

Budget Worksession

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Marc W. Hunt; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilman Christopher A. Pelly; Councilman Gordon D. Smith; Councilwoman Gwen C. Wisler; City Manager Gary W. Jackson; City Attorney Robin T. Currin; and City Clerk Magdalen Burleson

Absent: None

Classification and Compensation Study

The City contracted with Segal Waters Consulting Company to complete a Classification and Compensation Study for fiscal year 2015-16 budget planning. Ms. Linda Wishard, a consultant with Segal Waters, presented (1) Segal Waters Consulting overview; (2) compensation philosophy; (3) project overview; and (4) recommendations and cost impact. After the study, she observed that our salaries are competitive. Recommendations and cost impact include (1) new pay ranges for exempt and non-exempt positions; (2) new Police and Fire pay structures were developed changing the step progressions to 2.5%; (3) remove first quartile of current Executive pay structure to reflect competitive minimums; (4) base pay adjustments to range minimum for all employees whose current base salary is below range minimum; and (5) pay adjustments based on time in position to address salary salary compression. The total cost impact would be \$1,130,792.63. Additional recommendations include (1) annual funding for pay for performance for general employees and for public safety step increases; (2) review structure annually or biannually to maintain market competitiveness; and (3) continue using the systematic process for job evaluation.

HR Director Kelley Dickens then provided Council with the following staff recommendations and impact (1) across the board increase - 1% for all employees; (2) full implementation of Segal Waters at July 1, 2015 (a) new classification and pay structures; (b) compression/time in position adjustments; and (c) increases capped at mid-point of new structures; and (3) guidelines for administration and maintenance. Total General Fund budgetary impact for Fiscal Year 2015-16 - \$1.6 million.

Ms. Wishard and Ms. Dickens responded to various questions from Council regarding the study and their recommendations.

Other Human Resources Topics

Ms. Dickens provided Council with a presentation in response to the temporary and seasonal living wage discussion (with staff continuing to do due diligence with future discussions with City Council), and provided an update on the City's health insurance program.

Councilman Smith asked for staff to generate an update of the cost benefit analysis of the Asheville Project, e.g., what does it contribute to our favorable health insurance cost estimate.

Capital Improvement Program

Director of Finance Barbara Whitehorn said that the Capital Improvement Program (CIP) is a rolling five-year program for general capital expenditure in the City of Asheville. The program began with the two-cent tax increase in Fiscal Year 2013-14, which added \$2.2 million to the capital program. In order to use these funds most effectively, the City has entered into a long-term debt program leveraging the additional money to fund more than \$150 million in projects through 2020. She then presented an overview of the CIP along with the status of the projects.

Because the CIP is at capacity, if Council would like to add a project, either a project will need to be dropped or pushed out to a further date.

After a brief discussion where Ms. Whitehorn and City Manager Jackson responded to various questions, it was the consensus of Council to provide information on (1) the cost projections for the Thomas Wolfe Auditorium and what bearing that will have on the CIP; (2) keeping the Charlotte Street improvements project moving; and accelerating investments in forming an affordable housing land bank.

The worksession was adjourned at 4:19 p.m.

Tuesday – May 12, 2015 - 5:00 p.m.

Regular Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Marc W. Hunt; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilman Christopher A. Pelly; Councilman Gordon D. Smith; Councilwoman Gwen C. Wisler; City Manager Gary W. Jackson; City Attorney Robin T. Currin; and City Clerk Magdalen Burleson

Absent: None

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

I. PROCLAMATIONS:

A. RECOGNITION OF CITY OF ASHEVILLE YOUTH LEADERSHIP ACADEMY STUDENTS

Mayor Manheimer eight years ago, former Mayor Terry Bellamy and the Asheville City Council envisioned a new program that would place students with meaningful summer internships with City departments and partnering organizations throughout Asheville. This program would empower its students to get involved in their communities, support them in their quest for college, and reward them with a generous scholarship. After a rigorous application process, the CAYLA students are placed in prestigious summer internships that allow them to explore careers and learn from caring adult professionals. Members of the CAYLA Class of 2015 interned with valuable community partners, including Buncombe County, the Asheville Area Chamber of Commerce, MAHEC, Habitat for Humanity, and Big Brothers Big Sisters. Each Friday during the summer, the students attended day-long leadership workshops that focused on the “Habitudes” – the habits and attitudes that lead to success. Of the graduating seniors, all have been accepted to four-year colleges – and many have earned significant merit scholarships, including the Gates Millennium Scholarship, the Dell Scholarship, the Horatio Alger Scholarship, the Bonner Scholarship, and the local Civitan and Rotary scholarships. This year, the total merit scholarship money earned by CAYLA students since 2008 surpassed \$1 million. Beginning last June, the CAYLA students have completed 28 different community service projects, with organizations including MANNA Foodbank, the Salvation Army, Brother Wolf, Asheville City Schools, and Habitat for Humanity. Over the years, CAYLA students have given more than 3,200 volunteer hours to our community. In recognition of their accomplishments and the critical role they will play in Asheville’s future, the City of Asheville awards each CAYLA student a scholarship in the amount of \$2,000.

With that, she provided a certificate to the following 2015 CAYLA students: Candida Alas-Ortega, Kanaje Allen, Brittany Boseman, Korina Dariy, Michael Davis, Joshua Garcia-

Billings, Itzel Garcia-Ruiz, Jahni Gilliland, Raekwon Griffin, Taekwon Griffin, Ella Heldreth-Schmitt, Phoenix Keyser, Antares Lance, Mariah Lee, Josue Lomeli-Garcia, Shaunessy Lofton, Diana Marquez, Oscar Marquez, Cindy Marquez, Randesha Neely, Mikayla Ray, Jamie Rhodes, Symone' Simmons, Satorrius Uddyback and Promyss Watley.

Mayor Manheimer praised Erika Germer for her hard work on this program.

B. PROCLAMATION PROCLAIMING MAY 17-23, 2015, AS "NATIONAL PUBLIC WORKS WEEK"

Councilman Pelly read the proclamation proclaiming May 17-23, 2015, as "National Public Works Week" in the City of Asheville. He presented the proclamation to Greg Shuler, representing Public Works; Mark Allen, representing Utility Street Cuts; Tim Bayless, representing Stormwater; Antonio Green, representing Sanitation; Vicky Haskell, representing Graffiti; and Walter Ear, representing Capital Projects Management.

C. PROCLAMATION PROCLAIMING MAY, 2015, AS "MOTORCYCLE AWARENESS MONTH"

Councilman Bothwell read the proclamation proclaiming May, 2015, as "Motorcycle Awareness Month" in the City of Asheville. He presented the proclamation to Mr. Steve Ensley who briefed City Council on some activities taking place during the month.

D. PROCLAMATION PROCLAIMING MAY 15-22, 2015, AS "STRIVE NOT TO DRIVE WEEK"

Councilwoman Wisler read the proclamation proclaiming May 15-22, 2015, as "Strive Not To Drive Week" in the City of Asheville. She presented the proclamation to Ms. Julie Mayfield, who briefed City Council on some activities taking place during the week.

E. PROCLAMATION PROCLAIMING MAY 30, 2015, AS "RELAY FOR LIFE DAY"

Vice-Mayor Hunt read the proclamation proclaiming May 30, 2015, as "Relay for Life Day" in the City of Asheville. He presented the proclamation to Ms. Laura Clark, Event Leader accepting on behalf of Relay For Life Leadership Team; and Ms. Sandra Dennison, Community Manager for American Cancer Society, who briefed City Council on some activities taking place during the day.

II. CONSENT AGENDA:

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON APRIL 28, 2015

B. RESOLUTION NO. 15-83 - RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH CHERRY BEKAERT & HOLLAND FOR AUDITING SERVICES FOR FISCAL YEAR 2014-2015

Summary: The consideration of a resolution authorizing the Mayor to execute a contract with Cherry Bekaert & Holland (hereinafter referred to as Cherry Bekaert) for auditing services for Fiscal Year 2014 - 2015.

North Carolina General Statute 159-34 requires that local governments audit its accounts each fiscal year and submit a copy of the audit to the Local Government Commission. In response to the aforementioned general statute, staff recommends retaining the services of

Cherry Bekaert to conduct the audit of the city's accounts for the fiscal year ending June 30, 2015. The estimated fee for fiscal year 2014-2015 audit and financial statement preparation is \$85,500.

As part of the engagement, Cherry Bekaert will provide a document required by the Auditing Standards Board that provides a framework for the auditor's communication with the Mayor and City Council and identifies some specific matters to be communicated. Pursuant to the Auditing Standards Board requirement, Cherry Bekaert will communicate timely and directly with the Mayor and City Council on matters related to the financial statement audit that are, in the auditor's professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Additionally, Cherry Bekaert will provide an audit schedule with milestones and timetables in an effort to improve audit planning and ensure that the audit report is delivered timely to the Local Government Commission.

Execution of this contract complies with City Council's Strategic Operating Plan of operating the City of Asheville's organization to the highest fiscal responsibility, as well as the Audit Policy portion of City Council's Financial Policies which states that the City "shall enter into multiyear agreements of not more than five years in duration through a series of single-year contracts as consistent with applicable legal requirements." This will be the third consecutive year of contracting Cherry Bekaert to perform the City's audit. No competitive bid process was conducted this year.

Pro:

- Contracting with Cherry Bekaert aligns with City Council's financial policy, and will help ensure the timely and successful completion of the annual audit.

