

Tuesday – July 27, 2010 - 5:00 p.m.

Regular Meeting

Present: Mayor Terry M. Bellamy, Presiding; Vice-Mayor Brownie W. Newman; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilwoman Esther E. Manheimer; Councilman William A. Russell Jr.; Councilman Gordon D. Smith; 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

Vice-Mayor Newman gave the invocation.

I. PROCLAMATIONS:

A. RECOGNITION OF STRIVE NOT TO DRIVE AWARD WINNERS

Mayor Bellamy was pleased to recognize the following award winners: (1) Leadership Award – Tom Knaust - REI. Tom has begun designing an all store commuter map that shows where folks live in order for it to be easier to carpool. He also teaches bicycle commuter classes at REI. He lives in North Asheville and walks and bikes for most of his daily routines. He currently commutes 30+ round trip miles to work; (2) Golden Spoke Youth Award – Juliana Accles – 2nd Grader. Juliana is finished 2nd grade at Claxton Elementary School this year. She has walked 1.5 round trip miles to school every day since Kindergarten, even in rain and sub-freezing temperatures; (3) Golden Spoke Award – Sarah Keister – Mission Hospital’s Child Development Center. After carefully contemplating (“threatening” as co-workers and supervisors saw it) to walk to work in so many of the snows we had this winter because she didn’t have All Wheel Drive, she figured it was time to put her shoes where her mouth was! So in March 2010, Sarah started walking five round trip miles to and from work. She teaches 2-3 year olds at Mission Hospital’s Child Development Center four days a week. She gets up extra early for a 10 hour shift just to walk 45 minutes to get there. To Sarah this means exercise, time to meditate, spends less money on gas, eating out, or errands, and consequently a lower carbon footprint. A former through-hiker of the 2,174 mile Appalachian Trail, Sarah is no stranger to long distances. In fact, she would much rather spend one hour round trip per day “afoot” in Asheville than in a car; (4) Golden Spoke Award – David Mathews – 4th Grader. David has been riding his bicycle with his dad since he was 2 years old. He rides five round trip miles up Edwin Place and Kimberly Avenue and behind Ira B. Jones to get to Asheville Catholic School from his home off Charlotte Street. He earned this privilege by demonstrating to his Dad that he knows all the rules of bicycling on the road – riding with the flow of traffic, using appropriate hand signals, and obeying all stop signs and traffic lights. He rides with a helmet and a helmet-mounted mirror, a highly reflective jacket and a reflective triangle on his back, and front and rear “blinkie” lights. After seeing David ride regularly to school, the Principal authorized the purchase and installation of a bike racks, and now, at least two other students periodically ride to school; (5) Golden Spoke Award – Jonathan Felson – Grove Park Inn. Jonathan has consistently chosen to ride his bicycle, or walk, everywhere he goes. He chose to purchase his house in West Asheville based on its proximity to his educational endeavors at UNC-Asheville, his 10+ commute miles to work at the Grove Park Inn, and many social options within West Asheville and downtown...all of which are a close bike-ride away! He inspires others to live an eco-life, not by preaching, but by leading a good example! (6) Golden Wheel Award – Georgia Burt – YWCA. Georgia lives in East

Asheville and attends AB-Tech daily for classes and still makes it to the YWCA 2-3 times a week to work. She does all of this on the City Buses. She is a great role model for folks that think they can't move around the city without a vehicle; and (7) 2nd Annual PASSport Award - The winner of the challenge for the 2nd year in a row is The Grove Park Inn Resort & Spa with an increase of ridership during Strive Not to Drive week of 1.3%.

B. PROCLAMATION ACKNOWLEDGING THE 20TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

Mayor Bellamy read the proclamation acknowledging the 20th Anniversary of the Americans with Disabilities Act.

C. PROCLAMATION PROCLAIMING TUESDAY, JULY 27, 2010, AS "NATIONAL KOREAN WAR VETERANS ARMISTICE DAY"

Mayor Bellamy read the proclamation proclaiming Tuesday, July 27, 2010, as "National Korean War Veterans Armistice Day" in the City of Asheville. She presented the proclamation to Mr. Bill Lack who accepted the proclamation on behalf of all the Korean War Veterans.

D. PROCLAMATION PROCLAIMING TUESDAY, AUGUST 3, 2010, AS "NATIONAL NIGHT OUT"

Mayor Bellamy read the proclamation proclaiming Tuesday, August 3, 2010, as "National Night Out" in the City of Asheville. She presented the proclamation to Master Police Officer Allen Dunlap, who briefed City Council on some activities taking place during the day.

II. CONSENT AGENDA:

Additions and changes to the Consent Agenda:

- Consent Agenda Item "D" was removed from the Consent Agenda for discussion and/or an individual vote.
- Consent Agenda Item "F" was removed from the Consent Agenda for discussion and/or an individual vote.
- Removal of Consent Agenda Item "G" per City staff's request.
- Consent Agenda Item "J" was removed from the Consent Agenda for discussion and/or an individual vote.
- Addition of Consent Agenda "K" to the Consent Agenda to support the City of Asheville hosting a regional afterschool summit on November 4, 2010, as well as offer facility space and any in-kind staff support required for coordinating a successful summit.

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON JUNE 22, 2010

B. RESOLUTION NO. 10-151 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH SUTTON-KENNERLY & ASSOCIATES INC. FOR THE DESIGN AND DEVELOPMENT OF PLANS, DRAWINGS, DETAILS AND SPECIFICATIONS FOR THE REHABILITATION AND WATERPROOFING OF THE EXTERIOR OF THE ASHEVILLE CITY HALL BUILDING SO AS TO MITIGATE WATER INFILTRATION

ORDINANCE NO. 3883 - BUDGET AMENDMENT TO PROVIDE FUNDING FOR THE SUTTON-KENNERLY CONTRACT AND FOR PROTOTYPE REPAIRS AND TESTING TO BE PERFORMED BY ANOTHER CONTRACTOR

Summary: The consideration of (1) a resolution authorizing the City Manager to enter into a contract with Sutton-Kennerly & Associates, Inc. for the design and development of plans, drawings, details, and specifications for the rehabilitation and waterproofing of the exterior of the Asheville City Hall Building so as to mitigate water infiltration; and (2) a budget amendment from Fund Balance in the amount of \$450,000 to provide funding for the Sutton-Kennerly contract and for prototype repairs and testing to be performed by another contractor.

The Asheville City Building is recognized throughout the country as an Art Deco masterpiece. Douglas D. Ellington, an architect who came to Asheville in the mid-1920s, designed the eight-story building, which was completed in 1928. Ellington stated that the design was "an evolution of the desire that the contours of the building should reflect the mountain background."

Over the last several years, the City of Asheville has implemented smaller repair and refurbishment projects to address water infiltration issues present on the upper floors of the building. However, when signs of major water infiltration became apparent, Asheville City Council approved Resolution Number 09-79 on April 28, 2009 authorizing a contract with Sutton-Kennerly & Associates to conduct an exterior inspection for water infiltration on Asheville City Building. The scope of this investigation was to evaluate the condition of the existing exterior of the building in an effort to determine the source of water leakage into the building, assess the existing condition of cladding materials on the building, and to develop recommendations for any repairs needed.

During the course of the investigation, scaffolding was erected on the north and south elevations of the building, and existing brick was removed from approximately 12 locations to evaluate conditions behind the brick veneer. In addition, several of the terra cotta sections were removed from the tops of the parapet walls at the corners of the building, as was one section of marble coping from the top of the parapet wall on the south side of the building. Council was provided the results of the investigation on March 9, 2010. Council authorized staff to develop a Request for Qualifications for the engineering and repairs to City Hall. Staff consisting from the Public Works Department, Purchasing, Sustainability Office, and Building Safety reviewed the submittal and recommend Sutton-Kennerly & Associates be awarded the contract.

The contract specifies that Sutton-Kennerly and Associates shall, in compliance with the North Carolina State Building Code, develop a comprehensive set of construction drawings, plans and specifications containing sufficient elevations and details so as to address the recommendations set forth in the 2009 Engineer Report conducted by Sutton-Kennerly & Associates, Inc., to mitigate water infiltration. The drawings shall be prepared in sufficient detail to define the construction as follows:

- a. Sutton-Kennerly and Associates shall prepare the design and drawings of the rehabilitation which shall clearly define all structural components, member sizes, dimensions, reinforcing sizes, lengths and schedules, waterproofing details, and any other details as needed to define the work to be completed.
- b. General notes indicating material specification requirements, special construction procedures, construction notes, and design loads.
- c. Details and sections, as required, to clearly define the construction requirements

Due to the complexity and historic nature of this project, a prototype for some of the repairs will be completed during the design process. The cost of the contractor to perform the testing and prototype repairs is beyond the scope of the services to be furnished by Sutton-Kennerly and Associates. The cost of the contractor for the prototype repairs is a City responsibility but Sutton-Kennerly and Associates shall provide all required engineering services

for the prototype repairs. Sutton-Kennerly and Associates estimates the total contractor cost for the prototype repairs and testing shall not to exceed \$100,000. The prototype repairs and associated testing will take approximately 45 days. Sutton-Kennerly and Associates shall assist the contractor with the testing for the prototype repairs. The areas where the prototype repairs are to be completed will be tested for leakage before completing the prototype repairs and retested after the prototype repairs have been completed. The purpose of the prototype repairs is to ensure the effectiveness of the repairs to be included in this work and to establish a standard for the work. The prototype repairs can also be reviewed by the City and other governing agencies before the design package is let for bids.

The estimated schedule of design and construction continues over several fiscal years. Sutton-Kennerly and Associates shall to the extent weather conditions allow, diligently pursue the project to completion no later than November 15, 2013. The types of repairs that will be required on the City Hall are of sensitive nature and cannot be completed during freezing weather. There will be periods when the project will be shut down to accommodate inclement weather. This will allow the project work to be phased. Additionally this will also allow time for the reproduction of any sections of the existing terra cotta that are beyond repair. The lead time for reproductions such as these is 8 to 12 months. Based upon properly performed research, the project work can be completed in three phase with two inclement weather shut downs between the three phases.

This project supports the city's long-term financial commitment to master plan implementation, infrastructure maintenance, capital improvements, and public facilities.

Pros:

- The City Building is an architectural treasure and the crown jewel of Asheville. Restoration of the building is essential to the city's historic and cultural fabric.
- Approving the resolution authorizing the contract for construction and bid documents begins the project.
- Performing a small section of repairs and testing prior to complete restoration provides confirmation that the work mitigates the water infiltration and that the repairs meet the historic nature and preservation for the building.

Cons:

- Administering a project of this size and following through on implementation will require significant staff time.
- Funding for the project is not currently in the budget and could impact the city's finances in future years.
- A delay will further deteriorate the building and could threaten its structural integrity.

The costs for a professional design firm to develop the bid and construction documents and special inspections conducted by the engineers are \$395,000. An additional \$100,000 is also needed for the prototype repairs and testing firm; for a total cost of \$495,000. The funds for this portion of the project are not in the current Capital Improvement Program and will therefore need to be appropriated from Fund Balance. During a subsequent Council meeting when Council takes formal action to award the contract for the actual construction, a budget amendment will be presented for the full cost of the entire project with funding to be provided by debt proceeds. Once debt financing is in place, the city will reimburse Fund Balance for the \$450,000 in costs associated with design and prototype repairs and testing.

City staff recommends that City Council adopt a resolution authorizing the City Manager to sign the contract with Sutton-Kennerly & Associates Inc. and the future contract with the construction firm selected by Sutton-Kennerly & Associates for the prototype repairs and testing; and adopt the associated budget amendment.

ORDINANCE BOOK NO. 26 - PAGE**C. RESOLUTION NO. 10-152 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH RIVERTOP CONTRACTING INC. TO PROVIDE MAINTENANCE SERVICES FOR PACK SQUARE PARK**

Summary: The consideration of a resolution authorizing the City Manager to enter into a contract with Rivertop Contracting, Inc. to provide maintenance services for Pack Square Park.

