from the Heery Report of four years ago which was \$10 Million, but \$15 Million at today's costs) would be a genuine remodeling, making the Civic Center ADA compliant and making it usable. That option was looked at, however, the Task Force felt compelled to bring this Report forward after six months.

Councilman Davis moved to accept the recommendations of the Civic Center Task Force on advisement until the economic impact study is brought forward and that in the meantime staff be directed to flush out those details of how the \$10,000 offered by the AACPA will be used in determining the feasibility of using the Parkside site. This motion was seconded by

Councilwoman Cape.

Vice-Mayor Jones hoped that in the next level, the feasibility study will have information about the private development aspect of it. She pointed out that she has a real problem using the sales tax as a funding tool and felt we needed to be looking at other creative solutions.

Upon inquiry of Councilman Freeborn about the need for a new arena opposed to renovating our existing arena, Councilman Davis said that the floor space will have to be remodeled. The Heery Report recommended \$25 Million, but we don't envision something of that magnitude. The size of the arena is good and effective, but not for ice hockey. We do have ADA problems and load-in problems, but that can be fairly readily remedied. We also need a full-service kitchen, which renovation would improve our revenue stream. In combination with those renovations and the Thomas Wolfe Auditorium becoming a flat floor, we would have another venue to improve our revenue stream. In summary, he felt like if we do a rehabilitation of our arena (between \$10-15 Million) we could be very effective, but that is an integral portion of Option 2 and those figures would have to be fleshed out.

Councilman Newman felt that in addition to Options 1 and 2, Council needs to look hard at Option 3 as well. He felt we needed to put the effort of determining the future of the Civic Center within the context of other community priorities and our financial realities, e.g., infrastructure needs, safe and affordable housing, and need to attract good jobs for our community that pay a living wage. An important priority for him is that with the kind of economy that we have of an increasingly high cost of living and we don't have that many jobs that pay good wages, we must be careful to not increase the tax burden that middle class and low income families in our City pay. In addition to looking at these three different options for what is possible, we need to do some additional analysis of the revenue options themselves. His level of support for choosing different revenue options will be predicated on how they affect the middle class and low income families. With regard to the Parkside option, he is looking forward to exploring that and the other options. However, with the way our downtown is unfolding, that piece of property is an extraordinarily valuable asset to the City of Asheville – the tax value is approximately \$8 Million now. If we sold the property and put it on the tax rolls, that by itself would generate

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approximately \$400,000 a year just in property taxes. He felt we should look at the public-private opportunities, but be very careful about what we do with that property, because those resources could address a range of community needs.

Councilman Mumpower suggested Council turn this back to the Task Force and ask you to at least explore the other two options and give us your recommendation about possibilities.

Councilman Davis explained some of the concerns regarding the Thomas Wolfe Auditorium renovations have been explored by Mr. Richard Fort. He stated that if Council requests the Task Force to come up with other options, he was confident they can do it. But, they have come with these two options and they would like to do a little more study on them and a third one, if Council chooses.

In response to Councilwoman Cape, Councilman Davis explained the scope of the \$12,000 economic impact study. In response, Councilwoman Cape said that there is a real shift in what economic impact is within cities. It's no longer simply the old manufacturing model of attracting large factories to employ people. It is the quality of life and health, and what amenities you have in that community that you can offer people. Those are kind of ways you incentivize building economic bases onto which you have people employed. She hoped that kind of information will be available in that study.

Mayor Bellamy said that we do have a lot of issues impacting our community, however, when we look at the vision of our community, we need to remember the Civic Center is a long-term vision. It's important that we don't make a decision based on our short-term peril. We need to look at where we want to go as a community and how do we get there. She believes that is in partnerships and looking at how we can partner with the groups in the Chamber as well as the Buncombe County Commissioners and our legislators, understanding it can't be only the City taxpayers as it has been in the past. When this Council has the opportunity to cast a vision and see it through, it necessitates the need for us to come together. We need to look beyond where we are in our budget cycle and understand that what this Task Force has presented to Council is a bigger vision. She supported investigating the Parkside option in more detail and felt there should be some refurbishment of our Civic Center. We should look at all funding mechanisms and not close any doors. She didn't envision Council coming back in 60 days with a preferred option, because she felt Council (1) needed to take their time to make sure they are talking to the right people in the coalition building; (2) will need to review the economic impact study; (3) make sure we have the feasibility study for the Parkside option; and (4) investigate if there is a coalition of individuals who want the champion arena. She supported accepting the Report understanding that there is more work to be done in order for us to build a coalition, get a good sense of the community and to cast and follow-through the vision of our community.