Con:

- None noted.

A fee of \$85,500 has been proposed for the audit and is included in the Finance Department's portion of the annual operating budget.

Staff recommends adoption of the resolution authorizing the Mayor to execute a contract with Cherry Bekaert & Holland in the amount of \$85,500 for auditing services for Fiscal Year 2014-2015.

RESOLUTION BOOK NO. 37 - PAGE 117

C. MOTION TO APPROVE THE FINDINGS OF FACT AND CONCLUSIONS OF LAW FOR THE CONDITIONAL USE PERMIT FOR FLORENCE STREET APARTMENTS LOCATED AT 128 AND 99999 FLORENCE STREET

D. ORDINANCE NO. 4409 - BUDGET AMENDMENT FOR THE SOUTH LEXINGTON UTILITY RELOCATION PROJECT

Summary: The consideration of a budget amendment, in the amount of \$30,000, from debt proceeds to provide adequate funding for the projected expenses for the South Lexington Utility Relocation Project.

This project is part of a public private partnership which will bring much needed workforce housing to the Central Business District. The utility relocation involves the undergrounding of overhead utilities along S. Lexington Ave. from the intersection of Aston St. and S. Lexington to a point approximately 300 feet south of said intersection. Utility providers along this corridor include Duke Energy, AT&T, Charter, and ERC Broadband. Contractual agreements for this project with said utility providers are as follow:

Duke Energy	\$232,936.00
Charter Communication	\$ 30,000.00
AT&T	\$ 4,476.00

Pros:

- Community Investment
- Increase property tax revenues

Con:

- Project management and contract administration will consume staff time.

The project budget will be \$280,000. The budget amount consists of \$250,000.00 that was originally budgeted in the City’s Capital Improvement Program plus the additional \$30,000.00 that will be funded with debt proceeds.

City staff recommends the City Council adopt the associated budget amendment in the amount of \$30,000.

ORDINANCE BOOK NO. 29 - PAGE 459

E. RESOLUTION NO. 15-84 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH MOTOROLA SOLUTIONS FOR A REPLACEMENT OF THE PUBLIC SAFETY RADIO SYSTEM AND SUPPORTING SYSTEMS

Summary: The consideration of the City Manager awarding and entering into a contract with Motorola Solutions for a replacement of the City of Asheville's radio system and supporting systems.

The City’s public safety radio system and many of its supporting components have reached the end of supported life. End of life means that parts are no longer available, that commercial support is “best effort,” with no service guarantee, and that protracted service interruptions are possible. To proactively plan for the replacement of the system and the supporting components, staff previously researched replacement costs and included a \$6MM replacement budget in the City’s Capital Improvement Program.

A structured Request For Proposal (RFP) process for a replacement system, which included an assessment of Asheville Fire and Police departments’ current operational requirements, was undertaken last year. A project team, which included representatives from the City’s Police, Fire, Finance, Information Technologies Department, evaluated four proposals received from interested vendors in response to the RFP. The team also communicated and interfaced with Buncombe County during the process, since interoperability was a primary goal of the project.

Based on coverage and operational requirements, expert guidance from Trott Communications Group, and scoring from the City’s project team, the team recommends moving forward with the most responsive proposal as detailed below.

The proposal that was deemed by the City project team to be the most responsive was received from Motorola Solutions (Motorola). The proposal, which scored 89/100 on the RFP scoring matrix, includes specifics as to interoperability, coverage, and quality of service. A “best and final offer” has been obtained from Motorola. Although other support items (such as connectivity components) will be purchased through other mechanisms (such as state contract), this competitive RFP represents the bulk of the radio system replacement. The contract offers

various system options to be selected during deployment; the maximum total of the contract will be \$4,397,762.

Pros:

- Enables the City to move forward with replacement of a critical communication system that has reached the end of its supported lifecycle
- Addresses needs identified by Asheville Fire and Asheville Police departments
- Maximizes system coverage
- This standards-based system (P25) allows for better interoperability with both state and local agencies

Con:

- None noted

This procurement is funded via the City of Asheville's Capital Improvement Budget

City staff recommends entering into a contract with Motorola Solutions for a replacement of the City of Asheville's radio system and supporting systems.

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F. RESOLUTION NO. 15-85 - RESOLUTION AUTHORIZING ACCEPTANCE OF THE ASHEVILLE-BUNCOMBE CONTINUUM OF CARE HOMELESS MANAGEMENT SYSTEM GRANT

Summary: This is the consideration of a resolution authorizing acceptance of the Asheville-Buncombe Continuum of Care Homeless Management Information System Grant.

Participation in the Homeless Management Information System (HMIS) is required for each HUD-designated Continuum of Care (CoC). The Asheville-Buncombe CoC has participated in the North Carolina HMIS implementation since 2005. Participation and user fees for this system have historically been paid directly to the Lead HMIS Agency. The statewide system is being transitioned to a new HMIS Lead Agency May 1, 2015, and a new model of participation and implementation will be used. In the new model, each CoC can be the grant recipient for CoC HMIS grants, allowing more funds to stay at the local level for system support for the CoC Lead (the City of Asheville) and the provider agencies using the system.

We have been informed by the regional HUD office in Greensboro that the City of Asheville can be the grant recipient for the NC-501 HMIS Grant. This will be effective for the current HMIS grant that expires December 31, 2015, as well as the renewal grant already in process to begin January 1, 2016.

Grant award amount on an annual basis: \$67,500. The current grant, January 1, 2015 – December 31, 2015, will be prorated based on final expenses from the current HMIS Lead Agency whose contract will terminate April 30, 2015.

These awards are conditional on providing to HUD additional information needed and/or assurances that must be provided. These conditions will include, but are not limited, to adequate documentation of required matching funds. These matching funds can be provided by partner agencies.

The HMIS is utilized to capture real-time data on homelessness services and housing for homeless programs, directly supporting individuals and families experiencing homelessness to access an appropriate affordable housing.

Pros:

- Approval of the HMIS Grant acceptance supports on-going efforts to reduce and end homelessness through strong data collection and analysis, supporting City staff and partner agencies of the Homeless Initiative.
- Reflects the recommendations of the City's Homeless Initiative Advisory Committee to transition to a new Lead Agency to administer the statewide Homeless Management Information System.

Con:

- Federal funding for homelessness programs, including Continuum of Care funds, is at the discretion of Congress on an annual basis.

The HMIS Grant is fully funded from federal Continuum of Care funds. Staff costs to administer the program are also fully paid from federal sources. Partner agencies' matching funds are sufficient to cover the federal match requirement with no fiscal impact on the City of Asheville.

Staff recommends approval of the resolution authorizing acceptance of the NC-501 HMIS Grant for the current grant that expires December 31, 2015, and the renewal grant to begin January 1, 2016.

RESOLUTION BOOK NO. 37 - PAGE 119

G. RESOLUTION NO. 15-86 - RESOLUTION SETTING A PUBLIC HEARING ON MAY 26, 2015, TO CONSIDER A LAND USE INCENTIVE GRANT AGREEMENT FOR 300 MILL RIVER DRIVE (MILL RIVER LOFTS LLC)

Summary: The consideration of a resolution setting a public hearing on May 26, 2015, for a land use incentive grant agreement for 300 Mill River Drive (Mill River Lofts LLC).

The developer of River Mill Lofts has applied for a Land Use Incentive Grant per the policy adopted by Council, and amended on August 26, 2014.

River Mill Lofts LLC, led by Pace Burt, seeks to develop the 9.52 acre site at 300 Mill River Drive. The site is located at the intersection of Thompson Street and Stoner Street, east of Biltmore Village. The developer estimates a total development cost of \$25 million. The project consists of:

- 254 residential rental apartments (248 two-bedroom apartments and 6 three-bedroom apartments), in two buildings;
- 8,000 square feet of commercial space, with 4,000 square feet located in each building.

The project, as presented to staff, appears to meet the following Eligibility Requirements,

- Equity: A 20% equity contribution is required. The project developer indicates he will contribute at least 20% equity to the project.
- Energy Star Certification: The developer indicates the project will achieve Energy Star certification.
- Residential development: The development consists of at least two residential units.
- Location: The project is located within the City of Asheville city limits.

The project is not located within 1/4 of a mile of a designated major transportation corridor (Biltmore Avenue/Hendersonville Road). The project is located .4 mile from Biltmore Avenue. The developer requests a waiver of this policy eligibility requirement.

Public Benefit: The project proposes the following Public Benefit Elements:

- Green Building/Energy: Energy Star certified, 5 points.
- Affordable Housing: 18 units, which is 7% of the total units. The developer requests 10 points.
- Workforce Housing units: 216 units, which is 85% of total units. The developer requests 15 points.
- Mixed Use Development/Sustainability/Brownfield: The developer requests 20 points. The developer does not qualify for these points based upon existing policy. The developer asks for consideration of the following:
 1. The project is a mixed-use development that will be a pioneer for “early adapter mixed-use project.”
 2. The project meets City-goals of sustainability- it requires no new utility infrastructure; it is served adequately by the existing traffic systems; it will use “best management practices (BMPs) in treatment of storm water runoff; it will enhance public access to the Swannanoa River.

The developer has scored the project with 50 points, and requests a 5 year Land Use Incentive Grant.

According to LUIP Policy, the project qualifies for 25 points:

- Green Building/Energy: Energy Star certified, 5 points
- Affordable Housing: 18 units, which is 7% of the total units. 5 points.
- Workforce Housing units: 216 units, which is 85% of total units. 15 points.