In preparation for the City to accept maintenance operations of Pack Square Park, staff evaluated the City's ability to deliver the expected high maintenance standards with in-house resources. It was determined the most efficient and effective means to meet the maintenance standard is to contract the maintenance service.

The City conducted a competitive bid process for Pack Square Park maintenance divided into three areas, Roger McGuire Green, Reuter Terrace and Pack Square. The City will assume responsibility for park maintenance in phases for trees, shrubs, ground cover, plants, and lawn maintenance after substantial completion of the one year warranty and maintenance period. Pack Square was transferred to the City on June 15, 2010, Roger McGuire Green will transfer on July 30, 2010, and Reuter Terrace will transfer on May 31, 2011.

Staff expected the bids to come in at approximately \$120,000. The lowest responsive and responsible bidder came in at \$71,354.88 or \$48,645 lower than expected. Blue Ridge Landscaping was the lowest responsive and responsible bid but has withdrawn its bid. Rivertop Contracting, Inc., located at PO Box 1294, Black Mountain, North Carolina is the next lowest responsive and responsible bidder at a cost of \$71,354.88 and is proposed to be selected to perform maintenance in Pack Square Park. Staff recommends adding an additional \$18,645 beyond the base amount of the contract as a contingency for emergency and unforeseen activities such as sod and plant material replacement, fountain and irrigation repair, and excessive snow removal. If not needed, the contingency will revert back into the Pack Square Park maintenance budget. The contract will not exceed \$90,000.

This action complies with the City's Strategic Operating Plan in that it supports making smart investments that accomplishes lasting and tangible returns by investing in quality maintenance of Pack Square Park. It is also consistent with the Parks, Recreation, Cultural Arts and Greenways Master Plan in that it provides ongoing maintenance and care for the City's park system.

Pros:

- Investment to maintain and care for Park Square Park, a City-owned asset.
- Provide quality service for ongoing, core park maintenance services.
- Fulfill commitment for maintenance of park system.

Con:

- None

The \$90,000 to support the Pack Square Park maintenance contract is budgeted in the FY 2010-2011 Parks, Recreation and Cultural Arts Department operating budget as part of the Pack Square Park budget. In addition to funding the park maintenance contract, the \$300,000 Pack Square Park budget is designed to support utilities, security and supply costs associated with operating park. The City and Buncombe County will evenly split the operating costs associated with the Park. The Pack Square Conservancy will contribute to capital improvements in the park as needed.

City staff recommends City Council adopt a resolution authorizing the City Manager to enter into a contract with Rivertop Contracting, Inc. not to exceed \$90,000 to provide maintenance services at Pack Square Park.

RESOLUTION BOOK NO. 33 – PAGE 117

D. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE WACKENHUT CORPORATION TO PROVIDE CONTRACTED SECURITY SERVICES FOR THE CITY OF ASHEVILLE PARK SYSTEM

This item was removed from the Consent Agenda for discussion and/or an individual vote.

E. RESOLUTION NO. 10-153 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH ONTARIO INVESTMENTS INC. FOR GOLF CARTS AND MAINTENANCE EQUIPMENT AT THE ASHEVILLE MUNICIPAL GOLF COURSE

Summary: The consideration of a resolution authorizing the City Manager to enter into a lease agreement with Ontario Investments, Inc. for golf carts and maintenance equipment at the Asheville Municipal Golf Course.

In 2009, the City of Asheville entered into a one-year lease agreement with an option to renew for one additional year with Ontario Investments at a cost of \$123,158 for golf carts and maintenance equipment at the Asheville Municipal Golf Course. The City wishes to exercise the one-year lease renewal option at a cost of \$92,369 resulting in an annual savings of \$31,789.

This action complies with the City's Strategic Operating Plan in that it supports making smart investments that accomplishes lasting and tangible returns by investing in quality equipment and maintenance at the Asheville Municipal Golf Course. It is also consistent with the Parks, Recreation, Cultural Arts and Greenways Master Plan in that it provides ongoing maintenance and care for the City's park system.

Pros:

- Investment to maintain and care for the Asheville Municipal Golf Course, a City-owned asset.
- Provide quality service for ongoing, core facility maintenance services.
- Fulfill commitment for maintenance of the golf course.

Con:

- None

The one-year lease in 2009 cost \$123,158. The one-year lease renewal is at a cost of \$92,369 resulting in an annual savings of \$31,789 in FY 2010-2011. The \$92,369 to support the lease agreement is budgeted in the FY 2010-2011 operating budget in the Parks, Recreation and Cultural Arts Department in the Golf Course Fund for the leased golf carts and maintenance equipment.

City staff recommends City Council adopt a resolution authorizing the City Manager to enter into a lease agreement with Ontario Investments Inc. for golf course carts and maintenance equipment at the Asheville Municipal Golf Course not to exceed \$92,369.

RESOLUTION BOOK NO. 33 – PAGE 118

F. RESOLUTION SCHEDULING A CITY COUNCIL COMMUNITY MEETING ON TUESDAY, AUGUST 31, 2010, AT 6:30 P.M. IN EAST ASHEVILLE

This item was removed from the Consent Agenda for discussion and/or an individual vote.

G. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH BRIDGESTONE AMERICAS TIRE OPERATIONS, LLC, FOR THE LEASE OF TIRES TO THE ASHEVILLE TRANSIT SYSTEM

This item was removed from consideration at the request of City staff.

H. RESOLUTION NO. 10-155 - RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT WITH THE N.C. DEPT. OF ENVIRONMENT AND NATURAL RESOURCES TO CONSTRUCT AN INTERACTIVE RECYCLING STATION ALONG WITH COMMUNITY EDUCATION AT THE CIVIC CENTER

ORDINANCE NO. 3884 - BUDGET AMENDMENT FROM THE N.C. DEPT. OF ENVIRONMENT AND NATURAL RESOURCES TO CONSTRUCT AN INTERACTIVE RECYCLING STATION ALONG WITH COMMUNITY EDUCATION AT THE CIVIC CENTER

Summary: The consideration of (1) a resolution authorizing the City Manager to accept grant awards from the North Carolina Division of Pollution Prevention and Environmental Assistance to construct an interactive recycling station along with community education at the Civic Center and (2) a budget amendment, in the amount of \$12,000, accepting the funds.

The City of Asheville Office of Sustainability has been awarded a Community Waste Reduction and Recycling Grant to develop and implement a more comprehensive recycling and community outreach program at the Civic Center featuring an interactive recycling bin. Staff will collaborate with area universities and college partners including Asheville Buncombe Technical Community College (AB Tech) and University of North Carolina Asheville to design and construct an interactive recycling station that will educate the public on the benefits of recycling. The City of Asheville anticipates that by employing a more engaging approach to recycling, the public will want to recycle their plastic beverage bottles purchased from the Civic Center food and beverage vendors that are now banned from landfills in North Carolina. Staff anticipates a 30% waste stream reduction equaling 13 tons.

This action complies with City Council's Strategic Operating Plan in the following ways: (1) Expands partnerships with UNC-Asheville, A-B Tech, Mars Hill College and other institutions to achieve common goals including sustainable economic development; (2) Expands community education programs including climate awareness, recycling and sustainability; and (3) Reduces city solid waste.

Pros:

- Reduce landfill waste by 30% or 13 tons through diverting bottles to recycling
- Strengthen partnerships with area universities and colleges
- Increases community education program on recycling, climate awareness and sustainability.

Con:

- None

The two thousand dollars match funds are budgeted in the Office of Sustainability and Sanitation Division

City staff recommends City Council (1) adopt a resolution authorizing the City Manager to enter an agreement with the North Carolina Department of Environment and Natural Resources Division of Pollution Prevention and Environmental Assistance; and (2) adopt the budget amendment in the amount of \$12,000.

**RESOLUTION BOOK NO. 33 – PAGE 120
ORDINANCE BOOK NO. 26 – PAGE**

**I. RESOLUTION NO. 10-156 - RESOLUTION AUTHORIZING THE
CONVEYANCE OF INTEREST IN RIGHT-OF-WAY ENCROACHMENTS ON
PANOLA STREET**

City Attorney Oast provided Council with the slightly revised staff report: Summary: The consideration of a resolution authorizing the transfer by non-warranty deed of the City's interest in certain property to resolve in minor encroachment issue.

The house at 62 Panola Street, in Montford, was constructed in the 1920's. A recent survey has revealed that two of the porches on the house encroach slightly on the City's claimed right-of-way for Panola Street. One of the encroachments is 3.7 square feet, and the other is 3.8 square feet. Both of these porches have existed for many years; one has been recently repaired. The repair and construction to both porches was performed under permit issued by the City, and was approved by the City's Historic Resources office.

Although no record or plat establishes the City's claimed right-of-way in the area, the owner wishes to clear up any title issues regarding these encroachments, and has proposed the City execute a non-warranty deed for the two areas in question. The proposed conveyance is subject to the condition that, if the City were ever to widen Panola Street such that the two small encroachment areas would be needed to accommodate a street, the owner's interest in those encroachment areas would revert to the City without further consideration.

In view of the City's uncertain interest in these areas, and the potential for reversion to the City if the areas are actually needed for street purposes, the manner of conveyance could take several forms. As proposed, this transaction resembles an encroachment agreement from the City's standpoint, but using the non-warranty deed helps with the owner's title issues.

The consistency with plans is that the construction/repair of porches received approval from Historic Resources office.

Pros:

- Resolves an encroachment issue; and
- Minimal intrusion

Con:

- None noted.

Adoption of the resolution is recommended.

RESOLUTION BOOK NO. 33 – PAGE 121

**J. RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND
CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT
THE ROCKIN RIVERFEST SAVE THE FRENCH BROAD EVENT ON AUGUST
14, 2010**

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE GOOMBAY FESTIVAL ON AUGUST 27-29, 2010

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE LEXINGTON AVENUE ARTS & FUN FESTIVAL ON SEPTEMBER 5, 2010 2010

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE AMERICAN INSTITUTE OF ARCHITECTS ASHEVILLE STREET PARTY ON SEPTEMBER 17, 2010

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE BREWGRASS FESTIVAL ON SEPTEMBER 18, 2010

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE ASHEVILLE CITIZEN-TIMES HALF MARATHON & 5K RACE ON SEPTEMBER 18, 2010

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE OKTOBERFEST ON OCTOBER 9, 2010

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE BEER CITY CUP ON SEPTEMBER 5, 2010

RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE CLIPS OF FAITH BEER & FILM TOUR ON SEPTEMBER 10, 2010

These items were removed from the Consent Agenda for discussion and/or individual votes.

K. MOTION SUPPORTING THE CITY OF ASHEVILLE HOSTING A REGIONAL AFTERSCHOOL SUMMIT ON NOVEMBER 4, 2010, AS WELL AS OFFER FACILITY SPACE AND ANY IN-KIND STAFF SUPPORT REQUIRED FOR COORDINATING A SUCCESSFUL SUMMIT

Summary: The purpose of this memorandum is to propose that the City Council support the City of Asheville hosting a regional afterschool summit this fall, as well as offer facility space and any in-kind staff support required for coordinating a successful summit.

Jamie Knowles, Director of the NC Center for Afterschool Programs presented to the NC Metro Mayors Coalition in February and received encouraging responses from the attendees. The NC Center for Afterschool Programs will be holding regional afterschool summits hosted by mayors across the state this fall. As a result of the City of Asheville's leadership and support for serving disadvantaged youth, I have been asked to serve as Chair and Host of a summit in Asheville on November 4. Similar summits will be held in Salisbury, Durham, Goldsboro, and Wilmington. Event organizers anticipate up to 250 attendees.

In addition to formally supporting this event as an elected body, I would respectfully recommend that the City of Asheville could offer in-kind facility space and staff support for coordination of the event. The expected attendance of the event would require a large meeting room space, in addition to smaller areas for breakout session workshops. The level of support would be at the discretion of the City Manager.

City Manager Jackson said that we have confirmed the use of the Civic Center Banquet Hall for this event on November 4.

Mayor Bellamy asked for public comments on any item on the Consent Agenda, but received none.