The motion made by Councilman Davis and seconded by Councilwoman Cape carried on a 6-1 vote, with Councilman Newman voting "no."

Councilman Newman said that he had planned to vote for accepting the Task Force Report, but at the every end of the discussion he became concerned that a vote for it may be a vote to just explore the two options recommended. However, it sounds like there are other opportunities for taking a genuine hard look at the less expensive, fix-it oriented scenario. Again, he was supportive of exploring the two options, but hoped that they take a genuine look at the other option as well.

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At 7:19 p.m., Mayor Bellamy announced a short break.

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B. RESOLUTION FINDING THE UNOPENED FIVE-FOOT RIGHT-OF-WAY OFF FAIRMONT IS NOT PART OF AN ADOPTED STREET PLAN

Mayor Bellamy said that an e-mail was received on May 3, 2006, from Jason D. Kraus, attorney representing the applicant, stating "I respectfully request that you remove from the Council's agenda Mr. Rundell and his request for withdrawal of the 5-foot right-of-way."

C. RESOLUTION NO. 06-102 - RESOLUTION AMENDING THE 2006 CITY COUNCIL MEETING SCHEDULE TO ADD A PLANNING, DEVELOPMENT AND GROWTH MANAGEMENT FORUM

Mayor Bellamy said that at the *Goals for Asheville* forum held on January 13, 2006, citizens rated growth and development as their top community priority. In addition, growth and development was the only priority area that every participating focus group held in common. In order to gain additional citizen feedback and input regarding this focus area, City Council is planning to host a second forum in the *Goals for Asheville* series focusing on planning, growth and development priorities. This forum meets City Council's goal to have continued forums that provide citizen the opportunity to give input on specific focus areas.

The purpose of this memorandum is to provide a suggested framework for planning City Council's May 30 forum. This preliminary plan is meant to serve as a starting point for City Council's discussion and input. The final plan for the upcoming event will be modified according to Council's direction received at the May 9 worksession.

Community Forum Preliminary Plan

- Logistics: The forum is scheduled for Tuesday, May 30 at 6 p.m. Staff is working to determine if Asheville High School (419 McDowell St.). Asheville High is accessible via public transportation, has adequate parking and can accommodate a large number of citizens. The May 30 date falls on a fifth Tuesday within City Council's typical rotation for community meetings.
- Format: The proposed format for the May 30 forum is modeled after the nominal group process used at the *Goals for Asheville* forum on January 13.
 - (1) Citizens will gather in the auditorium for welcoming remarks, a brief update on current process improvements and other relevant information about the forum.
 - (2) Participants will then be divided into small focus groups where citizens will be charged with developing consensus on their top three goals in the planning, development and growth management area. To develop consensus, the groups will list all ideas, vote on the top three goals and develop a final list the group believes the city should adopt as priorities.
 - (3) Focus groups will assemble at the end of the program to share results through a selected speaker from each group.
- Promotion: Invitations will be sent to all city boards and commission members, Citizens Academy graduates and current participants, organized groups (CAN, CIBO, etc.), contacts from the city manager's development forum, neighborhood association presidents and other key stakeholder organizations (Chamber of Commerce, Land-of-Sky Regional Council, etc.). The event will also be promoted via press release, in the city's eNews, on the city's web site and through newspaper advertisement.

Based on the success of the January 13 *Goals for Asheville Forum*, staff believes a similar format can produce meaningful

results. However, staff would recommend implementing

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some process improvements based on lessons learned from the January 13 forum (e.g., improving the efficiency of sign-in procedures, etc.). In addition, this preliminary plan is open for City Council's ideas and will be modified to achieve Council's goals.

City staff recommends City Council schedule a Planning, Development and Growth Management Public Forum on Tuesday, May 30, 2006, at 6:00 p.m. at Asheville High School, located at 419 McDowell Street, Asheville, N.C.

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

Councilman Freeborn moved for the adoption of Resolution No. 06-102. This motion was seconded by Councilwoman Cape and carried unanimously.

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VI. OTHER BUSINESS:

Mayor Bellamy said that Council continued the budget worksession on Monday, May 8, 2006, until this meeting to receive additional information. After City Manager Jackson summarized the major outstanding issues regarding business licenses and outside agency funding, Council briefly discussed the issues and gave City staff further direction. At 7:56, Mayor Bellamy then closed the budget worksession.

Councilman Mumpower thanked several individuals and groups for tackling the newest design for the Top-A-Stop at the top of Livingston Street and Victoria Road.