This assumes that the project is deemed eligible by Council. As mentioned above, the project is .4 miles from a major commercial corridor named in the policy (Biltmore Avenue/Hendersonville Road). Rationale for waiver of the policy includes:

- The development and others proposed for that area have the potential to create significant new transit demand. Over 500 units are now being planned for this area. Three transit routes are within .4 mile of the site.
- A multi-modal route, via the Wilma Dykeman Riverway, is master-planned contiguous to the site.
- Therefore, the location of the project meets the goals of the program, and a waiver of the eligibility requirement is justifiable.

The project meets the following 2014-15 Strategic Plan Goals: (1) *Economic Growth and Financial Sustainability*: The project invests and leverages investment in community infrastructure; and creates economic development and community investment opportunities through partnerships, planning and incentives. (2) *Affordability and Economic Mobility*: The project expands Asheville’s supply of quality, affordable homes for current and future residents.

This proposal is aligned with the *Asheville City Development Plan 2025* in several areas. Smart Growth policies encourage mixed-use developments and higher-density residential infill with an emphasis on locating projects in an area walkable to amenities and proximate to bike paths. Infill development along transit corridors is also highlighted but this site is a little over 2,000 feet to three routes that cross in Biltmore Village. The plan also supports projects that design landscapes to absorb stormwater using bio-swales and natural stormwater filters.

Affordable housing options are highlighted throughout the Plan as a strong community need.

The area is included in the planning for the Wilma Dykeman Riverway Master Plan and infill development, recreation amenities and roadway improvements are a part of that proposal. Planning for roadways has occurred in the River Arts District area but has not proceeded to this

section of the river at this time. The proposed development though seems to fit in with the intent of the Dykeman plan with the inclusion of the river yard and the wide sidewalk along Thompson Street.

Pros:

- The proposed development will provide 18 units of housing affordable for ten years, and 216 units of workforce housing.
- The proposed development is located close to jobs and services.
- The proposed development is located within the Wilma Dykeman Riverway corridor, and proposes public benefit through alignment with planned multi-modal transportation ways.

Cons:

- The development does not meet with minimum policy requirement to be located with .25 miles of a named transportation corridor.
- The development is not currently connected by sidewalk or pathway to Biltmore Avenue.
- The proposal creates 18 units of affordable housing, 7 units short of the 25 units that would yield a 10% affordable composition.

Estimated maximum value of Land Use Incentive: The current assessed value of the property is \$705,000 (land only). The developer's estimate of completed project taxable value is \$25,000,000. The current annual city tax, based on current assessed value, is \$3,243. The annual estimated city tax post completion, based on the developer's estimate of value is \$115,000. Thus, the estimated annual Land Use Incentive Grant would be \$111,757, the exact amount to be determined by the length, in years, of the grant award, and the actual assessed value of the development upon completion. If approved for 5 years, the estimated Grant would be \$558,785. If approved for three years, the amount would be \$335,271.

300 Mill River Drive	
Current Value	\$ 705,000
Current Tax	\$ 3,243
Est Value	\$ 25,000,000
Minus current value	\$ 24,295,000
Est Tax	\$ 111,757
Value of LUIG for 5 years	\$ 558,785
Value of LUIG for 3 years	\$ 335,271

The estimated amount of fees payable for Zoning Permit, Building Permit, Driveway Permit, Grading Permit, Plan Review Fees and Water Service Connection Fee is \$50,000. The value of each 10% of the fee rebate would be \$5,000. The exact amount would be determined by the percentage of fee rebate awarded as part of the Land Use Incentive Grant. If approved at the 50 point level, the fee rebate would be \$25,000; at a three year level, \$15,000.

The Housing and Community Development Committee reviewed the proposal and discussed it with Pace Burt at their January 20, 2015 meeting. Both the Committee and developer agreed at that meeting to take no action. The developer has since requested that the proposal as described above be moved forward to Council.

Staff recommends that Council set the public hearing on May 26, 2015, for the consideration of the Land Use Incentive Grant for 300 Mill River Drive (Mill River Lofts LLC).

RESOLUTION BOOK NO. 37 - PAGE 120

H. RESOLUTION NO. 15-87 - RESOLUTION SETTING A PUBLIC HEARING ON MAY 26, 2014, FOR A LAND USE INCENTIVE GRANT AGREEMENT FOR 146 ROBERTS STREET (RAD LOFTS)

Summary: The consideration of a resolution setting a public hearing on May 26, 2015, for a land use incentive grant agreement for 146 Roberts Street (RAD Lofts).

The owners/developers of RAD Lofts seek to amend their Land Use Incentive Grant per the policy adopted by Council, and amended on August 26, 2014.

On August 26, 2014, City Council approved a Land use Incentive Grant (LUIG) for the RAD Lofts development. In summary, the RAD Lofts LLC proposed a 209 unit residential, 38,500 square foot commercial development on the 2.88 acre site formerly home to the Dave Steel Company, located at the intersection of Roberts Street and Clingman Extension in the River Arts District of Asheville. The developer estimated a total development cost of \$52 million. The project consisted of 209 residential rental apartments, a two story parking deck with 356 parking spaces, and street front retail spaces, live work spaces and second floor office space.

Council approved a five-year (50 points) LUIG, based on the following:

Eligibility Requirements:

- Equity: A 20% equity contribution is required. The project developers indicate they will meet this requirement;
- Energy Star Certification: The developers indicate the project will achieve Energy Star certification.
- Location: The project is located within 1/8 of a mile of a designated major transportation corridor (Riverside Drive).

Public Benefit: Council awarded 50 Public Benefit Elements points, as follows:

- Affordable Housing units: 10 points for providing 5% (11 units) affordable residential units;
- Workforce Housing units: 20 points for providing 95% (231 units), workforce residential units.
- Green Building/Energy: *Energy Star certified*, 5 points.
- 20% non-residential, 5 points.
- Within the Sustainability Bonus area, 5 points.
- Brownfield Redevelopment, 5 point)

The developer has slightly altered the composition of the project, and needs an amended Land Use Incentive Grant approval from City Council. The proposed development now consists of 243 residential units, an increase of 34 units. The developer will continue to provide 5% affordable units, which increases the number of affordable units by one unit, to 12 units. The percentage of workforce units does not change, while the number of workforce units increases to 231.

Concurrently, the developer proposes to reduce the commercial square footage by approximately 20,000 square feet, reducing the total square footage to approximately 34,000 square feet. This reduces the total commercial space to 16% of the total development.

The developer requests that the Land Use Incentive Grant, as awarded by City Council, remain unchanged.

The project meets the following 2014-15 Strategic Plan Goals: (1) *Economic Growth and Sustainability*: The project contributes significantly to the objective of supporting a mixed use neighborhoods in the River Arts District. (2) *Affordability and Economic Mobility*: the project creates locationally efficient affordable and workforce housing;

The project meets applicable Master Plans in the following ways: (1) The project supports the goals of the *2009 City Transit Master Plan* by its location “along major transit corridors...”; and (2) The project supports the goals of the *2009 Sustainability Management Plan*, which calls for the City to encourage Transit Oriented Development.

Estimated maximum value of Land Use Incentive: The current assessed value of the property is \$501,800 (land only). The developer’s estimate of completed project taxable value is \$40,000,000, and has estimated the value on which the LUIG is made at 80% of that (\$32,000,000). The current annual city tax, based on current assessed value, is \$2,308. The annual estimated city tax post completion, based on the developer’s estimate of value is \$184,000. Thus, the estimated annual Land Use Incentive Grant would be \$144,891.72, the exact amount to be determined by the length, in years, of the grant award, and the actual assessed value of the development upon completion. If approved for 5 years, the estimated Grant would be \$724,458.60.

The estimated amount of fees payable for Zoning Permit, Building Permit, Driveway Permit, Grading Permit, Plan Review Fees and Water Service Connection Fee is \$81,806.40. The value of each 10% of the fee rebate would be \$8,181. The exact amount would be determined by the percentage of fee rebate awarded as part of the Land Use Incentive Grant. If approved at the 50 point level, the fee rebate would be \$40,903.20.

The project is also eligible for a State Brownfield Grant, which would provide a five year sliding grant equal to approximately \$823,000. This grant is also calculated from the taxes owed by the project, and is applicable to both state and county taxes. The developer requests that the City’s LUIG be applied to the amount not covered by the Brownfield Grant over the five year period, as opposed to equal payments over the requested five-year period. This would result in a grant disbursement that would increase annually over the five year term; and may lead to an extension of the grant period until the total maximum grant amount is paid.

Staff recommends that Council set a public hearing date on May 26, 2015, for a land use incentive grant agreement for 146 Roberts Street (RAD Lofts).

RESOLUTION BOOK NO. 37 - PAGE 121

I. RESOLUTION NO. 15-88 - RESOLUTION AUTHORIZING THE CITY MANAGER ENTER INTO A CONTRACT WITH PATTON CONSTRUCTION GROUP INC. FOR THE WESTOVER DRIVE STORM DRAINAGE IMPROVEMENTS CONSTRUCTION PROJECT

ORDINANCE NO. 4410 - BUDGET AMENDMENT FOR THE WESTOVER DRIVE STORM DRAINAGE IMPROVEMENTS CONSTRUCTION PROJECT

Summary: The consideration of a resolution authorizing the City Manager to enter a contract with Patton Construction Group, Inc. for the construction services necessary to complete the Westover Drive Storm Drainage Improvements; and the consideration of a budget amendment in the amount of \$250,289 from the Stormwater Operating Fund to fund the contract and a 15% contingency.