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

ITEMS REMOVED FROM THE CONSENT AGENDA FOR INDIVIDUAL VOTES

D. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE WACKENHUT CORPORATION TO PROVIDE CONTRACTED SECURITY SERVICES FOR THE CITY OF ASHEVILLE PARK SYSTEM

Summary: The consideration of a resolution authorizing the City Manager to enter into a contract with The Wackenhut Corporation to provide contracted security services for the City of Asheville park system.

The City of Asheville has historically provided security in its 54 parks via one Park Warden to patrol all parks at 40 hours per week, one Park Ranger at Pritchard Park at 40 hours per week, and Asheville Police Department regular patrol schedule at all other times. The security plan left significant gaps in coverage due to the large number of parks located in a large geographic area, and did not provide sufficient round the clock patrol. The lack of park patrol resulted in a high incident of vandalism and graffiti in parks.

In preparation for the City to accept security and maintenance operations of Pack Square Park, and recognizing the limited resources to provide security in the entire park system, staff conducted a cost comparison to provide a sufficient level of park patrol in all parks with in-house resources verses contracted services. It was determined to re-engineer in-house park security resources and to contract security services to provide round the clock park security.

The re-engineered operations to provide full-time park security coverage include 1) Assign the two in-house park patrol employees to patrol downtown parks with an emphasis on Pritchard Park and Pack Square Park during most day-time hours, 2) Contract for security services to patrol all parks during night-time hours, and 3) Asheville Police Department supplement security operations. The cost of in-house park patrol employees and the contracted security service is shared between the Pack Square Park budget and the Park Maintenance budget in the Parks, Recreation & Cultural Arts Department.

To activate the contracted park security, the City conducted a competitive bid process for park security for the entire park system. The Wackenhut Corporation located at 9-H Drive, Arden, North Carolina, was the lowest responsive and responsible bidder at a cost not to exceed \$76,445.32, and is proposed to be selected to perform contracted park security services within the City's park system.

This action complies with the City's Strategic Operating Plan in that it supports making Asheville one of the safest and most secure communities when compared to similar cities; and making smart investments that accomplishes lasting and tangible returns by investing in security services for the City's park system. It is also consistent with the Parks, Recreation, Cultural Arts and Greenways Master Plan in that it provides ongoing maintenance and security for the City's park system.

Pros:

- Enhances making the City park system safe for park visitors.
- Re-engineer resources for ongoing, core park security services within same budget as previous year.
- Fulfill commitment for security of park system.

Con:

- None

The \$76,445.32 to support the contract is budgeted in the FY 2010-2011 operating budget in Parks, Recreation & Cultural Arts Department, and shared by the Pack Square Park and Park Maintenance budget.

City staff recommends City Council adopt a resolution authorizing the City Manager to enter into a contract to provide park security with the Wackenhut Corporation not to exceed \$76,445.32.

Councilman Bothwell questioned if we should hand off safety and security to a private company since one of the City's core services is police protection. After a search on-line, he found that this particular corporation internationally has a pretty bad track record, but that does not reflect necessarily on the local company. He also felt that we are side-stepping our commitment of living wages as these people will clearly be paid less than the police. He questioned what the comparison is of contracting with this company vs. hiring two more employees. Finally, he was curious about what kind of police powers we are handing off to this company.

After Parks & Recreation Director Roderick Simmons responded to the basic concerns, it was the suggestion of City Manager Jackson, and the consensus of Council, to postpone action on this item until August 10 when more information related to living wages, role and details on law enforcement activity, references for Wackenhut and options to bring in-house would be made available to Council.

F. RESOLUTION NO. 10-154 - RESOLUTION SCHEDULING A CITY COUNCIL COMMUNITY MEETING ON TUESDAY, AUGUST 31, 2010, AT 6:30 P.M. AT ASBURY HALL IN THE GROCE UNITED METHODIST CHURCH LOCATED AT 954 TUNNEL ROAD, ASHEVILLE, N.C.

A brief discussion was held about the proposed meeting place of Haw Creek Elementary School gymnasium on August 31. It was noted that the gymnasium was not air conditioned and if fans were used, it would possibly create sound problems. City Manager Jackson said that staff has looked at other public facility alternatives for holding a capacity of 200 and were not successful in identifying a location in the east Asheville area.

When Mayor Bellamy said that City Council was offered meeting space in Asbury Hall in Groce Methodist Church, City Attorney Oast said that to the extent there is any concern about Council meeting in a church or other place of worship, he felt it was not an issue if Council met in the social or fellowship hall.

When Mayor Bellamy asked for public comment, she received none.

Vice-Mayor Newman moved to schedule the August 31 City Council meeting at 6:30 p.m. at Asbury Hall in the Grove United Methodist Church located at 954 Tunnel Road. This motion was seconded by Councilman Bothwell and carried unanimously.

RESOLUTION BOOK NO. 33 – PAGE 119

J. RESOLUTION NO. 10-157 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE ROCKIN RIVERFEST SAVE THE FRENCH BROAD EVENT ON AUGUST 14, 2010

RESOLUTION NO. 10-158 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE GOOMBAY FESTIVAL ON AUGUST 27-29, 2010

RESOLUTION NO. 10-159 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE LEXINGTON AVENUE ARTS & FUN FESTIVAL ON SEPTEMBER 5, 2010

RESOLUTION NO. 10-160 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE AMERICAN INSTITUTE OF ARCHITECTS ASHEVILLE STREET PARTY ON SEPTEMBER 17, 2010

RESOLUTION NO. 10-161 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE BREWGRASS FESTIVAL ON SEPTEMBER 18, 2010

RESOLUTION NO. 10-162 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE ASHEVILLE CITIZEN-TIMES HALF MARATHON & 5K RACE ON SEPTEMBER 18, 2010

RESOLUTION NO. 10-163 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE OKTOBERFEST ON OCTOBER 9, 2010

RESOLUTION NO. 10-164 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE BEER CITY CUP ON SEPTEMBER 5, 2010

RESOLUTION NO. 10-165 - RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE CLIPS OF FAITH BEER & FILM TOUR ON SEPTEMBER 10, 2010

Summary: The consideration of resolutions making provisions for the possession and consumption of malt beverages and/or unfortified wine at the (1) Rockin Riverfest Save the French Broad event on August 14, 2010; (2) Goombay Festival on August 27 - 29, 2010; (3) Lexington Avenue Arts & Fun Festival on September 5, 2010 (4) American Institute of Architects Asheville Street Party on September 17, 2010 (5) Brewgrass Festival on September 18, 2010, (6)

Asheville Citizen-Times Half Marathon & 5K Race on September 18, 2010; (7) Oktoberfest on October 9, 2010; (8) Beer City Cup on September 5, 2010, (9) Clips of Faith Beer & Film Tour on September 10, 2010.

- Riverlink has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at Rockin Riverfest Save the French Broad event and allow for consumption at this event.

The Rockin Riverfest Save the French Broad event will be held on Saturday, August 14, 2010, from 12:00 p.m. to 6:00 p.m. within the boundaries of French Broad River Park, as per the event area limits referenced on the site map and will be free and open to the public.

- YMI Cultural Center has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at the Goombay Festival and allow for consumption at this event.

The Goombay Festival will be held on Friday, August 27, 2010, from 12:00 p.m. to 11:00 p.m., Saturday, August 28, 2010, from 11:00 a.m. to 11:00 p.m. and Sunday, August 29, 2010, from 10:00 a.m. to 6:00 p.m. within the boundaries of Eagle Street, South Market Street & Wilson Alley, as per the event area limits referenced on the site map and will be free and open to the public. The Goombay Festival will also be held on Friday, August 27, 2010 from 12:00 p.m. to 8:00 p.m. within the boundaries of Pack Square Park's Roger McGuire Green, the City-County Parking Lot and within a designated area of Spruce Street between the intersections of College Street & Court Plaza, as per the area limits referenced on the site map and will be free and open to the public.

- Arts 2 People has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at the Lexington Avenue Arts & Fun Festival and allow for consumption at this event.

The Lexington Avenue Arts & Fun Festival will be held on Sunday, September 5, 2010, from 11:00 a.m. to 9:00 p.m. within the boundaries of Lexington Avenue between the intersections of College Street and the I-240 overpass, Walnut Street between Lexington Avenue and Carolina Lane as per the area limits referenced on the site map and will be free and open to the public.

- American Institute of Architects (AIA) has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at the AIA Asheville Street Party and allow for consumption at this event.

The AIA Asheville Street Party will be held on Friday, September 17, 2010, from 6:00 p.m. to 8:00 p.m. within the boundaries of a partial sidewalk closure at 8 College Street as per the area limits referenced on the site map. This is a private event and is not open to the public.

- Big Brothers Big Sisters of WNC has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at the Brewgrass Festival and allow for consumption at this event.

The Brewgrass Festival will be held on Saturday, September 18, 2010, from 12:00 p.m. to 7:00 p.m. within the boundaries of Martin Luther King Jr. Park as per the area limits referenced on the site map. This is a ticketed, gated event that is open to the public.

- Lend-a-Hand Foundation has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at the

Asheville Citizen-Times Half Marathon & 5K event and allow for consumption at this event.

The Asheville Citizen-Times Half Marathon & 5K will be held on Saturday, September 18, 2010, from 5:30 a.m. to 1:00 p.m. within the boundaries of Otis Street as per the area limits referenced on the site map and is free and open to the public.

- The Asheville Downtown Association has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at Oktoberfest and allow for consumption at this event.

Oktoberfest will be held on Saturday, October 9, 2010, from 12:00 p.m. to 6:00 p.m. within the boundaries of Wall Street between Otis Street and Battery Park Avenue as per the area limits referenced on the site map. This is a ticketed event that is open to the public.

- The Western North Carolina Soccer Foundation has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at the Beer City Cup and allow for consumption at this event.

The Beer City Cup will be held on Sunday, September 5, 2010, from 12:00 p.m. to 7:00 p.m. within the boundaries of Memorial Stadium as per the area limits referenced on the site map and is free and open to the public.

- The Asheville Downtown Association has requested through the City of Asheville Development Service Center that City Council permit them to serve beer and/or unfortified wine at the Clips of Faith Beer and Film Tour and allow for consumption at this event.

The Clips of Faith Beer and Film Tour will be held on Friday, September 10, 2010, from 6:00 p.m. to 10:00 p.m. within the boundaries of Pack Square Park's Roger McGuire Green, the City-County Parking Lot and within a designated area of Spruce Street between the intersections of College Street & Court Plaza, as per the area limits referenced on the site map and will be free and open to the public.

These actions have no direct connection with the City of Asheville Strategic Operating Plan.

Pro:

- Allows fundraising opportunities for Riverlink, the YMI Cultural Center, Arts 2 People, the American Institute of Architects, Big Brothers Big Sisters of WNC, the Lend-a-Hand Foundation, the Western North Carolina Soccer Foundation and the Asheville Downtown Association

Con:

- Potential for public safety issues

For the Goombay Festival, the fiscal impact will be overtime pay for Asheville Police officers per City co-sponsorship agreement. There is no fiscal impact to the Rockin Riverfest Save the French Broad, Lexington Avenue Arts & Fun Festival, AIA Asheville Street Party, Brewgrass Festival, Asheville Citizen-Times Half Marathon & 5K, and Oktoberfest, Beer City Cup, and Clips of Faith Beer & Film Tour events.

City staff recommends City Council adopt the resolutions authorizing the City Manager to approve a resolution making provisions for the possession and consumption of malt beverages

and/or unfortified wine at the Goombay Festival, Rockin Riverfest Save the French Broad event, Lexington Avenue Arts & Fun Festival, AIA Asheville Street Party, Brewgrass Festival, Asheville Citizen-Times Half Marathon & 5K, Oktoberfest, Beer City Cup, and Clips of Faith Beer & Film Tour events.

Councilman Russell moved for the adoption of Resolution Nos. 10-157, 10-158, 10-159, 10-160, 10-161, 10-162, 10-163, 10-164 and 10-165. This motion was seconded by Vice-Mayor Newman and carried on a 6-1 vote, with Mayor Bellamy voting “no.”