The following claims were received by the City of Asheville during the period of April 21 – May 4, 2006: Cimarron Villas (Sanitation), Nathaniel Woods (Water), James E. Wilson (Sanitation), Russ Thomas (Parks & Recreation), Elizabeth Duvall (Streets), Hearn's Bicycle (Water), and Azalee Jackson (Police). These claims have been referred to Asheville Claims Corporation for investigation.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Homelessness Report

Mr. Scott Rogers, Executive Director of the Asheville-Buncombe Community Christian Ministry (ABCCM), representing the Rescue Mission, Salvation Army and ABCCM, presented City Council the demographics of the homelessness, in which Asheville estimates 2,000 a year. He reviewed with Council the characteristics of homelessness, along with the treatment programs available. Mr. Rogers outlined the current beds available in each shelter, the shelters scope of services, their accountability in services, and employment statistics in 2005 for the three shelters.

Mr. Rogers said that the ABCCM, Salvation Army and Rescue Mission all agree with the points that are made in the 10-Year Plan to End Homelessness, but ask the City, County and State leaders to reconsider the priorities to match existing realities in services: (1) policy changes; (2) incentives for collaboration; (3) prevention; (4) adult crisis intervention and social detox; (5) build capacity with existing providers; and (6) annual report on benchmarks of progress.

In summary, Mr. Rogers said (1) the organizations who are doing a tremendous job could do more with the support from everyone; (2) give law enforcement the policies, procedures and ordinances to enforce personal responsibility and punish criminal behavior so that our homeless

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are not victimized by criminals or misperceived as criminals; (3) give the technology tools that improves coordination and collaboration to all providers; (4) support building on existing services; (5) support expanding homeless prevention and homeless services that lead to responsible and productive residents in our country; and (6) support the services financially. The community has already invested many thousands of dollars into these faith-based organizations who exemplify the most cost effective services and produce stellar outcomes in the number of lives that are changed each year. While there may be cause to develop new systems of care or create new organizations to address similar needs, we as that the City, County and business leaders prioritize

their funding, resources and strategies around ways to strengthen our existing providers who have demonstrated the competency, capacity and commitment to care through a combined 127 years of service to this community.

Mayor Bellamy thanked Mr. Rogers and the Joint Task Force members for their hard work on this effort. With the approval of Council, Vice-Mayor Jones, Chair of the Housing & Community Development Committee, said that this issue will be reviewed at the next meeting of the Committee.

Pritchard Park Homeless Ministry

Mr. Adam Ripley, Director for the Pritchard Park Homeless Ministry, said that he serves the homeless breakfast on Saturday mornings in Pritchard Park since September 2005 and was removed from the Park on May 1, 2006, due to a safety concern, which he disagrees with. He had already obtained an open flame permit from the Fire Department, and no one told him he needed a use permit. However, someone from the Downtown Commission advised Mr. Ripley that he needed a use permit as well. He then contacted the Parks & Recreation Department to obtain a use permit for Pritchard Park but was told he would not apply for Pritchard Park, but was given an application for a use permit for the City Hall parking lot. He felt that removing his group from the Park was nothing more than discrimination towards those who are not as prominent and successful in our community. He felt the new location is inaccessible for multiple reasons. In light of Council's 10-Year Plan to End Homelessness, he felt that removing the group from the Park, the City has reduced their capacity to care for the poor and also have removed them from the public eye. Many of his volunteers were people walking by on the street and offered to help in that way – so moving them to the parking lot, that opportunity has been eliminated. Regarding the safety concern, he agreed that they sometimes serve up to 300-400 people, but they do not serve them all at one time in the Park. He asked Council to examine the decision by the Director of Parks and Recreation to relocate his group to the City Hall parking lot. In summary, he will apply for the use permit for Pritchard Park and if he is denied the permit, he feels it is just a prejudice against the poor.

There was a brief discussion about the need to be consistent and fair in applying our policies. Ultimately, Assistant City Manager Jeff Richardson suggested Council allow him the opportunity to meet with Mr. Ripley and the Director of Parks and Recreation to collect more information, which he will report back to Council on Friday.

Affordable Housing Coalition

Mayor Bellamy recognized Mr. Philippe Rosse, Executive Director of the Affordable Housing Coalition of Asheville and Buncombe County, who said that in December, his Board unanimously approved their becoming the lead entity for the 10-Year Plan to End Homeless. He then introduced Ms. Amy Sawyer, 10-Year Plan Coordinator for the Program, who was optimistic about moving forward with the Plan.

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VIII. ADJOURNMENT:

Mayor Bellamy adjourned the meeting at 8:30 p.m.

CITY CLERK

MAYOR