Currently there is not an existing storm drainage system along Westover Drive. Citizens in this area have been experiencing issues during heavy rainfall events with water over-topping an existing asphalt curb.

Within the scope of the project, Patton Construction Group will install approximately 1100 linear feet of new storm drainage infrastructure and install approximately 670 feet of curb. The area will be resurfaced following the installation of the new infrastructure.

The project was posted for bid on April 2, 2015. A mandatory pre-bid meeting was held with a moderate turnout on April 8, 2015. The bids were scheduled to be opened on April 16, 2015. Two bidders were all that showed up to the bid opening and the bids were not opened and returned to the contractors. Following the re-bid process, the bids were opened on April 29, 2015, and the following were the results:

Patton Construction Group, Inc.	565 Long Shoals Road, Suite 101, Arden, NC	\$385,675
NHM Constructors, LLC	PO Box 6385, Asheville NC	\$512,496.50

The City received bids from qualified contractors to perform the construction activity outlined in the approved documents for the Westover Drive Storm Drainage Improvement Project and the City of Asheville determined that Patton Construction Group, Inc and their bid of \$385,675 as the low responsive and responsible bidder.

Pros:

- Installation of a new storm drainage system in this area will prevent future roadway maintenance issues.
- Provides safe access for the citizens that visit this area.
- Moves forward with the goals of the Stormwater Utility program to make capital investments through projects.

Con:

- Construction will be disruptive to the area for approximately 3 months.

The total amount of the contract is \$385,675. Adding in a 15% contingency (\$57,851) brings the total required budget to \$443,526. A budget of \$200,000 was approved for this project in FY 2013-14 in the Stormwater Capital Project Fund, and some initial engineering work was charged to the project in that year. There is currently a balance of \$193,237 remaining in the project. In order to fund the construction contract and the 15% contingency, a budget amendment is required in the amount of \$250,289. Funding for the budget amendment will come from the existing Stormwater Operating Fund budget (pay-go transfer). The FY 2014-15 Stormwater Operating Fund budget includes approximately \$575,000 for planned contracted construction projects. The \$250,289 in additional funding for Westover Drive part of that budget amount and is included in the year-end expenditure estimates for the Stormwater Fund.

City staff recommends City Council approve a resolution authorizing the City Manager to enter a contract with Patton Construction Group, Inc for the construction services necessary to complete the Westover Drive Storm Drainage Improvements for \$385,675 and to enter into change orders to this contract not to exceed an additional 15% of the original contract or \$57,851; and a budget amendment in the amount of \$250,289 from the Stormwater Operating Fund to fund the contract and a 15% contingency.

RESOLUTION BOOK NO. 37 - PAGE 122
ORDINANCE BOOK NO. 29 - PAGE 461

J. RESOLUTION NO. 15-89 - RESOLUTION RE-AFFIRMING THE AUTHORIZATION OF THE EXECUTION OF A LICENSE AGREEMENT FOR AN ENCROACHMENT IN NORTH FORK WATERSHED

Summary: The consideration of a resolution re-affirming the authorization of the execution of a license agreement for an encroachment in North Fork Watershed.

In 2001 City Council adopted Resolution No. 01-10, authorizing the City Manager to execute a license agreement for encroachment on real property owned by the City. Leigh and Katherine Kimmel own real property adjacent to, but downstream from the North Fork reservoir spillway. A fence separates the two properties. The Kimmels property line stops far short of the fence, indicating either that (a) the fence is set back within the City's property line or (b) that there is a gap in the two properties. Without a survey of the City's property, there is no definitive answer.

Ms. Kimmel desires to list her property with a Real Estate Agency and has been informed that in order to do so, a copy of the executed license is needed. According to Ms. Kimmel, neither she nor her attorney has a copy of the executed license agreement. Based upon a thorough search of City files, an executed license agreement could not be located. It is believed that due to oversight, the license agreement was never executed.

The City's Water Resources Director, Real Estate Manager and City Attorney are in concurrence that a resolution re-affirming the authorization of the execution of a license agreement for an encroachment in the North Fork Watershed is appropriate.

City staff recommends City Council adopt a resolution re-affirming the authorization of the execution of a license agreement for an encroachment in North Fork Watershed.

RESOLUTION BOOK NO. 37 - PAGE 123

K. RESOLUTION NO. 15-90 - RESOLUTION AUTHORIZING THE CITY MANAGER TO IMPLEMENT A FARE-FREE DAY DURING THE STRIVE NOT TO DRIVE WEEK FOR FISCAL YEAR 2015 AND FISCAL YEAR 2016

Summary: The consideration of a resolution authorizing the City Manager to implement a fare-free day to promote transit during the Strive Not To Drive Week in Fiscal Year 2015 and Fiscal Year 2016.

Twenty-five years ago Bike to Work Day was launched in Asheville. Over the years this event evolved into Strive Not To Drive (SNTD) Week focusing more broadly on a variety of transportation alternatives to the single-occupant car, including carpooling, walking, and public transit.

SNTD Week is an annual event encouraging people to avoid driving their car for a day or part of a day in order to experience the benefits and opportunities of walking, bicycling, riding the bus, carpooling, telecommuting, etc. The SNTD week occurs usually during the month of May.

Every year the Transit Subcommittee of the SNTD Committee offers commuters a Riders Appreciation Day, which includes breakfast at the Transit Station and free fare for the day.

This action has been endorsed by the Transit Subcommittee and the Multimodal Transportation Commission.

Pros:

- The fare-free day would help promote the Strive Not To Drive activities.

- Fare-free day during the SNTD week would show appreciation for transit system's core riders.
- The free fare would potentially attract new riders.

Con:

- The system would lose about \$2,200 in revenue per year.

The system would lose about \$2,200/year in revenue from current riders.

Staff recommends a resolution authorizing the City Manager to implement a fare-free day for Fiscal Year 2015 and Fiscal Year 2016 as part of the Strive Not To Drive activities to promote transit use and reward core riders.

At Councilman Smith's suggestions, it was the consensus of Council that in Fiscal Year 2016 staff investigate a fare free month.

RESOLUTION BOOK NO. 37 - PAGE 124

L. RESOLUTION NO. 15-91 - RESOLUTION AUTHORIZING THE PURCHASING MANAGER TO DISPOSE OF SURPLUS CITY-OWNED PERSONAL PROPERTY (JOHN DEERE 450J BULLDOZER) VALUED AT \$30,000 OR MORE

Summary: The consideration of a resolution authorizing the sale of one (1) John Deere 450J Bulldozer deemed surplus City personal property.

The City's Water Resources Department, Division of Maintenance, identified a John Deere 450J Bulldozer, as surplus personal property, with no anticipation of utilization by the City. Pursuant to N.C.G.S. §160A-266, the Sale and Disposal of Personal Property valued at \$30,000 or more must be approved by City Council. The City's Purchasing Manager has authority to dispose of personal property valued at less than \$30,000 by private negotiation and sale. The estimated blue book value of the John Deere 405J Bulldozer is listed at \$35,000. Bids were solicited and received from several potential purchasers. The final bid amount at the close of the Auction on Sunday, April 19, 2015, was \$55,400.00. City Council is being asked to approve the sale of the Bulldozer for \$55,400.00.

Pros:

- Promotes City of Asheville fiscal responsibility of disposing of surplus property which generates revenue.
- Space utilization eliminates the need to store large, unused equipment.
- Competitive process yielded market price, statute contemplates.

Con:

- None

The bulldozer is fully depreciated and the Water Resources Fund will recognize the entire \$55,400 as revenue from the sale of assets.

City staff recommends City Council adopt a resolution approving the sale of the John Deere 405J Bulldozer to the prospective purchaser for the amount of \$55,400.

RESOLUTION BOOK NO. 37 - PAGE 125

M. ORDINANCE NO. 4411 - BUDGET AMENDMENT TO BUDGET PROCEEDS RECEIVED FROM THE SALE OF THE FERRY ROAD PROPERTY AND THE

SUBSEQUENT PAYMENT OF THE CITY'S PROCEEDS TO BUNCOMBE COUNTY

Summary: The consideration of a technical budget amendment in the General Fund in the amount of \$3,407,477 to budget proceeds received from the sale of the Ferry Road property and the subsequent payment of the City's proceeds to Buncombe County.

At its April 14, 2015, meeting, City Council approved a resolution authorizing the Mayor to execute any and all documents necessary to amend the Interlocal Agreement with Henderson County and to effectuate the sale of property on Ferry Road to Buncombe County. As per the terms of the Interlocal Agreement, the City's share of the proceeds from the sale of the property, which totaled \$3,407,477, were wired to Buncombe County on May 4, 2015.

Accounting and financial reporting best practices and fiscal transparency dictate that the incoming and outgoing funds be recorded on the books as revenue and expense. The budget amendment will provide the necessary budget authorization for the transaction.

Pros:

- Provides budget authorization for the transfer of land sale proceeds to Buncombe County.
- Conforms the City's financial records with generally accepted accounting and reporting standards.

Con:

- None.

This amendment will increase the FY 2014-15 revenue and expense budget in the General Fund by \$3,407,477; however there is no net fiscal impact to the budget.

City staff recommends City Council adopt the technical budget amendment in the General Fund in the amount of \$3,407,477 to budget proceeds received from the sale of the Ferry Road property and the subsequent payment of the City's proceeds to Buncombe County.