RESOLUTION NO. 10-157 - RESOLUTION BOOK NO. 33 – PAGE 123
RESOLUTION NO. 10-158 - RESOLUTION BOOK NO. 33 – PAGE 126
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III. PRESENTATIONS & REPORTS:

A. ASHEVILLE-BUNCOMBE HISTORIC RESOURCES COMMISSION UPDATE

Ms. Diane Duermit, Chair of the Asheville-Buncombe Historic Resources Commission, updated Council on the mission of the Commission and their goals for the coming year.

She said that the mission of the Historic Resources Commission (HRC) is to preserve and protect the cultural and architectural resources of Asheville & Buncombe County. The HRC is responsible for the evaluation of historically significant neighborhoods and individual sites for both national and local historic designation. The HRC also adopts or modifies preservation design guidelines as necessary for local districts and evaluates new construction and alterations to existing structures and landscapes for congruence with the adopted guidelines. Additionally, the HRC serves as an educational resource providing technical assistance and general information on the process and benefits of historic preservation to area residents and property owners.

The Commission is a (CLG) as part of the Certified Local Government Program which is a preservation partnership between local, state and national governments focused on promoting historic preservation at the grass roots level. The program is jointly administered by the National Park Service (NPS) and the State Historic Preservation Offices (SHPOs) in each state. As a CLG, the local government must enforce appropriate legislation, establish and maintain a qualified review commission, maintain a system for the survey and inventory of historic properties, and provide for adequate public participation in the local historic preservation program, including recommendations to the National Register of Historic Places.

HRC staff prepared a report on the size of other Preservation Commissions across the state and has worked with the HRC Liaison and City Manager to reduce the size of the Commission from 14 down to 12 members. The Legal Department is working on the ordinance changes.

Asheville currently has four locally designated historic districts: Albemarle Park, Biltmore Village, Montford and St. Dunstan's. The HRC also has purview over a total of 46 local historic landmarks. Asheville also has 12 recognized National Register Districts, but only three of these are locally designated, thus there is no HRC purview over these areas.

The primary activities of the Commission for Fiscal Year 2010 revolve around design review of applications for Certificates of Appropriateness for alterations, demolitions, or new construction within historic districts, or for the alteration or demolition of designated local landmarks. The staff may approve minor works, while major works require review and approval by the HRC.

Certificates of Appropriateness issued

Minor works reviewed	149
Major works reviewed	27

Local Landmark applications reviewed

Bon Marche building (Haywood Park Hotel) - This designation has been tabled at the applicant's request.

Local Landmarks designated

Spinning Wheel - August, 2009

Local Landmarks lost

The Richmond Hill Inn was destroyed by fire in March 2009. The designation for this property is scheduled to be removed in August 2010.

National Register nominations reviewed

Biltmore High School
Blake House

The Commission and staff were also involved in a number of other projects during the year in fulfillment of their mission to preserve and protect the cultural resources of Asheville and Buncombe County, which are outlined below.

- **Montford Guidelines Update** – The HRC adopted the new design Guidelines for the Montford Historic District in April, 2010. The new document, developed with significant community input is more concise and user friendly and also provides more flexibility for the incorporation of “green technology” in historic homes. There is also greater emphasis on the inherent sustainability of Historic Preservation. The HRC hopes to use the Montford guidelines as a model for the other districts. The Guidelines are currently available on the City’s website and will soon be available in a hard copy format as well.
- **Downtown National Register District Grant** – The HRC was awarded a matching federal pass-through grant from the NC SHPO for the update and expansion of the Downtown Asheville National register nomination. The project budget is \$7,700 with \$4,500 from grant funds and \$3,200 from funding provided by Buncombe County.
- **Architectural Survey** - HRC staff continues to administer the architectural survey contract and coordinate with the NCDOT, the COA Engineering Services, and the NC SHPO on the survey update as required per the Memorandum of Agreement (MOA) between the Pack Square Conservancy (PSC) the City, the ACHP and the SHPO to verify work done and to meet all requirements of the MOA. The survey will include all structures that are more than 50 years old and will include a full database documenting all of the structures with a brief description and photographs. The survey is slated for completion in June 2011. Once the survey is completed, the HRC would like to pursue funding to have the survey published in a book form similar to Cabins & Castles, which was re-published in 2008.
- **Downtown Master Plan Implementation** - The HRC has contributed to the development of the implementation matrix for the Downtown Master Plan and is involved with the Historic Preservation sub-committee working on implementation strategies.

- **National Preservation Month Preservation Forum** – The HRC sponsored a Forum in May, 2010, as part of many activities occurring locally to acknowledge National Preservation Month. The Forum, held at the YMI was co-sponsored by the Downtown Commission and was attended by 35-40. Speakers included Ted Alexander from Preservation North Carolina, who discussed non-regulatory preservation options. Other topics included state and federal tax credit programs, National Register nomination criteria and local design review.

Fiscal Year 2011 goals include:

- Proceed with RFP and contracting to secure firm to complete update and expansion of Downtown Asheville National Register District.
- Amend HRC Bylaws to address attendance issues and institute consent agenda to improve customer service experience at HRC meetings.
- Formulate work plan for new education sub-committee and landmark sub-committee.
- Hold annual community meeting within each of the historic districts.
- Begin working with Albemarle Park and St. Dunstan's communities to update design guidelines.
- Plan annual retreat for fall 2010.
- Work with Downtown Master Plan Implementation Committee on community storytelling event and Web-portal design.
- Work with other community preservation groups on May 2011 Preservation Month event.

Ms. Duermit responded to Vice-Mayor Newman when he questioned the proposal to reduce the membership from 14 to 12. She said they arrived at 12 members after looking at other commissions across the state, including looking at the amount of territory they cover. In addition, Councilwoman Manheimer she said that the Committee has a large work plan and they need enough members to spread the work around. She felt the membership size might again need to be reviewed in the next couple of years.

On behalf of City Council, Mayor Bellamy thanked Ms. Duermit and the entire Commission for their efforts on the Commission.

IV. PUBLIC HEARINGS: None.

V. UNFINISHED BUSINESS:

A. MOTION APPOINTING MEMBERS TO THE BLUE RIBBON HEALTHCARE TASK FORCE

Assistant City Manager/Interim HR Director Jeff Richardson said that the Asheville City Council, in conjunction with the passing of the FY 10-11 Annual Budget, instructed city staff to identify qualified candidates for appointment to a Blue Ribbon Healthcare Task Force, aimed at reviewing the City's Health Insurance Fund, and providing recommendations back to the Asheville City Council on improving the Fund's performance.

Due to the continued challenge of providing affordable healthcare to city employees, City Council approved staff to identify citizens in the Asheville community with commensurate education and professional experience who would consider serving as members of a Blue Ribbon Health Care Task Force for the next six month period.

This task force's work may include, but is not limited to, best practices comparison of similar cities to determine the normal range of health insurance-related benefits afforded to employees, cost-for-service comparisons, employer-employee cost-share analysis, external

contracts to include costs and scope of services provided, review of the Asheville Project Disease Management Program, as well as other areas of interest.

Once appointments are made, the group's work and final recommendations need to coincide with the onset of the FY 11-12 budget process (January –February, 2011). Once final recommendations are made, this task force's work is complete and is dissolved at that time.

City staff recommends consideration of the following candidates: (1) Vicki Banks - Ms. Banks is the Director of Benefits and Compensation at the Biltmore Estate where she has primary responsibility for the administration of Biltmore's employee benefits programs; (2) Bill Biddle - Mr. Biddle holds an MPA in Healthcare Management and has held various positions through his career in healthcare management. Mr. Biddle is active in Asheville in many community service areas; (3) Jim Christian - Mr. Christian served as a hospital CEO for 25 years and is retired as Medical Center Director for the VA Hospital in Asheville. He currently works at MAHEC as the Director of Regional Services and Continuing Education; (4) Bruce Elliston - Dr. Elliston is a retired physician who has practiced medicine in the Asheville area for over 35 years. Dr. Elliston remains active at a national level and has made several trips within the last year to Washington, D.C. to advise various government officials on national health care matters.

When Councilman Russell asked if we invited the Director of Human Resources from the Metropolitan Sewerage District to be a part of this Task Force, Mr. Richardson he had not in that he solicited members of the community who had experience in similar level funds. He did invite a representative from Grove Park Inn, but they declined.

In response to Councilman Russell, Mr. Richardson said that he would be happy to invite a representative from Buncombe County government (or another similar sized government) to be a part of this Task Force in order to balance the government vs. private sector.

In response to Mayor Bellamy, Mr. Richardson said that the domestic partnership issue is part of our 2010 business and work plan. Staff will come back to Council in conjunction with the budget process with the goal implementation date of July of 2011.

Councilman Russell, who was asked to be liaison to this Task Force, suggested an interim update to Council from the Chair of the Task Force, or himself, in approximately three months. At that time, Council can re-direct the focus of the Task Force, if necessary. At Councilman Russell's suggestion, Mr. Richardson said that detailed minutes of the Task Force meetings will be kept with support from staff in the Human Resources Department.

Vice-Mayor Newman said that while we will be looking at best practices compared to other similar cities, he also felt we should not limit the scope of comparison to just the public sector, but to look within our own community at our large set of employers.

When Mayor Bellamy asked for public comment, no one spoke.

Councilman Russell moved to appoint Vicki Banks, Bill Biddle, Jim Christian, Bruce Elliston and a representative from Buncombe County government (from Mr. Richardson's invitation) to the Blue Ribbon Healthcare Task Force with an update to City Council on October 26, 2010. This motion was seconded by Councilman Bothwell and carried unanimously.

B. RESOLUTION NO. 10-166 - RESOLUTION APPROVING THE RECOMMENDATIONS OF THE HOUSING & COMMUNITY DEVELOPMENT COMMITTEE FOR THE 2010 OUTSIDE AGENCY PROGRAM

Mr. Jeff Staudinger, Community Development Director, said that this is the consideration of a resolution approving the recommendations of the Housing & Community Development (HCD) Committee for the 2010 Outside Agency Program.

The HCD Committee received applications from 10 eligible organizations for Outside Agency funding for 2011. The Committee heard presentations from these applicant organizations on May 26, 2010. The Committee made recommendations, approved by Council, for funding for five of those organizations on June 9, 2010. The HCD invited the remaining five organizations to its meeting of June 26, 2010, to learn more about the programs in the community that support after-school and other education enrichment and child support services.

The conversation was wide-ranging, and provided insight into the array of existing services, funding mechanisms and emerging priorities. Besides the organizations applying for funding, representatives of the Asheville City Schools Foundation also participated in the discussion.

The Committee recommends the following funding under this program for 2011:

Child Abuse Prevention Services, Inc.	General operating support targeted to parenting education and outreach	\$ 5,000
Children First /Communities in Schools	Project MARCH: after-school safe-haven program at three housing complexes in the City	\$ 17,800
One Youth at a Time	Provides mentoring, job training and placement assistance to at-risk students	\$ 5,600
YWCA of Asheville and WNC	Support Our Students (SOS) is an afterschool and day-long summer camp for at-risk students	\$ 8,000
Housing Authority-Youthful HAND	After-school program for children residing at Lee Walker Heights housing development will purchase research based materials to implement the literacy component of the program	\$ 4,000

This action complies with the City Council Strategic Operating Plan in (1) Fiscal Responsibility: It provides resources for strategic initiatives and creates meaningful performance measures for programs and services; and (2) Safe: Supports recreation and employment alternatives for youth at risk of gang exposure.

Pros:

- Approval of Outside Agency Grants provides operating support to Asheville- based organizations that are providing direct services for Asheville residents.
- Reflects the carefully considered recommendations of the City's Housing & Community Development Committee.

Con:

- Budget constraints have curtailed the availability of funds for this year, and organizations will need to find alternate sources of program support;

Outside Agency Grants are funded from the City's general fund. The funding recommendations are within the fiscal limits developed by Council during the budget working sessions. All of the funding recommendations above are made at 80% of last year's individual agency funding.

The HCD recommends approval of the 2011 Outside Agency Program grants as presented.

Vice-Mayor Newman, Chair of the HCD Committee, noted that these recommendations are consistent with the other recommendations previously approved in that they are made at 80% of last year's individual agency fund.