ORDINANCE BOOK NO. 29 - PAGE 463

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

Mayor Manheimer 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.

Councilwoman Wisler moved for the adoption of the Consent Agenda. This motion was seconded by Councilman Bothwell and carried unanimously.

III. PRESENTATIONS & REPORTS:

A. LEGISLATIVE UPDATE

Mayor Manheimer highlighted Council on some the following current bills with potential impact on the City of Asheville budget: Sales Tax Redistribution; Stormwater Management to Private Property; Privilege License Tax; Historic Preservation Tax Credit; and Revisions to Outdoor Advertising Laws.

IV. PUBLIC HEARINGS:

A. PUBLIC HEARING TO CONSIDER CONDITIONAL ZONING OF GREYMONT VILLAGE APARTMENTS LOCATED ON SARDIS ROAD FROM INDUSTRIAL DISTRICT AND COMMERCIAL INDUSTRIAL DISTRICT TO RM-16 RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT/CONDITIONAL ZONING FOR THE CONSTRUCTION OF A MULTI-FAMILY APARTMENT DEVELOPMENT, WITH CONDITIONS REGARDING ACCESS AND LOT FRONTAGE

ORDINANCE NO. 4412 - ORDINANCE TO CONDITIONALLY ZONE GREYMONT VILLAGE APARTMENTS LOCATED ON SARDIS ROAD FROM INDUSTRIAL DISTRICT AND COMMERCIAL INDUSTRIAL DISTRICT TO RM-16 RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT/CONDITIONAL ZONING FOR THE CONSTRUCTION OF A MULTI-FAMILY APARTMENT DEVELOPMENT, WITH CONDITIONS REGARDING ACCESS AND LOT FRONTAGE

Urban Planner Jessica Bernstein said that the applicant is requesting conditional zoning for a portion of a single parcel from Industrial (IND) to Residential Multi-family High Density Conditional Zoning District (RM-16 CZ), in accordance with Section 7-7-8 of the UDO with conditions regarding access and lot frontage. The conditional zoning request is for the construction of a multi-family apartment complex. This is a revision to the earlier proposal, which was heard by City Council on September 9, 2014, but no action was taken at that time. This public hearing was advertised on February 13 and 20, 2015. She explained that this project came before City Council on September 9, 2014, at which time the public hearing was continued. On February 4, 2015, the project went before the Planning & Zoning Commission. The revised public hearing notice was advertised on February 27 and March 6, 2015. On March 10, 2015, the applicant requested the public hearing be continued until this date.

She said that the amended proposal for the Greymont Village Apartments is nearly identical to the original submittal reviewed by City Council on September 9, 2014. Details such as number of buildings, number of units, etc. have not changed.

The revision:

- Reduces the size of the proposed area for development from 11.8 acres down to 9.3 acres.
- The amount of open space and tree save area required subsequently decreases.
- The remaining 2.5 acres of the current parcel are proposed to be recombined with the adjacent land fronting on Sardis Road (Industries for the Blind - IFB) and remain zoned Commercial Industrial and Industrial.
- The area eliminated from the original conditional application is primarily the “flag pole” of the parcel, which provides the only lot frontage for the project area. The requested zoning district, RM-16, requires a minimum of 50 feet of frontage on a public street or private street built to City standards – neither of which are provided by Greymont Lane.
- The proposal’s future recombination results in a “land-locked parcel” which would require a condition by City Council. Lot frontage along a public street is required in order to maintain safe access to residential properties.
- The flag pole portion of the lot is encumbered by a Progress Energy transmission line easement and that frontage along Sardis Road was never shown as an access point into the project in the previous submittal, so the proposed amendment is not different in terms of access nor does it reduce access to the site. The single point of egress and ingress remains from Greymont Lane.
- Should this project be approved, staff recommends that a dedicated right-of-way or easement be established along Greymont Lane to ensure access by the public and residents to the portion of the development within the City limits (similar to the provisions

for access to non-residential uses on lots without frontage found in Section 7-11-2(k) of the UDO). The Planning & Zoning Commission included this condition in their recommendation. Additional standards and details recommended by staff regarding this condition are included in the staff report and suggested conditions of approval.

- The amendment leaves more land for future expansion of the IFB site. Previously, significant area would have to be reserved for property line buffers along the pole and to the rear of the building. This amendment has the potential to benefit future industrial expansion.
- The applicant has added an addendum to their purchase agreement with IFB regarding potentially reserving and upfitting residential units for employees, providing those units at a reduced rate and possibly providing an walking trail between the two uses. While these commitments are positive and beneficial to the IFB employees, they are not directly aligned with the City's goals and objectives towards affordability and are not securable or able to be monitored by the City.

Because of the reasons stated further in the staff report, based on preserving Industrially-zoned land and locating residential uses in areas with residentially-supportive infrastructure, staff maintains a recommendation not to support this requested conditional zoning.

As described above, the current proposal is essentially the same as the previous plan with the exception that only a portion of the parent parcel is now considered in the rezoning application, which reduces the overall project size and results in a project site lacking frontage on a public road or a road built to City standards (see section on conditions in this staff report for more detail).

The overall project location straddles the City of Asheville / Buncombe County line and consists of a total of approximately 38.6 acres (*previously 41.1 acres*). The extent of the project proposed within the City limits is a portion of a single parcel (PIN 9617.90-3637), approximately 9.3 acres in size. The original submittal, heard by Council in 2014, included the entire parcel rather than just a portion of the parcel as in the current revision. The parent parcel is split-zoned with a small part Commercial Industrial and the bulk (including the entire project area) zoned Industrial. The parent parcel (11.8 acres) is a "flag lot" with approximately 123 feet of frontage along Sardis Road; the "pole" (zoned CI) contains a 70 foot wide Progress Energy transmission line easement and will not be included.

Adjacent zoning includes CI to the north, IND to the east and County zoning to the west (EMP) and south (R3). The (City) site is currently owned by Industries for the Blind, with their use adjacent, located on Sardis Road. Other nearby uses include multiple car dealerships and light industrial uses (metal roofing, plastic manufacturing), the forestry service offices/garage and a truck rental business.

The multi-family apartment complex development proposes a total of 356 units in 14 residential buildings and one community building with 676 parking spaces throughout the site. The City and County portions are divided by a stream running through the site (with existing wetlands and a required 30 foot buffer area).

Buncombe County approved the project as a Conditional Use Permit in 2008; however those approvals lapsed. The proposal was re-approved by Buncombe County in 2014.

Within the City of Asheville jurisdiction, the project includes four buildings containing 108 units: one building is 3-stories and three buildings are a ¾ split configuration and all have a maximum height of 30.5 feet (44'3" to the top of the roof peak). Plans propose a mix of 1-bedroom (24 units), 2-bedroom (60 units) and 3-bedroom (24 units) layouts.

Vehicles access the site from Greymont Lane, which is within the Buncombe County jurisdiction and is proposed to be improved to 20 feet of pavement. No secondary access point is

proposed. Greymont Lane does not have an associated right-of-way.

Greymont Lane circles through the site and into the COA portion of the project, terminating in a parking area with a total of approximately 192 parking spaces, including six accessible spaces. Also, 10 bike parking spaces are provided, distributed among the buildings.

There are no sidewalks shown along the access road (Greymont Lane). There are internal walkways within the site, linking the parking area and buildings.

Landscaping is required for this project and includes parking lot landscaping, building impact landscaping and tree save area. There is a significant area of the site that will not be disturbed due to a required stream buffer and existing vegetation within this area may be used to satisfy some landscaping requirements if needed.

Fifteen percent of the total lot area is required to be dedicated as open space, which would be approximately 60,517 square feet (*previously 76,909 square feet*) for this site.

There are two retaining walls on the City's portion of the site, showing a maximum height of 17 feet. Aesthetic treatment or landscaping is required for all walls over eight feet in height, according to Section 7-10-5 of the UDO.

Conditions:

- Lot Frontage and Access – Section 7-8-7 of the UDO requires that all lots in the RM-16 zoning district have a minimum of 50 feet of road frontage along a City street or a street built to City standards. In the previous proposal, the “flag pole” portion of the parent parcel provided the necessary lot frontage along Sardis Road (although no access was proposed from Sardis Road). The amendment seeks to eliminate that portion of the lot from the project and would thereby eliminate the lot frontage once a recombination is undertaken.

Also, section 7-11-2(j)(1)a. contains the same statement requiring residential lots to have frontage on a public street or approved private street built to City standards for access. Staff has recommended that if approved, the project should include a dedicated 45 foot easement or right-of-way following Greymont Lane as shown on plans. The easement or right-of-way must consist of 20 feet of pavement, containing curb and gutter and conform to all other specifications as required by the City Transportation, Public Works and Fire Departments. The easement or right-of-way must specifically allow ingress and egress to and from the project site within the City's jurisdiction by residents, the public and all emergency and service vehicles, across the property located in the County's jurisdiction and as indicated on plans. If these requirements are met, the project would not be required to directly abut a City street or private street built to City standards.

The previous proposal was approved with conditions by the Technical Review Committee on July 21, 2014, by the Planning & Zoning Commission on August 6th and initially reviewed by City Council on September 9, 2014, but continued at that meeting after some discussion. No vote was taken.