Mayor Bellamy noted that working through the United Way and the RICH Task Force, Asheville was approved for ten local agencies who service children to have outside evaluation tools to see how they can operate under best practices.

In response to Councilman Smith, Mayor Bellamy said that the United Way has an after school initiative that is focusing on after school services that are being provided in the community to make sure they are operating efficiently, eliminating redundancy and maximizing services. The RICH Task Force has adopted that initiative as well and the HCD Committee will be hearing more about this in the future.

When Mayor Bellamy asked for public comments, none were received.

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

Vice-Mayor Newman moved for the adoption of Resolution No. 10-166. This motion was seconded by Councilman Davis and carried unanimously.

RESOLUTION BOOK NO. 33 – PAGE 151

VI. NEW BUSINESS:

A. ECONOMIC DEVELOPMENT INCENTIVE GRANT REQUEST FOR THE MONTFORD COMMONS PROJECT

Planning & Development Director Judy Daniel said that local developer Frontier Syndicate is seeking an Economic Incentive Grant (ECI) to support Phase I of the Montford Commons Urban Village project. The Montford Commons project was approved and rezoned in September 2007, and amended in June 2009. That rezoning to Urban Village represents a substantial bonus for the developer through its added density and flexibility.

When the economy changed, they proposed a public/private partnership (requiring a cash contribution from the City) that would enable them to proceed with the first phase of their project; as private lending sources had become difficult to obtain. To assist with the analysis and evaluation of a potential public/private partnership, the City (at the developer's expense) contracted an independent advisor, Real Estate Research Consultants (RERC) to evaluate the qualifications of the developer, conduct a market supportability assessment of the project, and perform financial gap analysis. A presentation from the developer and an initial staff assessment of the RERC report were heard at the April, 2010 meeting of the Planning and Economic Development (PED) Committee. After some discussion, but no specific action, the PED Committee suggested that the proposal should also be heard by the Finance Committee.

On June 8, 2010, the Finance Committee heard the petition and a revised staff recommendation that did not recommend support for the request. The developers, however, then requested another type of support from the Finance Committee than had been requested at the PED meeting. They requested an ECI in the form of tax relief similar to (although for a longer timeframe) the agreement with the Biltmore Town Center development. Since the staff did not have any supporting materials for the revised request, the Finance Committee directed the

representatives of Frontier Syndicate to submit required materials to the staff in time to consider the request and prepare a recommendation for the Council for the July 27 Council meeting.

Following the direction of the Finance Committee, a letter was mailed to the developers on June 16 outlining the information needed to perform the required analysis and the timeline necessary to allow time for the review before the deadline for reports. It included the materials and presentations submitted by the Biltmore Town Center development, as examples of the type of information, evidence of extraordinary public benefit, and presentation the Council would expect. The report was submitted to the staff on Sunday afternoon, July 18, and the following staff analysis represents the analysis possible within that timeframe.

Developer Proposal: The July 18 submittal requested the Council to approve the following at its July 27 meeting to assist this project:

- An Economic Incentive Grant equal to the amount of anticipated property tax revenue generated by Phase I of the development for its first ten years after completion.
- Relief of permitting fees of \$350 per dwelling unit (\$87,500)
- Relief of water tap fees up to \$103,012

They state that the ten year term of the relief is based on their need for a \$3 million gap in financing for infrastructure and the requirements of the HUD financing for which they have been approved. The stated rationale for City support is that traditional lending institutions are not currently lending for such projects, despite their merit. The tax and fee relief is needed to cover a \$3 million gap between an approved HUD loan and the resources of the developers. Further, they state that the proposal should cause little or no burden on existing city and county budgets as the assistance will be based on the revenues generated from the project when completed. They state that if the support is not provided, the City and County will lose the opportunity to take advantage of HUD's commitment and additional "workforce" housing being created.

The staff analysis includes an evaluation of the request submitted on July 18 and also includes analysis provided in the original RERC evaluation that is still pertinent.

RERC Report Elements - While the type of financial support requested has changed, certain key elements of the RERC evaluation remain pertinent for the Council to consider in making their determination. These include:

- Experience of Developers - The individual equity owners active in the Montford Commons project possess the necessary individual skill sets and qualifications for project planning and development; however, the ownership group as a whole has not completed a project of similar scope and scale and therefore cannot provide project references applicable to the group. Similarly, the ownership group does not have experience or references related to completion of projects in which public investments have been made to fill a financial gap; although individual owners possess some experience in this area.
- Private Equity Investment – According to the RERC report a current equity contribution of 13% of Phase I construction costs, lower than the 20% contribution generally expected from developers requesting public incentives. According to the July 18 assistance request, the equity investment is at 20%. Insufficient information was submitted for the staff to understand why the equity investment is now substantially greater than what was stated in the RERC report.
- Market Support for Project – The request relates only to Phase I of Montford Commons, which is to include 250 rental units and a parking structure with 300 spaces. The RERC evaluation concludes that the rental units in Phase I could be viable within the market at this time, although no need is found for the parking facility. Phases II and III contain

commercial space (and rationale for the parking facility) for which they do not see current demand.

- Public Support for Structured Parking – This request for tax and fee abatement will support the construction of the rental units and the parking facility. The RERC report, as noted above, concluded that public support for structured parking in Phase I is not substantiated for Phase I.

RERC also concluded that including this structured parking deck in Phase I of the project is a key contributor to the financial gap. RERC concludes that surface parking could accommodate Phase I and substantially reduce the project's hard costs and debt service.

- Reasons for Financial Gap - The consultants suggest that key factors driving the Montford Commons financial gap are land costs and (as noted above) the structured parking facility. Frontier assembled land at the height of the real estate market, inflating their development costs.

Also, their land acquisition costs included the purchase of a "ravine" for approximately \$1.0 million that it planned to package with adjoining property and develop as part of the overall project. The adjoining property, however, is currently owned by a third party that is unwilling to sell. Without the adjoining property, the ravine by itself has low development potential and thus is unlikely to generate project income for Montford Commons.

Current ECI Economic Assistance Request Analysis – A basic tenant of public support for a development project is that it should only be considered if the project fulfills or exceeds policy goals established by the City. In this instance the basic policy question is whether the Montford Commons project has sufficient merits to justify consideration of fiscal support by providing significant public purpose benefits that warrant public investment when compared to other competing projects or projects that may be proposed in the future.

The Montford Commons project (as previously approved through the Planning & Zoning process) is consistent with the basic goals of the City's 2025 Plan, Smart Growth Policies, Strategic Operating Plan and other official plans of the City. Specifically, it encourages infill redevelopment; proposes an efficient use of land through promotion of density; provides a walkable community within the development and into the adjacent neighborhood and to downtown; and is located on an existing bus line which supports and encourages alternative transportation options and preserves the capacity of area roadways. These factors led to the rezoning approval to the Urban Village zone, with substantial density increase.

Since other development projects approved in recent years have met the basic goals of the 2025 Plan, smart growth policies, and other plans without receiving public assistance for their related infrastructure costs, the more complex policy question of whether it provides substantially more public benefits.

In summary, the primary benefits to the City of Montford Commons Phase I are that it will eventually enhance the tax base of the city and county (producing an estimated \$150,000 and \$180,000 annual property tax revenues for the City and County respectively after the 10 year abatement), will provide some additional multi-family housing on the edge of the CBD that is, by the terms of a HUD loan, is to be offered at rates affordable to the "workforce housing" market; and that it will address certain public infrastructure needs that are currently high priorities in this area of the City.

Major concerns are that Phase I does not provide any affordable housing component, markets to but is not confined to the "workforce housing" market, will not create but a few permanent jobs, does not guarantee a percentage of construction jobs for Asheville area contractors, is not in one of the City's two primary targeted redevelopment zones (underutilized

areas of the CBD and the River District), includes public support for a parking structure that is not needed for the housing project to proceed, tax benefits (and water fees) will be deferred for ten years (a precedent); and sets precedents for public support without adopted guidelines for subsequent requests for public support for “workforce” housing.

Affordability of Housing – A primary policy question for this request relates to whether public assistance should be given to a project that does not provide any defined “affordable” housing, although it will provide “workforce” housing. The city has a definition, policies, and incentives in place for “affordable” housing, but not for “workforce” housing.

The request states that the HUD loan, for which it has been approved, will require limits on rents ensuring that it will remain affordable at the “workforce” housing level. The Community Development staff is not, however, sure that this is a correct statement of HUD’s participation. HUD does not control or require any rent affordability restriction, although there is a question about whether HUD may reduce a loan amount if the proposed rents after construction are higher than originally proposed. According to their research, the loan underwriting is based on anticipated cashflow so the proposed rents are taken into consideration at the time of application. Staff is looking into whether a report of higher than stated rents would make a project subject to audit and loss of loan funds.

Further, the developers posit that a Housing + Transportation Index should be used, rather than just the cost of housing. Such measures are being used more often, and relate the cost of housing to proximity to job centers. Using this measure, the housing being provided would be closer to the level defined as affordable; but the City has not used this measure before or developed a standard ratio to determine how much additional affordability is gained. Using this measure, before standards for measurement are researched and adopted, could lead to confusion.

Further, they state that affordability at the “workforce” level will be guaranteed because HUD’s mission is to ensure that the apartments will be affordable at that workforce level. That is true to the extent that HUD monitors projects given this type of loan. They also state that although there are not to be any units specifically designated for civil service employees, the entire project is to be oriented to supporting that salary range. That is true, but with no standards for salary verification or limitation of at least some units to certain populations, such units could just as easily be rented by anyone looking for a nice new place near downtown for a weekend place. That is a problem faced in many cities with a lot of tourism and weekend visitors. New, relatively affordable housing, without rental restrictions, is often acquired (as are a substantial number of downtown condos) by those looking for affordable second homes.

Jobs Creation – As stated, very few permanent jobs would be created with Phase I; although construction jobs would be created. The intended general contractor is based in Charlotte. The request states that “to the greatest extent possible the project will use Asheville area contractors by employing a system identical to that used for Mountain Housing Opportunity’s Glen Rock project”. No percentage guarantee is offered. With substantial public support requested, some form of guarantee of local contractor use should be included.

Greenway/Ravine Status – The developer was asked to consider giving the City an easement on the ravine property for its eventual use in extending a greenway from Montford to the River District. The assistance request states that this is not possible at this time due to encumbrances on that property. With substantial public support requested, some advantages to the city beyond additional taxes ten years after the completion of the project should be offered.

Private Equity Investment – As stated previously, there is insufficient information provided to understand why there is a difference between the RERC report estimating that Frontier had a 13% equity investment and the statement in the developer’s July 18 request indicating that they have a 20% equity investment.

LEED Certification – The developer was requested to provide information regarding the sustainability elements in the project, especially potential for LEED certification. The assistance request notes that LEED certification would not be fiscally viable as it would push costs up too much. They state that they will be using Energy Star appliances and some other sustainable elements in their construction, and they would already receive some relief for those choices.

Tax Relief Request – The developer states why they believe the tax relief request will not burden the City or County, since the relief will not start until completion of the project. Yet the City and County will have to start providing additional levels of service to these areas after the completion of the apartments and parking structure.

Permitting Fee and Water Tap Fee Relief Request – The City has never given relief of permitting or tap fees except for projects that meet the definition for “Affordable” housing. No standard for relief of “Workforce” housing has been established.

The project meets Council goals related to adding housing near downtown, but the staff does not believe that it exceeds those goals sufficiently to warrant public investment in the project in the form of extended tax and fee relief; without setting a precedent that would be an incentive for a number of similar projects to request similar support. As noted previously the project reflects the following:

Pros:

- If monitored by HUD, will provide long term workforce housing level rents;
- Area contractors to be used “to the greatest extent possible”;
- Use of Energy Star appliances, and certain “green” building practices;
- Increased tax revenues ten years after completion; and
- Some currently needed public infrastructure improvements provided including upgrades to traffic signals (at the intersections of Cherry Street and Haywood Street with Montford Avenue) and improved pavement conditions on three streets within the project.