When the project was amended to reduce the size of the area considered in the conditional zoning, this request returned to the Planning & Zoning Commission on February 4, 2015. The Commission voted to support the application by a vote of 5-2 and included a condition that the applicant provide a 45-foot easement or right-of-way (along Greymont Lane) to satisfy access and frontage concerns. The applicant agreed to the general condition of a 45-foot easement but the specifics suggested above and in the staff recommended conditions have not been agreed to by the applicant as of the writing of this report.

Staff has received contact from a representative of the other business that depends on Greymont Lane for access (PolyLINKS). Their comments were not in support of this project due to the significant traffic increase on a small access road (Greymont Lane) and a preference to have complementary industrial neighbors to their industrial use, to support and sustain the employment and production efforts for the region.

The proposal requires a change in zoning due to the fact that the maximum residential density in the Industrial district is only 2 units per acre and would result in only approximately 24 units allowed on the City portion of the site. The current proposal for 108 units on 9.3 acres is approximately 11.6 units per acre.

Reducing the project size leaves more land for potential future expansion of the Industries for the Blind (IFB) site. With the previous proposal to rezone the entire flag lot, significant area would have to be reserved for required property line buffers along the flag pole and to the rear of the IFB site which would greatly reduce the area available for expansion. This amendment has the potential to benefit future industrial expansion along Sardis Road.

However, it is not permitted by-right to create a lot non-conforming due to access and frontage standards for residential development, which this project would seek to do with the eventual subdivision of land and recombination of the remainder with the IFB parcel. Lot frontage along a public street is required in order to maintain safe access to residential properties.

The applicant contends that the site is not suited to an industrial use due to the access and constraints on the buildable area due to stream buffers. Staff finds that a parcel of this size, access and topography is not unsuitable for uses allowed in the Industrial zoning district, based on an analysis of existing industrial parks throughout the City and Buncombe County. There are a variety of sizes of sites currently active with industrial uses across the region, ranging from less than one acre up to 19 acres, with varying topography and with similar access on two and three-lane roads. Also, "industrial" uses are constantly changing and are not only the typical, historical manufacturing operations often thought of with the term "industrial zoning." There is a wide breadth of lower impact manufacturing and technologically industrial uses that could be well suited for this location.

The most applicable zoning actions related to this project are not necessarily geographically-related but more so of a similar zoning nature. However, notable projects in the area include the Franklin School of Innovation (Level I); the Buncombe County Intermediate School and the larger piece of this residential development within the County.

Relating to zoning, most recently City Council approved a conditional rezoning from IND to RM-16 for the development of a multi-family apartment complex on Sweeten Creek Road (The Avalon; 5-2 vote, February 2014). While this request was ultimately approved by City Council, it was not without considerable discussion regarding balancing the loss of industrially-zoned land and the need for projects to meet City goals on residential density and affordability.

Zoning and uses adjacent to this site include CI to the north (vacant parcel, metal roof manufacturing, heating and cooling contractor); IND to the east (Industries for the Blind); Buncombe County R3 to the south (vacant, proposed extension of this residential development) and Buncombe County EMP to the west (Progress Energy sub-station). Along the northwest property line is a 70 foot wide high power transmission line easement. The current uses in the immediate vicinity are not definitively incompatible with a residential development; however the context is generally thought of as having a low level of compatibility. The character of the area is largely commercial and industrial.

The proposed development is located back off of Sardis Road behind and among industrial and manufacturing uses and bordered by the transmission line mentioned previously. There are no sidewalks proposed along Greymont Lane and no sidewalks existing along Sardis

Road either as well as no transit options either. When staff is evaluating the suitability of an area for a new use, the analysis includes examining factors such as whether or not there is residential infrastructure or amenities that would be found in a typical residential area and the answer is no, not at this time. Outside of the immediate area there are neighborhoods and residentially-supported community uses (library over a mile away, proposed intermediate school approximately 0.5 mile away, Buncombe County Sports park over two miles away) however the lack of sidewalks or transit is not conducive to safe pedestrian or bike access to these uses.

Ultimately, because of the existing non-residential nature of the immediate vicinity, the proposed use is not considered to be compatible with the location. Even with the construction of the County-portion of the project, staff does not believe that this is an appropriate and harmonious location for a residential development at this time.

One of the smart growth principles in the Asheville City Development Plan 2025 highlights the importance of [infill] development where infrastructure can be easily provided. Also there are comments within the Plan relating to schools as "places of...important neighborhood and community centers." There are two new schools proposed in close proximity to this site. However, the Plan does stress the importance of linking residential neighborhoods, schools and residential amenities with safe pedestrian and bike access and this location is lacking in that regard.

Also in the Plan is a recommendation for residential projects to have a higher density, especially able to support transit and the future expansion possibilities of the Asheville Regional Transit system (currently no City transit routes run along Sardis Road). This proposal is at just around 11 units per acre for the site which is at the low end of the minimum density determined as necessary for optimum transit performance and doesn't maximize the density potential for the site.

Affordable housing options are highlighted throughout the Plan as a strong community need; and as of the writing of this report, no dedicated affordable or workforce rents are proposed. The addendum provided by the applicant indicates an intent to provide units at a reduced rate for employees of the IFB, however there is no clear and stated information on rates or duration of dedication provided and this is not securable or able to be monitored by the City. Additionally, the applicant has indicated that the rents will be lower than the workforce rates determined by the City; however, they remain unwilling to dedicate units as such.

One of the City of Asheville's adopted Smart Growth Land Use policies noted in the Plan states that Industrially zoned land should be reserved for industrial purposes and not lost to lower density development. The proposed conditional rezoning does not comply with this policy. Additionally, the Sustainable Economic Development Strategic Plan (2000) notes that the shortage of industrial sites within the City as an area of potential concern, stating that the City should seek to ensure the availability of suitable sites will meet the business needs of the City into the future. Staff's analysis is that the size, access and slopes/encumbrances on this site are comparable to other industrial areas and do not impede its suitability for industrial uses.

City Council's adopted goals for 2014-2015 stress expanding Asheville supply of affordable housing and maintaining a high quality of life for residents. This project does not offer any dedicated affordable units and there is some question as to whether locating residential uses in an area surrounded by non-residential and industrial uses is the most ideal location to enhance quality of life. City Council has a goal on expanding the supply of housing and this proposal does not maximize the residential density in the proposed zoning district. Additionally, one of Council's strategic goals is to support economic growth and this rezoning would be a loss of scarcely available industrial land; a loss of land on which to locate a business that has the zoning in place to attract private investment and create jobs.

Based on the above findings and the analysis provided in the report and as stated in the recommendation below, staff does not find this request to be reasonable, consistent with the comprehensive plan or within the best public interest.

Considerations:

- The Comprehensive Plan, as well as the Sustainable Economic Development Strategic Plan, includes a stated policy to preserve Industrially-zoned land for industrial uses and ensure the availability of sites for future business needs. Staff's analysis has found that the size of and access to the site is not inconsistent with other industrial sites through the City and that industrially-zoned land should be retained as the nature of "industrial uses" changes over time.
- The application does not propose to dedicate any units as affordable, which is a clearly stated goal for the City. The addendum information provided by the applicant is not measurable or securable by the City in terms of affordability.
- Staff has concern regarding locating a residential development in an area lacking in transit, pedestrian and bike access or other typical residential area amenities.
- The amended proposal will continue with a subdivision to create a lot that is non-conforming due to frontage which is typically not permitted for a residential use. If the applicant agrees to the specific conditions regarding the access along Greymont Lane, the concern would be mitigated.
- The project preserves sensitive environmental area through the stream buffer.
- The amended proposal reserves additional land for the IFB site, improving their potential to expand in the future.
- There are two new schools proposed in the vicinity and residential amenities nearby, which this proposal could support (*however there is not safe pedestrian or bike access along Sardis Road nor transit*).
- The larger portion of the overall project has been approved by the County, which would bring residential into this industrial area regardless of City support.

Based on policies stated in the Comprehensive Plan and other plans, as well as direction provided by City Council in recent policy discussions, staff cannot recommend support of the proposed rezoning. With the concern over the loss of Industrially-zoned land for a proposal that does not substantially align with City Council's adopted strategic plan goals, the basis for support is low.

However, both the Planning and Zoning Commission and City Council have supported similar rezoning actions in the past. The Commission and City Council may consider this rezoning independent of the existing policies. While staff still does not support approval, should the Commission and Council decide otherwise, staff strongly recommends that the *affordable component be revised to align with the City's measurable processes; that a specific number of units are reserved and dedicated for visually-impaired residents; that the applicant provide a suitable walking path for the visually-impaired residents between the development and the IFB; that the buildings on the City portion meet sprinkler requirements in NFPA 13; and that a dedicated right-of-way or easement for access by emergency and service vehicles, the public and residents of the development be secured along Greymont Lane (as described in the condition earlier in this report)* in order to allow the application to further some important City policies and the public interest.

The applicant has agreed to the following additional conditions (1) that all units will be offered at the workforce maximum or lower for a minimum period of five years. The workforce rent limits are according to income standards determined by the City of Asheville Community Development Department; (2) that access will be by a 45-foot easement or right-of-way constructed to City standards, including 20 feet of pavement, the installation of curb and gutter, and all other specifications as required by the City Transportation and Public Works Departments;

and (3) the owner shall offer rental of units to employees of the Industries for the Blind at a discount of 5% from otherwise applicable rates, for a period of five years.

During discussion, Ms. Bernstein responded to various questions/comments from Council, some being, but are not limited to: why are they rezoning only part of the property; what will happen to the flag lot property; how much of the area can be built on for an industrial use; and who would be the first responder in the case of a fire - the City or Enka-Candler Fire Department.