Cons:

- Does not offer any defined affordable housing, when other approved market rate developments have included up to 20% affordable housing units. Staff suggests that to meet a test of public investment, a project should include 25% to 50% affordable housing. The lower amount could relate to an offer of long term rent control assuring affordability for workforce level housing;
- Since workforce housing level rents are open to anyone willing to pay those rents, these units will offer the opportunity for affordable weekend/vacation housing for the “second home” market;
- Does not create permanent jobs in Phase I, and no guarantee of a certain percentage of contracting jobs for Asheville area contractors is given;
- Proposes a parking structure for Phase One that is not warranted for the rental units in proposed, only to subsequent phases with more commercial uses. Further, this is not in an area noted as a high priority in the 2008 Parking Master Plan, and the structure adds substantially to the fiscal burden of the project – and thus the length of time for tax abatement requested;
- Is not located in a targeted redevelopment area. Underutilized areas of the CBD or in the River District are the areas most targeted at this time for redevelopment support;
- Documents submitted do not provide sufficient information to determine the amount of private equity contribution from the developer, which should be no less than 20% before any public participation should be considered;
- No easement for future greenway construction is offered despite substantial public contribution;
- No LEED certification will be achieved due to need to keep costs down;

- The estimated added tax revenue (annually approximately \$150,000 in City property tax revenue, and \$185,000 in County tax revenue) would be deferred for 10 years, yet the need for added services would begin when project is completed; yet the tax relief for Biltmore Park began with the construction of the project. Since that project has just this month been completed, less than three years of a completed project valued at full value by the County will be given tax relief; and
- Permit and Water Tap fee waivers have never been offered to projects other than those meeting the definition of “affordable” housing, so this would set a new precedent without guidelines established for determining when and why and to what amount they should be offered. The City’s affordable housing rebates on permit fees are limited to 50%; and the waivers on water taps are limited to 50% for units defined as “affordable”, not the entire project. The infill and affordable infrastructure rebate is again 50% based on a percentage of “affordable” units. There are no 100% waivers given; and the affordable housing rebate for permit fees and therefore;
- Insufficient benefits are given to differentiate project from other projects that have been approved without public assistance or that may be proposed in the future.

Therefore, with the limited public purpose benefits noted, and the substantial concerns noted, the staff does not see this proposal as a transformational project in Phase I and therefore, the staff does not recommend public participation for this Phase. Especially in comparison to projects like the Biltmore Town Center which are easily definable as transformational, Montford Commons does not “raise the bar” on change for this area of the City. (And the Biltmore Town Center was only given a five year tax abatement) It is a good project, it is a project that should be built; and the reluctance of private sector lenders to participate in the project is unfortunate. But the staff does not believe that the request offers enough change, in a place that is not designated as vital for change by the Council, to warrant the loss of tax revenue for ten years given the amount of services the project will require after it is built; and to risk setting a precedent for similar requests for similar projects that are good, but not great.

The staff believes that with certain changes, the amount of public participation and the level of public purpose could be raised and/or the project costs lowered. These might include inclusion of a certain percentage of defined affordable housing, a guarantee of a certain percentage of work for local area contractors, and/or the elimination of the parking structure. Should the project go forward, there will be more elements that warrant public participation in subsequent phases. These include:

- Creating a substantial number of permanent jobs – subsequent Phases include substantially more commercial space.
- Future public parking - Public structured parking will be necessary to the development and the general public in subsequent Phases.
- Future greenway construction - Construction of a greenway segment when it becomes a higher priority of the Greenway Master Plan and more potential for connectivity after implementation of the Wilma Dykeman Plan along the river.

For the requested level of support, the staff does not see the level of public benefit that would be expected; but staff does see the potential for precedents without carefully evaluated and adopted guidelines for future requests. With more time to establish guidelines for support of “workforce” housing, support for elements of this project could be worked out; but the developers have asked for your decision at the July 27 meeting, due to certain deadlines they face.

As discussed above, under the proposal from Frontier Syndicate, the City would forego approximately \$87,000 in permit fee revenue in FY 2010-11 and \$103,000 in water fund tap fee revenue in FY 2011-12. Also, at the completion of Phase I, which is estimated to be FY 2013-14, the City would begin paying Frontier Syndicate an annual amount equal to the City property tax

revenue generated by the development. This payment would continue to 2023 for an estimated accumulated total of \$1.5 Million and a net present value of \$1.1 Million.

After reviewing the request from Frontier Syndicate, the staff concludes that we do not believe that the added housing and infrastructure improvements are sufficient to warrant the city's loss of tax revenue for ten years. This conclusion derives strongly from not seeing how this request could be differentiated from other development proposals that have been approved without public support. The staff believes that the 2007 rezoning to Urban Village (with its added density and flexibility) already represents the appropriate level of public support, given the level of contribution to furthering city goals and policies.

This request is made under the enabling authority for N.C. Gen. Stat. sec. 158-7 which has traditionally been used for commercial industrial development. This would be the first use of it for a residential project.

Mr. Lou Bisette, attorney representing Frontier Syndicate, LLC, said that Phase I is comprised of 254 workforce housing apartments and a 300 space parking garage. The total cost is estimated to be in excess of \$30 Million. The project will be constructed on an approximately 20 acre tract of land located in Montford. Infrastructure improvements in and around the project are estimated to cost approximately \$3 Million. The developer is requesting an economic incentive grant equal to the amount of the property tax revenue generated by the Phase I project during its first 10 years of operation. The 10-year period would commence only after a Certificate of Occupancy is issued for the project. It is estimated that the annual property tax revenue for Phase I will be \$150,000 for the City and will yield a present value over that 10-year period of approximately \$1,237,000. In addition, the developer is requesting \$190,000 in reduced permitting and tap fees. The project has received preliminary approval for a HUD sponsored loan guarantee under the 221-D-4 program. This project meets many City Council goals including the creation of workforce housing near the Central Business District, which is adjacent to public transportation and promotes the goals of walkability and sustainability. We believe that this project meets the affordability standards of the Housing Plus Transportation Index which factors in a homes proximity to the urban center. This property has been unproductive and underutilized for many years. The location is probably one of the few tracts close to the Central Business District which can be used for workforce housing, due to the low cost of this land. The developers have a great deal of blood, sweat, tears and money in this site. It's made up of over 50 individual lots which were acquired over a 5-year period. The developers have never received any salaries, developer's fees or other forms of compensation and there is no profit built into the current projections for the project. It is his understanding that there has been very little, if any, neighborhood opposition to this project and he presented Council with a letter from the Montford Neighborhood Association in support of their request. This project simply cannot be done without this requested economic incentive grant. In today's world there is little private investment or credit available for projects of this type. For this reason, we believe the City should seek out opportunities for public/private partnerships in the provision of infrastructure. That is a quote out of the City's 2025 Plan. City staff has expressed some concern about the developer's equity investment in this project. The developers believe that they can obtain the additional equity and meet all of the terms of the HUD sponsored loan guarantee. However, if they can't, then the City's economic incentive grant will never be made. City staff has also expressed some concern about the precedent which might be set by granting such an incentive. However, a similar incentive was granted to the developers of Biltmore Town Center – developers with deeper pockets than those of his clients. In addition, that project was located more than 10 miles from downtown Asheville and does not appear to him to contain much affordable housing. It appears to him also that Montford Commons will provide much needed support to our downtown workforce community. It will provide much needed rental housing, will support our tourism industry, and increase downtown commerce. In addition the infrastructure improvements will benefit the general public and especially the urban core by reducing the need for vehicles and increasing the use of pedestrian and public transportation. The development of this grossly under-utilized property will, through future phases, greatly increase the City's tax base. It will

significantly enhance both revenue and livability in the downtown area, increase ridership on the region's mass transit and provide for more efficient utilization of numerous downtown resources. He would be more concerned about the precedent of the Biltmore Town Center grant than the precedent created by economic incentives for Montford Commons. This request, if granted, will not cost the City taxpayers one dime. If you turn this grant down, what will the City gain? If you approve it you will get a well-designed project that meets many of the Council's goals and will seek further development in this under-utilized area of our City. In addition, at the end of the 10 years, the City will get a perpetual ad valorem tax income stream. The great thing about this request is that if the developer doesn't deliver a completed project as advertised, they will get nothing from the City. Although the City's economic development incentive policy was initially designed primarily to promote industrial development, we believe it clearly permits, at the discretion of City Council and in accordance with N.C. Gen. Stat. sec. 158-7, other incentives outside of this policy on a case by case basis. We believe that this policy, as well as the grant request, would be permitted under state law. Finally, we all need to look at our current economy and the new normal. Very frankly there will be very few, if any, opportunities in the near term to meet your affordable housing and other goals. Unfortunately the days of industrial development in our community may be over. Our continued viability now depends on tourism and retail establishments in the downtown. The workforce for tourism and retail entities must be housed in affordable projects with access to the workplace. Montford Commons meets those goals. He respectfully requested that Council seize the day and make this very fine project happen for the good of our community.

Councilman Russell, Chair of the Finance Committee, said that the request came to them in a totally different form; and therefore, no recommendation can be made.

Councilman Davis, Chair of the Planning & Economic Development Committee, said that this request is different from what came to them to review; and therefore, no recommendation can be made.

Vice-Mayor Newman felt that this is a good project, however, he challenged the statement that this project will not cost the City taxpayers anything because once it is complete, it will require police protection, solid waste services, etc. The idea of putting this much pretty affordable rental housing this close to downtown is a unique opportunity. At this time the request for public support is beyond what he can support. He asked if there are any opportunities for a compromise on this in terms of what level of public support the development team is requesting. And, at least for this phase of the development, there does not appear to be the demand for this much parking. He questioned if there is a possible way to reduce the infrastructure costs on this to make that less expensive and bring down the level of the financial gap on this project.

Mr. Vince Smarjesse, representing Frontier Syndicate, said that the parking was analyzed in December last year for a four-story apartment building and a four-story parking deck to go with it. Some of the extra parking was (1) thinking about phases 2 and 3; and (3) thinking that at the amazing cost of \$8,000 per space for structured parking we thought it was a good proposal for the City. Since that report was delivered in December, the top deck of the parking deck was completely removed. We now have parking slots commensurate with the Unified Development Ordinance – one slot per bedroom, plus whatever is needed for the commercial space, plus a small contingency. Again, the parking has been reduced from 4 decks to 3 decks.

In response to Vice-Mayor Newman, Ms. Daniel felt that the RERC report stated that the required parking could be handled through surface parking, and hopefully that would be interim until further phases are built out.

In response to Mayor Bellamy and after Community Development Director Jeff Staudinger explained the City's definition of affordable housing, Mr. Smarjesse said that some of their units fit that definition and some don't, depending on the square footage. The product may not fit exactly in the box of affordable, but its close, especially being this close to downtown.

Mayor Bellamy sees this as a win/win for our community, but maybe not for 10 years. She hoped we can find a way to structure something for the community. She wondered if we might be able to use some Housing Trust Fund dollars for the portion of the project that is affordable. She understands staff's concerns and suggested sending this back to get a possible win/win project, as it is workforce housing near downtown, on a transit route, and provides an opportunity for a second and third phase with neighborhood support.

In response to Councilman Bothwell, Mr. Smarjesse said that he did not have readily available the information of the cost of parking garage spaces vs. surface parking spaces. However, he did say that the parking garage space is \$8,000 a slot. He explained that they planned a parking garage that was appealing to the eye and tucked into and behind the building. They listened to the community when they designed it.

Councilman Bothwell figured that the parking garage would be approximately \$2.4 Million. He felt that if this model works and attracts people who want to walk to work and use transit, it could be that we need far fewer parking spaces than a similar project five miles out. Also, when you have a surface lot you have potential to use the space for something else later. A surface lot is more flexible than a parking deck. He also expressed disappointment with no LEED certification.

In response to Councilman Smith regarding the lack of LEED certification, Mr. Smarjesse said that they rely heavily on their builders and architects to counsel them on what they can include or not with greenbuilding vs. workforce-type rents. They take greenbuilding seriously, but it is an expense the project cannot afford given the current conditions.

In response to Vice-Mayor Newman, Mr. Staudinger said that HUD will require LEED certification for all new residential construction that is supported with HOME funds.

Vice-Mayor Newman felt the strongest points the developers make are the Housing & Transportation Index and the project's proximity to downtown. He would consider supporting the proposal, but not for 10 years. He felt the facts on the Biltmore Town Center project are very different, but it was a 5-year tax deferment. He would be open to consider something more of that nature. Personally he felt that greenbuilding is very important and urged the developers to take a harder look at maybe some basic certification.

Councilwoman Manheimer said that we don't have a set of criteria for public/private partnerships in the context of economic development and that's not fair to the applicant because they don't know the rules. She agreed with Vice-Mayor Newman that we need to see a proposal that at least helps the citizens and the City meet some of their shared goals. That might be a product that includes affordable housing, some green building and some sorely needed infrastructure needs that this project will assist with. She wondered if it would be possible for the developer to re-tool this project again and come back to Council.

Mr. Bisette said that even though the developers have been working on this project for five years and have spent a lot of money, they are willing to go back and work with Ms. Daniel again and see if there is a chance of re-tooling the project.

In response to Councilman Russell, Mr. Bisette said that they have received encouraging words from some of the Buncombe County Commissioners but they will delay their appearance before them.

Councilman Russell explained why this is not similar to the Biltmore Town Center project in that that was a large commercial aspect with a voluntary annexation. He felt we do need to come up with a policy in these new economic times of if this is the type of public/private partnership we are going to get into. He felt there is clear policy about this type of incentive in

conjunction with annexation. He hoped we can work together but due to the large amount of money it doesn't make sense in its current format.

Councilman Davis agreed with Councilman Russell in that there is a tremendous difference between the Biltmore Town Center project and this project. With the Biltmore Town Center project we got permanent jobs, mixed use development, retail and residential on a large scale. However, this does answer affordable housing (somewhat) and it's on a transit route. He struggled with the 10-year tax deferment.

Ms. Daniel asked for guidance on their request for 100% relief on the permit and tap fees, which we have never done before. We have done 50% in the past on affordable housing.

Mayor Bellamy felt it should be the same standard that we would give anyone else on workforce housing.

Vice-Mayor Newman felt we should always do 100% rebate on affordable housing in that he feels it's odd to give people loans but yet still charge them a fee to get a permit. He felt that is a broader policy discussion.

Mr. George Gabler, representative of Frontier Syndicate, explained that the changes along the way have been an attempt to respond to real concerns raised at each meeting. He requested City Council table this request in order to give them time to meet with City staff to see if they can address Council's concerns.

Vice-Mayor Newman moved to continue this discussion until August 24, 2010. This motion was seconded by Councilman Bothwell and carried unanimously.

B. REVIEW OF ON-STREET PARKING BY HANDICAPPED VEHICLES IN DOWNTOWN

City Attorney Oast said that this is a review of applicable law, policy and practices as to the parking of motor vehicles displaying handicapped placards or license tags in metered on-street parking spaces in downtown.

Earlier this year, in response to requests from several downtown businesses and organizations, staff was directed to review the State law, the City's ordinances, and the City's practices regarding the parking of vehicles displaying handicapped placards or license tags (herein "handicapped vehicles") on downtown streets in the spaces where parking meters are installed (herein "metered parking" or "metered space"). This staff report does not address parking in designated handicapped parking spaces, but rather the use of regular metered on-street parking spaces by handicapped vehicles.

Currently, the City of Asheville does not require the activation of parking meters by handicapped vehicles. This is not an ordinance, but is rather a practice, based on an interpretation of State law. The request to review this interpretation and practice grew out of observations that some of the owners of those handicapped vehicles, who are also downtown residents, were parking the vehicles on the street, in metered spaces, for days or weeks at a time because they could do so without limitation as to time and without paying. The contention is that this use takes up spaces that could be used by the customers of downtown businesses, who only need to park for a few minutes to transact their business.

The law regarding handicapped parking may be summarized as follows:

- (1) Pursuant to N.C.G.S. 160A-301, cities may regulate parking on public streets within the city, including limiting the time that parking is permitted in any particular location. This same law also provides that cities may install parking meters at marked on-street

parking spaces. Typically, cities limit the time for which an on-street parking space may be used by an ordinance establishing a maximum time and/or by metering the space and requiring activation of the meter.

(2) N.C.G.S. 20-37.6 provides in essence that where cities limit the amount of time that an on-street parking space may be used, a handicapped vehicle may park in that space without limitation as to time. This exemption applies whether or not a space is metered. Thus, if a city limits the amount of time for which a space may be used (by establishing maximum time limits, or requiring activation of a meter, or both), that limit would not apply to handicapped vehicles. This exemption applies to any legal on-street parking space, not just spaces reserved for handicapped parking. Significantly, there is no language in the statute providing for activation of a meter by a handicapped vehicle, or providing that meter activation is not required.

(3) The Asheville City Code, Sections 19-161 through 19-170 and Appendix E, provides in essence that all of downtown is a metered parking zone, and that parking is allowed at metered spaces for up to the maximum amount of time allowed by the meter. Transportation Director Ken Putnam and Parking Services Director Harry Brown advised that the maximum amount of time allowed by most meters is two hours; some allow as much as three hours, and some as little as 15 or 30 minutes.

The absence of language in G.S. 20-37.6 regarding activation of meters has resulted in differing interpretations of the law. An informal survey of North Carolina cities indicates that most do not require activation of parking meters by handicapped vehicles. However, the City of Charlotte has long required meter activation by handicapped vehicles. More recently, the City of Raleigh has adopted the same practice, and adopted an ordinance to that effect.

The public purpose justifications for authorizing cities to regulate on-street parking include relieving traffic congestion, and ensuring turnover in on-street space utilization. This is consistent with the interests of the citizens and organizations who have recently brought this issue up in Asheville.

An informal survey conducted by parking services staff indicates that, out of approximately 743 metered spaces in downtown Asheville, 10 to 12 percent of them are occupied by handicapped vehicles at any given time. This does not include designated handicapped parking spaces. It is not known how long a particular vehicle remained in a particular space.

Another issue with downtown parking availability is that many metered spaces are frequently occupied by non-handicapped vehicles for periods of time that exceed the maximum amount of time allowed by the meter. The operators of these vehicles, many of whom work in downtown, activate or "feed" the meters at regular intervals to avoid having the time on the meter expire. The effect of this practice is the same as it is for handicapped vehicles that remain in on-street spaces for long periods of time: the space is being used for short term vehicle storage, and is not available for individuals who only need a few minutes to transact their business. This likewise defeats the public purpose, set out above, of relieving traffic congestion and ensuring turnover in on-street space utilization.

Several different options are available for increasing the availability of on-street parking spaces and limiting improper use of them:

1. Clarify the maximum amount of time for which parking is allowed in any space, and that "meter feeding" by non-handicapped vehicles is not allowed as a means to extend this time.

2. Clarify that the requirement to activate parking meters applies to handicapped vehicles and clarify that there is no limit as to the amount of time that such a vehicle may park in a particular space.

Implementing these changes may require some additional training or equipment so that parking enforcement staff can know when vehicles have exceeded the maximum amount of time for a particular space.

Council may also wish to explore some options for accommodating the parking of handicapped vehicles:

1. Permit vehicle storage on the top levels of designated parking decks, or other City lots, at reduced cost.
2. Designate more on-street spaces for parking of handicapped vehicles.
3. Investigate methods for allowing meter activation by the operators of handicapped vehicles without the need for making repeated trips to the meter.

Even if the practice of not requiring handicapped vehicles to pay for parking is not changed, an ordinance clarifying a maximum time limit for parking in on-street metered spaces should be adopted. This time can vary from street to street, and can be a relatively long time such as four hours, or as short as 15 to 30 minutes. An ordinance that reflected the current meter zones could be quickly implemented with a minimum of disruption to current parking patterns. If the ordinance or practice is changed, some time should be allowed for education of the public who use downtown parking, especially to the operators of handicapped vehicles.

Since this plan has not been looked at since 1996, the long-term options would be to review the downtown on-street parking patterns and adjust the ordinance accordingly.

The Strategic Operating Plan has consistently provided for improved management of transportation and congestion. In addition, the Downtown Master Plan calls for the development of new unified parking management strategies.

Staff's recommendation is for Council to establish time limits for parking in downtown metered zones, with delayed effective date to facilitate public education. In addition to monitor space utilization and turnover.

Since this does affect the handicapped community that any initiative that Council directs staff to take should be reviewed by the Mayor's Committee on Disabilities for input.

In response to Councilman Bothwell, City Attorney Oast reiterated that state law provides in essence that where cities limit the amount of time that an on-street parking space may be used, a handicapped vehicle may park in that space without limitation as to time. This exemption applies whether or not a space is metered. Thus, if a city limits the amount of time for which a space may be used (by establishing maximum time limits, or requiring activation of a meter, or both), that limit would not apply to handicapped vehicles. This exemption applies to any legal on-street parking space, not just spaces reserved for handicapped parking. Significantly, there is no language in the statute providing for activation of a meter by a handicapped vehicle, or providing that meter activation is not required.

When Councilman Bothwell questioned enforcement of the maximum time limit, City Attorney Oast said that there are methods for doing that. For most of the time, people who park in a metered space don't exceed the time that the meter allows. He felt that if it were clear that the maximum amount of time for parking is what the meter says, or what a sign placed near the meter said, then it would not be that big of a problem.

Councilwoman Manheimer clarified that if we decide to clarify the ordinance and limit the amount of time you can park in a spot, handicapped parking is still available for one individual the entire day, but we can elect whether or not to require that meter to be fed, currently it is not required.

In response to Councilman Smith, Mayor Bellamy said that part of the City Attorney's due diligence on this topic is to seek input from the Mayor's Committee on Disabilities and back to the Downtown Commission and the Downtown Association because they have been important in bringing this to the forefront. After that input has been received, the City Attorney will bring this back to City Council for public comment and consideration of adoption of an ordinance.

Councilman Davis understands the frustration of seeing several cars staying parked in regular spaces continuously and felt it needed fairly immediate attention.

City Attorney Oast said that without adoption of an ordinance we can direct the parking staff to start enforcing the meter activation requirement with respect to any vehicle. He did recommend that we clarify our own ordinance so that it's absolutely clear that parking is only allowed in a particular space for a certain amount of time, regardless of the time noted on the meter.

Mayor Bellamy noted that City Attorney Oast recommends is a delay of the effective date to facilitate public education. We need to have some time built into this process after we approve whatever we're going to do, to let the community know this is no longer an acceptable practice in downtown Asheville. She asked City Attorney Oast to research how many handicapped spaces we have in downtown Asheville to see if we are lacking marked handicapped spaces. Also, can we open up more handicapped spaces available in the parking decks for the handicapped? She questioned if we can partner with the Basilica on the parking a lot across from them since we have the Vanderbilt Apartments and the Battery Park Apartments so close.

Vice-Mayor Newman seems like either of these two policies can go a long way of addressing the problem of cars being parked for a long time. Based on the information he has at this time, he would support the option to clarify that the requirement to activate parking meters applies to handicapped vehicles and clarify that there is no limit as to the amount of time that such a vehicle may park in a particular space. He hears more concerns about cars being parked in prime spots downtown for long period of time with handicapped placards on them, rather than the problem of people feeding meters. That is really expensive and he felt the market itself would limit that to a very large degree. If we did say every vehicle, whether it's handicapped or not, has a maximum time limit, he felt that would be a lot of work for parking enforcement vs. seeing whose meter ran out. He agrees with the sentiment expressed by the Mayor that to encourage people to not just park in a spot downtown for a long time without having to pay anything to give people discount or even a free space in the parking deck. He noted that we have a lot of not prime on-street parking along the edges of downtown that we rent out for a low price. Maybe there are some other on-street parking options that are less valuable than our prime places downtown.

Councilwoman Manheimer leaned in the direction of the second option as well to clarify that the requirement to activate parking meters applies to handicapped vehicles and clarify that there is no limit as to the amount of time that such a vehicle may park in a particular space. However, she felt we needed to hear public input before that decision is made. She felt it might be worthwhile to research other tourist towns to see how they have dealt with parking issues to see if they have a good working model.