In response to Councilman Bothwell, Fire Chief Scott Burnette explained the difference between the NFPA 13-R vs. NFPA 13 standards for sprinklers. He said a project of this type would normally require a 13-R (which is one level of sprinkler protection) if it has two means of access/egress. Since this project only has one access/egress, the Code requirement is to have a 13. The Code allows the Fire Code Official to grant only one means of access/egress if there is a higher level of fire protection. What he is recommending is a NFPA 13 (higher level of sprinkler protection). He feels comfortable with only one access/egress if there is a higher level of sprinkler protection. He further explained that the two means of access/egress is for first responders to get in quickly and not be bottlenecked up with residents trying to get out from the emergency.

Mr. W. Louis Bissette, attorney representing the developer, explained that they have reduced the size of the proposed area for development from 11.8 acres down to 9.3 acres and of that, there is only 5.05 acres that is buildable. He explained why didn't feel that it would be economically feasible for a small industrial site. He said the remaining 2.5 acres of the current parcel are proposed to be recombined with the Winston-Salem Industries for the Blind (IFB) property. He reiterated that the developer and IFB have signed an addendum to agreement for purchase and sale of real property stating that (1) Buyer shall reserve at completion, an unlimited number of units in the proposed Greymont Apartment Complex for employees of the Asheville, North Carolina, location; (2) these units shall be upfitted by Buyer at Buyer's expense to "blind and visually impaired friendly" status, as mutually agreed to by Buyer and Seller; (3) all units properly reserved shall be leased at a five percent discount from Buyer's standard rental rate; and (4) Buyer shall construct at Buyer's expense a mutually acceptable walking trail from the Greymont Apartment Complex to the IFB-Asheville plant, provided that at least five units are leased by IFB-Asheville. This project meets one of the City's goals to provide affordable and accessible housing or special needs households. The County's portion of this project has already been approved by the Buncombe County Commissioners with the NFPA 13-R rating. To provide NFPA 13 rating to the buildings on the City's portion will add a tremendous cost to the project. He stressed that this area needs multi-family housing and asked for City Council's support.

Mr. Patrick Bradshaw, representing Civil Design Concepts, explained that they will be upgrading Greymont Lane to City standards. He felt the life safety aspects of NFPA 13 vs. 13-R are not different. All occupied spaces are just as sprinklered. The context of construction is an almost brick exterior which is a very low fire hazard. The County Fire Marshal recognizes that NFPA 13-R is amenable to the County, who has the predominance of the units.

Councilman Bothwell felt that since several units will be rented to blind people that the developer would want a high safety factor. He felt that Fire Chief Burnette's suggestion for NFPA 13 standards is reasonable.

Mr. Randy Buckner, Director of Operations for IFB, explained that blind people are very mobile during evacuation periods. He supported the project in that (1) they have currently over 20 employees that would be interested in living at the Greymont Apartments; (2) savings for those employees of transportation costs and commute time; (3) it will save the City and County money on subsidizing the transportation costs through Mountain Mobility for IFB employees; (4) the developer will give the employees a 5% discount on the rent; (5) the property will probably not be sold for many years if it remains industrially zoned; and (6) IFB has retained enough property for

future expansion. He felt this will help fill some of the rental property needs in Asheville and asked Council to support the project.

Given the average salary of IFB employees, Councilman Pelly questioned if employees will be able to live in the apartments.

There was a brief discussion regarding an e-mail from Mr. Ben Teague, Vice-President of Economic Development for the Chamber of Commerce, who said that this property is totally non-competitive and supported the rezoning. Mr. Buckner said sale of the property will allow them to finish their work on their capital campaign projects to improve the quality of life for their employees.

In response to Councilwoman Wisler, Mayor Manheimer felt, and it was the consensus of Council, that the City didn't need to include conditions that were already in the Addendum to the Agreement between the developer and IFB.

Mayor Manheimer opened the public hearing at 6:20 p.m.

Ms. Betty Ford, employee of IFB, supported this proposal because she and her husband would like to live in one of the apartments to save on their transportation costs which range from \$200-240 a month.

The Controller at PolyLINKS said that her company and these proposed apartments will both access Greymont Lane. Their concerns range from an increase of traffic on Greymont Lane to their preference to have complementary industrial neighbors to their industrial use, to support and sustain the employment and production efforts for the region. A separation of residential and industrial is generally preferred by both parties. Often residents will complain about noise, lighting, smell, etc. from industrial. The company runs three full-time shifts, but not on Sunday.

Mayor Manheimer closed the public hearing at 6:25 p.m.

Councilman Smith felt there may be some opportunities for this industrial site that have not been explored and holding onto industrial sites is going to be important. He totally supported IFB, but felt that offering rental units at a discount for a period of five years is not meaningful.

Vice-Mayor Hunt felt that if the parcel had been divided prior to assigning zoning districts in the Unified Development Ordinance, the subject parcel might not be zoned institutional. If the property remains industrial, it might be years before the IFB could realize any proceeds on the property they do not intend to use. Regarding affordability, most developers need a bottom line rate of return out of their development and if they blend in 10% of the units as affordable, the likely affect is the other 90% of the units have rent rates increased to offset the 10% affordable. In this case where all units are workforce, if we condition 10% affordable, he felt the workforce units would be slightly less affordable. The way a project impacts our need for affordable housing across the community is very complex and he felt that adding the 108 units at workforce level for five years is a plus for affordable housing in this community. He was, however, concerned about the fire protection aspect.

Councilman Bothwell felt we are (1) granting an exemption on the lot frontage; (2) not taking the Fire Chief's suggestion regarding fire protection; (3) introducing residential into an area surrounded by industrial uses; and (4) not taking into account the nearest neighbor with reasonable objections to the project. He felt that if the property is developable as a residential pad then it is developable as an industrial pad.

Vice-Mayor Hunt moved to approve the conditional zoning request for Greymont Village Apartments on Sardis Road from Industrial to Residential Multi-family High Density-CZ based on the site plan and conditions agreed upon by the applicant, and find that the request is reasonable,

is in the public interest and is consistent with the Comprehensive Plan and other adopted plans, in the following ways: (1) the project adds needed residential rental units in the City; (2) the project will preserve a sensitive environmental area through the stream buffer; and (3) the project supports affordability of housing in the community. This motion was seconded by Councilman Davis and carried on a 4-3 vote, with Councilman Bothwell, Councilman Pelly and Councilman Smith voting "no".

ORDINANCE BOOK NO. 29 – PAGE 465

B. PUBLIC HEARING TO CONSIDER AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR POLYLINKS

RESOLUTION NO. 15-92 - RESOLUTION APPROVING AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR POLYLINKS

Economic Development Specialist Brenda Mills said that this is the consideration of a resolution to approve a \$31,000 economic development incentive grant for PolyLINKs. This public hearing was advertised on May 1, 2015.

This is the consideration of an economic incentive grant under the City of Asheville Economic Development Incentive policy. PolyLINKS Inc. is an existing precision metal working company (in the formerly owned Citizen-Times Production Plant on Sardis Road) and they have proposed expansion of their building. The company is investing \$1.1 Million in building upgrades and \$1.2 Million in machinery & equipment, for a total of \$2.3 Million.

The expansion will add 12 new jobs with an average annual wage of \$42,557 to the existing 17 employees at the company. These jobs range in hourly salaries from \$10.00/hour to \$26.00/hour (average hourly salary is \$20.46/hour) with only one job at the \$10/hour range. All employees are provided health benefits by the company.

PolyLINKS Inc. has requested consideration of a performance-based incentive grant under the City of Asheville Economic Development Incentive policy. The performance based grant for PolyLINKS Inc. for this project is an amount not to exceed \$31,000, to be paid in annual installments for a period of up to five years; subject to compliance with an Economic Development Performance Agreement between the City and PolyLINKS. Payments begin after the investment is made, taxes are paid and verified, and the company requests payment.

The City will fund the payments from the general fund. The grant supports the decision by PolyLINKS Inc. to expand in Asheville with the creation of 12 new jobs.

Pros:

- Performance driven grant that is distributed after job and investment is achieved or mutually agreed performance bench marks are established;
- Supports job creation and capital investment in Asheville;
- Supports regional and state cooperation in the project.

Con:

- None

The project has an overall positive fiscal impact on tax revenues received by the city. Initially (during the grant period), the City will receive a portion of the new incremental property tax revenues from the project. After 5 years, the City will henceforth receive 100% capture of new city taxes. As noted above, the City of Asheville performance-based grant amount will not exceed \$31,000 in total.

City staff recommends Council approve a resolution authorizing an economic development incentive grant for PolyLINKS Inc. not to exceed \$31,000.

Mayor Manheimer opened the public hearing at 6:40 p.m. and when no one spoke, she closed the public hearing at 6:40 p.m.

Councilman Smith felt that in the future we need to support grants that provide greater than average wages.

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

Councilwoman Wisler moved for the adoption of Resolution No. 15-92. This motion was seconded by Councilman Bothwell and carried unanimously.

RESOLUTION BOOK NO. 36 – PAGE 126

C. PUBLIC HEARING TO CONSIDER AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR HI-WIRE BREWING

RESOLUTION NO. 15-93 - RESOLUTION APPROVING AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR HI-WIRE BREWING

Economic Development Specialist Brenda Mills said that this is the consideration of a resolution to approve a \$25,000 economic development incentive grant for Hi-Wire Brewing. This public hearing was advertised on May 1, 2015.

This is the consideration of an economic incentive grant under the City of Asheville Economic Development Incentive policy. Hi-Wire Brewing is an existing craft brewery which began in 2013. Their continued growth has prompted the company to invest \$1.62 million over the next 3 years in a new 26,000 square foot brewing facility and equipment in the historic Biltmore Village area.

The company will create 15 new jobs over a period of 3 years with an average wage per year is \$34,000. These jobs range in annual salaries from \$28,000 to \$37,000. The company provides 50% of coverage for health insurance and other benefits to employees.

The City's incentive policy would justify an incentive grant of \$25,000 to the company. The grant would be subject to a performance agreement with the City, and would be paid in five annual installments, \$5,000 a year. Payments begin after the conditions of the performance agreement are met, the annual property taxes are paid by the company and verified by the City that company has made the required investment and that investment goes on the tax rolls and the company requests payment.

The City will fund the payments from the general fund. The grant supports the decision by Hi-Wire Brewing to expand in Asheville with the creation of 15 new jobs.

Pros:

- Performance driven grant that is distributed after job and investment is achieved;
- Supports job creation and capital investment in existing industry in Asheville;
- Supports development of an identified economic cluster in the City; and,
- Supports regional and state cooperation in the project.

Con:

- None

The project has an overall positive fiscal impact on tax revenues received by the city. Initially (during the grant period), the City will receive a portion of the new incremental property tax revenues from the project. After five years, the City will henceforth receive 100% capture of new city taxes.

City staff recommends Council approve a resolution authorizing an economic development incentive grant for Hi-Wire Brewing not to exceed \$25,000.

Mayor Manheimer opened the public hearing at 6:44 p.m.

Mr. Adam Charnack, representing Hi-Wire Brewing, said they have already hired 10 new employees and thanked City Council for their support.

The Controller from PolyLINKS spoke in support of Hi-Wire Brewing and their work with charities.

Mayor Manheimer closed the public hearing at 6:47 p.m.

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

Councilman Smith moved for the adoption of Resolution No. 15-93. This motion was seconded by Councilman Davis and carried unanimously.

RESOLUTION BOOK NO. 36 – PAGE 127

D. PUBLIC HEARING TO CONSIDER CONDITIONAL ZONING FOR PROPERTY LOCATED AT 53 LOGAN CIRCLE FROM RM-8 RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY DISTRICT TO RM-16/CZ RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT/CONDITIONAL ZONING FOR THE CONSTRUCTION OF 16 TOWNHOME UNITS, WITH CONDITIONS REGARDING SETBACKS, SIDEWALKS AND INFRASTRUCTURE IMPROVEMENTS

Mayor Manheimer announced that this item has been removed from consideration at this meeting and will be rescheduled.

E. PUBLIC HEARING TO CONSIDER AN AMENDMENT TO A PREVIOUSLY APPROVED CONDITIONAL ZONING FROM URBAN PLACE DISTRICT/CONDITIONAL ZONING TO URBAN PLACE DISTRICT/CONDITIONAL ZONING TO AMEND A PREVIOUSLY APPROVED MIXED-USE DEVELOPMENT PROJECT LOCATED AT 146 AND 99999 ROBERTS STREET

Councilwoman Wisler moved to continue this public hearing until May 26, 2015. This motion was seconded by Councilman Pelly and carried unanimously.

V. UNFINISHED BUSINESS:

A. POLICY GUIDANCE REGARDING SHORT TERM RENTALS AND HOMESTAYS

Executive Director of Planning & Multimodal Transportation Cathy Ball said that staff is requesting direction from City Council on revising the Unified Development Ordinance (UDO) to address concerns with short-term rental and homestays. After receiving feedback from City

Council, staff will, pursuant to Council's direction, prepare and request wording amendments for presentation to the Planning and Zoning Commission. Following the Planning and Zoning Commission action, City Council will take final action on the wording amendment. Currently, the UDO allows homestays and rentals of dwelling units for less than 30 days in some zoning districts, but not others.

As with most tourist cities, the City of Asheville is experiencing a high demand for visitors that want to stay in homes during their vacation. This trend has created concerns for both citizens that want to rent their homes and neighbors that feel the impact of more transient population is causing adverse impacts.

Ms. Ball then reviewed the timeline of the times the action has been before the Planning & Economic Development (PED) Committee and the Planning & Zoning Commission. City Council held a public forum on March 25, 2015, to hear from the community on this issue.

At the PED Committee, there was (1) review of current regulations; (2) a February 18, 2014, update which included research from other communities; and (3) a recommendation to move forward with changes to homestays regulations and defer consideration of Short Term Rentals until more research was complete on the impact to affordable housing.

From the Planning & Zoning Commission (1) staff recommended revising homestays to reduce the size from 2500 square feet to 1200 square feet and remove the requirement for a meal to be served; and (2) request was unanimously denied (only 4 of 7 present at the meeting) for the following reasons (1) lacked clear purpose and focus; (b) lacked enforcement mechanisms; and (c) should look holistically at all types of rental uses.

A December 2014 Short Term Rental Report, which was contracted with Urban Planning Analytics, LLC, addressed the following issues regarding short term rentals (1) impact on affordable housing; (2) strategies for reducing impacts on neighborhoods; and (2) balancing inequities between short term rentals, hotels and Bed & Breakfasts.

At the March 25, 2015, community forum, over 150 people were in attendance and the unofficial results from people who commented were: 13 people wanted no change except to increase enforcement, 18 people wanted to expand options for homestays, and 13 people supported short term rentals.

Staff is requesting direction from City Council on regulations for homestays and short-term rentals.

Director of Development Services Shannon Tuch and City Attorney Currin responded to various questions/comments from Council.

Regarding short term rentals, Mayor and Council voiced their opinions resulting in:

- Councilwoman Wisler supported keeping the current regulations, with increased enforcement
- Councilman Smith supported prohibiting short term rentals in all zones, with increased in fines and proactive enforcement plan
- Councilman Bothwell supported keeping the current regulations
- Councilman Pelly was open to considering short term rentals in a range of districts with strict guidelines
- Vice-Mayor Hunt supporting keeping the current regulations, with increased enforcement and increase in fines
- Councilman Davis supported keeping the current regulations
- Mayor Manheimer supported keeping the current regulations with proactive enforcement plan and increase in fines

Regarding homestays, Mayor and Council voiced their opinions resulting in:

Mayor Manheimer supported no size of structure requirement; supported a long-term tenant (not only the owner of the property) be allowed to be the operator of the homestay; supported no separation requirement; did not support the accessory structure requirement

Vice-Mayor Hunt supported no size of structure requirement; supported a long-term tenant (not only the owner of the property) be allowed to be the operator of the homestay; support for the long-term tenant or owner of the property be required to stay overnight in the unit; supported proof of liability insurance for the use; supported an occupancy tax collected by Buncombe County; and supported an increase in fines; did not support the accessory structure requirement

Councilman Smith supported no size of structure requirement; no maximum of 25% Gross Floor Area of structure use; supported no parking requirement; supported cost recovery for enforcement; supported proof of liability insurance for the use

Councilwoman Wisler supported no size of structure requirement; supported no separation requirement

It was the consensus of Council to have staff prepare a brochure or flow cart for the public to understand the process for permitting homestays and/or short term rentals.

Mayor Manheimer said that staff will prepare an ordinance amendment based on Council's direction which will be reviewed by the Planning & Zoning Commission by a public hearing at their July 16, 2015, meeting, with the City Council public hearing on the matter on August 11, 2015.

VI. NEW BUSINESS:

A. RESOLUTION AUTHORIZING THE STANDARDIZATION PURCHASE OF THE TASER AVON FLEX THROUGH FISCAL YEAR 2019 FOR CONSISTENCY IN OPERATION AND FUNCTIONALITY

This item has been withdrawn from consideration at this time to be rescheduled after further development of the administrative policies regarding the usage of the footage.

B. BOARDS & COMMISSIONS

Regarding the Civil Service Board, the following individuals applied for a vacancy: Pam Holcombe, Mychal Bacoate, John P. Miall Jr. Thomas R. Duckett, Alan Escovitz, Kevin West and Carol Goins. Mr. West has not been separated from City of Asheville employment long enough, and is, therefore, not eligible for appointment. It was the consensus of City Council to interview Pam Holcombe, Mychal Bacoate, Thomas R. Duckett, Alan Escovitz and Carol Goins.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Ms. Lauren Noto provided Council with research she performed on the transit system pertaining to low income ridership.

Ms. Wendi Diamond, President of the Property Owners Association of the Oak Forest neighborhood, presented Council with a petition requesting the City to repave the streets in their neighborhood.

Mr. P. Acebo and a young girl spoke against the proposed location of the Duke Energy Substation and urged City Council to establish a moratorium on placement of substations and

direct City staff to set standards to prohibit substations to be relocated to places that may be inappropriate.

Mr. Timothy Sadler thanked Homeward Bound for their work on rental units for veterans; and supported additional funding opportunities for the City of Asheville Youth Leadership Academy Program.

Mr. Larry Merrell thanked City Council for their openness regarding discussions on the short term rentals and homestays.

Councilman Davis said that the ABC Board sent Council a commemorative ABC lapel pin and coasters from their Drink Responsibly campaign. He noted they are on target for a record distribution of revenue to the City.

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 8:22 p.m.

CITY CLERK

MAYOR