Councilman Davis said that one of the persistent problems is the cars with handicapped placards being stored in prime parking spaces. In some instances there are spaces provided by the facility where those folks live, but they choose to park on-street as a matter of convenience. It

would be fine to give them free parking spaces in the parking garages, but we will have to use more enforcement to get those people to use that option. We are certainly not trying to make it difficult for handicapped people and we have an aging population, but it is the persistent ones that we are having a problem with that use the parking spaces for car storage.

Mr. Dwight Butner, Chairman of the Downtown Commission, said that the substance of the Commission's motion essentially was to suggest City Council explore charging for any vehicle parked in a metered space. There was some concern expressed that that might drive people who are permanently parking in these metered spaces to our designated handicapped spaces. The simplest way to approach this issue, we believe, is to begin with financial influences. He felt we need to be both a compassionate city and a fiscal city; and we need to balance our general concern for the handicapped community with an overall just outcome economically for everyone concerned. They stand ready to advise Council in anyway they can.

When Mayor Bellamy noted that City Attorney Oast will be again seeking in put from the Downtown Commission, Mr. Butner said that they have a standing committee on transportation associated with the Downtown Master Plan. He asked if Council would like to put this issue on their agenda and maybe expand the scope of that committee somewhat to address this issue. He felt that would be appropriate since it would eventually come to the full Downtown Commission. Councilman Davis, member of the Downtown Commission, said that the transportation committee meets monthly and we may be able to move this issue forward a little more quickly if it is scheduled in both arenas.

Mr. Byron Greiner, President of the Downtown Association and member of the Downtown Commission, noted that the Downtown Commission did review this issue with a motion. The motion was to request the City pursue metering all parking spaces (except currently marked handicapped spaces) and to enforce collecting fees for parking in all metered parking spaces whether they have a handicapped placard or not. The Downtown Association, nor the Commission, does not support limiting the amount of time, other than the designations we currently have because we feel the meters will enforce that for us. We are ultimately looking for the turnover of parking spaces rather than the storage of vehicle.

Mr. Joe Minicozzi, Interim Executive Director of the Downtown Association, said that this issue has been going on for two years. They paid an intern to go out on various days (three times a day) to research if vehicles were being parked all day. He showed pictures of handicapped placard vehicles parking all day long in regular metered spots around the Grove Arcade, the City-County Plaza, College Street, Haywood Street, etc. If we use the figure of 10% of 700 spaces, this is a loss of revenue to the City in the amount of \$160,650. To park in the parking deck is \$70/month and the Vanderbilt residents are offered a discount of \$35/month, but to park on the street is free. If someone chooses to feed the meter all day, it would be \$190/month. They feel that if people park in a metered space, they should feed the meter.

Ms. Ruth Summers, Executive Director of the Grove Arcade Foundation, felt that while the City has 3 parking decks downtown they are often occupied and not available for public hourly parking. Due to 911, the federal building parking lot is not used due to national security issues and therefore, the federal building and the federal court system have basically taken over the Wall Street parking garage. She said the lot behind the Battery Park Apartments is owned by the Basilica. They have done research for about 4 years around the Grove Arcade and they lose between 25-35 spaces a day to people storing their cars, which is a lost revenue to the City of approximately \$80,000 a year.

Mayor Bellamy said that she has recently met with the Director of Public Buildings for the U.S. Government and talked about the issue of their employees who have already been screened having the ability to park in their facilities and how that would help the City with their parking. She will continue to work in that direction.

C. RESOLUTION NO. 10-167 - RESOLUTION STATING THE INTENT OF THE CITY TO ANNEX THE COOPERS HAWK DRIVE AREA AND SETTING THE PUBLIC INFORMATION MEETING ON SEPTEMBER 13, 2010, AND THE CITY COUNCIL PUBLIC HEARING OCTOBER 12, 2010

RESOLUTION NO. 10-168 - RESOLUTION STATING THE INTENT OF THE CITY TO ANNEX THE ROYAL PINES AREA AND SETTING THE PUBLIC INFORMATION MEETING ON SEPTEMBER 13, 2010, AND THE CITY COUNCIL PUBLIC HEARING OCTOBER 12, 2010

Urban Planner Blake Esselstyn said that this is the consideration of resolutions stating the intent of the City to annex two areas contiguous to the current boundaries of the City of Asheville.

The City's policy is to include within its corporate boundaries areas that are urban in nature and meet State of North Carolina qualification requirements. Staff has identified two areas that meet the state requirements. Both of these areas are contiguous to the current municipal boundary. The Coopers Hawk Drive Area is 41.8 acres in size and is the last remaining residential portion of the Biltmore Park development to be brought into the City. The Royal Pines Area is 388.8 acres in size and is largely residential in nature. He explained a very small modification to the Royal Pines area map and description stating that there is a small sliver (unopened right-of-way) that was included on the map and in the description that is outside the area of consideration for annexation.

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

Staff has provided the following proposed schedule for these annexations. The effective date for both would be June 30, 2011. The following steps and dates meet the process required by State law:

- Council Adoption of Resolution of Intent – 7/27/10
- Council Adoption of Services Plan – 8/10/10
- Public Information Meeting – 9/13/10
- City Council Public Hearing – 10/12/10
- Annexation Ordinance Adopted – 10/26/10
- Effective Date – 6/30/11

After hearing this item at their July 20, 2010, meeting, the Planning and Economic Development Committee agreed by consensus that the item should move forward to the full City Council.

Pros:

- Supports City of Asheville's Smart Growth Annexation program (regular program of annexations) as set forth in the City's 2025 Plan.
- Provides for an urban level of service for developed and developing areas adjacent to the existing city limits and includes those benefiting from existing City services in participation in the costs of such services.

Con:

- Residents of proposed annexation areas may object to such annexation.

The fiscal impact of this round of annexations will be addressed in the Plan for Services document, which is scheduled to come before City Council on August 10, 2010.

City staff recommends that City Council adopt the resolutions of intent stating the City's intent to annex these annexation areas.

Ms. Betty Jackson said that the idea of people who live in the County that come into Asheville are users and abusers of City services is insulting to County residents. Those people work in Asheville, do business in Asheville and some even own businesses and properties in Asheville, which all contribute to the City's coffers. It is not realistic that County residents contribute nothing to the well-being of the City. She said the reality is that most streets County residents use are maintained by the N.C. Dept. of Transportation and even if they use City-maintained street, municipalities get gas tax and Powell Bill funds.

At the suggestion of Mayor Bellamy due to a lot of misinformation, it was the consensus of Council to have staff develop communications to educate the public on how the City receives a minor share of the sales tax revenues collected here. It might be appropriate to show (at the public information meeting) a comparison of Asheville vs. other cities in North Carolina to illustrate how Asheville does not get as much taxes as people think we do.

Councilman Russell could not support either annexation because he didn't feel they want to become a part of the City of Asheville and we are ready to double their taxes.

Mayor Bellamy that members of Council have been previously furnished with copies of the resolutions and they would not be read.

Councilman Bothwell moved for the adoption of Resolution No. 10-167, with the public information meeting being held on September 13, 2010, and the City Council public hearing being held on October 12, 2010. This motion was seconded by Councilman Davis and carried on a 6-1 vote, with Councilman Russell voting "no".

RESOLUTION BOOK NO. 33 – PAGE 152

Councilwoman Manheimer said that the Planning & Economic Development Committee reviewed these annexations and with regard to the Royal Pines area, and since it is an older subdivision, they questioned what benefit we would be bringing this development. They felt it was an appropriate annexation and one where we could demonstrate some of the benefits we could bring to this community. She believed it has some older roadways and the water and sewer infrastructure may need some enhancement. While there is normally some resistance to annexation, this could be an area that could see some return for their tax dollar long-term.

Mayor Bellamy could not support the Royal Pine annexation area in that she felt this annexation was not the right time due to the City's financial situation.

Councilman Bothwell moved for the adoption of Resolution No. 10-168, as amended deleting the small unopened right-of-way described by Mr. Esselstyn, with the public information meeting being held on September 13, 2010, and the City Council public hearing being held on October 12, 2010. This motion was seconded by Councilman Davis and carried on a 5-2 vote, with Mayor Bellamy and Councilman Russell voting "no".

RESOLUTION BOOK NO. 33 – PAGE 156

D. BOARDS & COMMISSIONS

RESOLUTION NO. 10-169 - RESOLUTION APPOINTING GUS SIMS TO THE BOARD OF ELECTRICAL EXAMINERS

At the recommendation of the Boards & Commissions Committee, Councilman Davis moved to appoint Mr. Gus Sims to fill the unexpired term of Mr. Randy Osborne on the Board of Electrical Examiners (as the licensed engineer), said term to begin immediately and expire on July 1, 2012, or until his successor has been appointed. This motion was seconded by Vice-Mayor Newman and carried unanimously

RESOLUTION BOOK NO. 33 – PAGE 162

RESOLUTION NO. 10-170 - RESOLUTION REAPPOINTING MEMBERS TO THE POLICE OFFICERS AND FIREFIGHTERS DISABILITY REVIEW BOARD

At the recommendation of the Boards & Commissions Committee, Councilman Bothwell moved to reappoint Stephanie Cooper, James Lewis and Dr. Stephen Hulkower to each serve an additional two year term respectively, terms to expire July 19, 2012, or until their successors have been appointed. This motion was seconded by Councilman Smith and carried unanimously.

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Civic Center Commission

The following candidates applied for a position on the Civic Center Commission: Dan Breneman, Bill Jones, Jeffery Quick, Jeremy Gillespie, Katrina Bragg, James Richards, Carol Ann McLendon, Linda Brandt, Jeff Kenrick and Saul Chase. It was the consensus of Council to instruct City Clerk Burleson to arrange interviews for Dan Breneman, Bill Jones, James Richards, Carol Ann McLendon and Saul Chase (all City residents).

Civil Service Board

The following candidates applied for a position on the Civil Service Board: Daniel Bradshaw and Jacquelyn Hallum. Councilman Davis moved to appoint Jacquelyn Hallum, with said motion being seconded by Mayor Bellamy. However, due to the importance of this Board, it was the consensus of Council to instruct City Clerk Burleson to arrange interviews for both applicants.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Rev. Christopher Chiaromonte spoke about the issue of no sleeping in parks.

Mayor Bellamy thanked City Manager Jackson, his staff and the volunteers for the hard work during this year's Bele Chere festival.

The following claims were received by the City of Asheville during the period of June 4-24, 2010: Kenya Lee (Water), Robert C. Orth II (Parks & Recreation), Jameela Griffin (Water), AT&T (Water), AT&T (Water), Joey Webb (Fire), Otto Logan (Transit), Reginald Robinson (Sanitation), Loretta O'Hanlon (Streets), Caleb Whitaker (Streets) and Amber Schnar (Fire). These claims have been referred to Asheville Claims Corporation for investigation.

Closed Session

Mayor Bellamy announced that the formal meeting would be adjourned after the closed session. At 7:48 p.m., Councilman Smith moved to go into closed session for the following reasons: (1) To establish or to instruct the City's staff or negotiating agents concerning the position to be taken by or on behalf of the City in negotiating the terms of contracts for the acquisition of real property by purchase, option, exchange or lease. The location of the property is approximately 11 acres at Shelburne Road and hominy Creek Road. The statutory authorization is contained in G.S. 143-318.11(a)(5); and (2) To prevent disclosure of information

that is privileged and confidential, pursuant to the laws of North Carolina, or not considered a public record within the meaning of Chapter 132 of the General Statutes. The law that makes the information privileged and confidential is N.C.G.S. 143-318.10(e). The statutory authorization is contained in N.C.G.S. 143-318.11(a)(1). This motion was seconded by Councilman Bothwell and carried unanimously.

At 8:08 p.m., Councilman Davis moved to come out of closed session. This motion was seconded by Vice-Mayor Newman and carried unanimously.

VIII. ADJOURNMENT:

Mayor Bellamy adjourned the meeting at 8:08 p.m.

CITY CLERK

MAYOR