

Tuesday – June 20, 2016 - 3:00 p.m.
Room 623 - City Hall

Worksession on Bond Referendum

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Gwen C. Wisler; Councilman Cecil Bothwell; Councilman Brian D. Haynes; Councilwoman Julie V. Mayfield; Councilman Gordon D. Smith; Councilman W. Keith Young; City Manager Gary W. Jackson; City Attorney Robin T. Currin; and City Clerk Magdalen Burleson

Absent: None

City Manager Jackson explained the purpose of the bond referendum. He explained that the additional revenue that could be realized from a bond referendum would allow Council to prioritize projects that are planned for 10 said that the City embarked on a comprehensive capital improvement program (CIP) beginning in Fiscal year 2013, when Council raised the tax rate \$.02 for economic development projects and \$.01 for maintenance of existing infrastructure and facilities. The CIP is at capacity; no additional projects can or more years into the future and address critical community needs.

Director of Finance and Management Services Barbara Whitehorn then outlined the General Obligation Bond Presentation Agenda - (1) Criteria to establish "Bond Ready" Projects; (2) Bond Question Categories; (3) Category Options; and (4) Recommendations.

Staff has evaluated Master Plans and existing CIP to develop the following criteria to determine which projects could be included in a 2016 bond referendum: (1) The project ties to an existing Master Plan; (2) The project has been previously discussed with Council; and (3) The project addresses a previously identified need.

Based upon the criteria, the following categories have been identified: (1) Affordable Housing; (2) Infrastructure (horizontal); (3) Parks and Recreation (parks and facilities); and (4) Public Safety facilities.

- **Affordable Housing.** Potential investments in affordable housing include dedicating additional funds to the Housing Trust Fund and the Affordable Homeownership Developer Loan program, as well as establishing a community land trust. Alternatively, there is potential for the redevelopment of city-owned land for affordable housing.

Affordable Housing Options include (1) Housing Trust Fund Enhancement for Rental Development - Existing Structure in Place; (2) Affordable Homeownership Developer Loan Program - Secondary Construction Loans to Developers; (3) Establishment of a Community Land Trust - Contribution to a Non-Profit Third-Party; and (4) Redevelopment of Existing City-Owned Land - Key Parcels Identified and City Control of Process.

Affordable Housing recommendations: Housing Trust Fund Enhancement, Affordable Homeownership Developer Loan Program and Community Land Trust; OR Redevelopment of Existing City-Owned Land. Total of \$15 million.

- **Streets, Sidewalks and Greenways.** Streets resurfacing including pedestrian and bicycle improvements, and the replacement of traffic signals is recommended according to prioritization through the Pavement Condition Index (PCI) and area of the City. In fiscal years 2014-16, staff identified critical sidewalk needs including repair and rebuild of existing sidewalks and the addition of needed linkages. Further implementation of the Greenway Master Plan through greenway connectors and expansion of the system is also recommended.

Infrastructure Options include (1) Sidewalks - Identified critical needs throughout City; (2) Streets - According to Pavement Condition Index (PCI), Location and Impact; (3) Intersection, Pedestrian and Bicycle Improvements - Signals at Intersections in Central Business District; and Bike Lanes and Pedestrian Safety Improvements in tandem with Streets and Sidewalks – Advancing the Asheville in Motion (AIM plan); and (4) Greenways - Advancing the Greenway Master Plan.

Infrastructure recommendations: (1) Sidewalk Projects: \$10,000,000; and (2) Streets & Related Projects: \$20,000,000. Total of \$30 million.

Transportation Infrastructure and Related Improvements:

| Project | Primary | Priority/PCI | Area of City |
|--------------------------------------|------------------------------|---------------------|---------------------|
| Haywood Street | Sidewalk, other improvements | A | Central |
| Martin Luther King Jr. Drive | Resurfacing, Sidewalk | 23, A | Central |
| Caledonia Road | Resurfacing, Sidewalk | 47, A | East |
| Kenilworth Road | Sidewalk | A | East |
| Lakeshore Drive | Resurfacing, Sidewalk | 34, A | North |
| N. Charlotte Street | Resurfacing, Sidewalk | 40, A | North |
| Fulton Street | Sidewalk | A | North |
| Royal Pines Drive | Resurfacing | 41 | South |
| Caribou Road | Resurfacing, Sidewalk | 49, A | South |
| Brooklyn Road | Resurfacing, Sidewalk | 53, A | South |
| All Souls Crescent | Sidewalk | A | South |
| State Street | Resurfacing, Sidewalk | 35, A | West |
| Old Haywood Road | Resurfacing, Sidewalk | 45, A | West |
| Sulphur Springs Road | Resurfacing, Sidewalk | 49, A | West |
| Vermont Avenue | Sidewalk | A | West |
| New Haw Creek Road | Sidewalk | NEW | East |
| Airport Road | Sidewalk | NEW | South |
| Swannanoa River Road | Sidewalk | NEW | South |
| Hill Street | Sidewalk | NEW | West |
| Johnston Boulevard | Sidewalk | NEW | West |
| Mills Gap Road | Sidewalk | NEW | South |
| Gerber Road | Sidewalk | NEW | South |
| Tunnel Road (gaps and connections) | Sidewalk | NEW | East |
| Patton Avenue (gaps and connections) | Sidewalk | NEW | West |
| Rock Hill Road | Sidewalk | NEW | South |
| Onteora Boulevard | Sidewalk | NEW | East |
| Overlook Road | Sidewalk | NEW | South |
| Intersection Upgrades/Replacements | Safety | n/a | Central |
| Greenway Connectors, extensions | Greenways | NEW | City-wide |

The above list totals more than \$45 million in improvements and additions to the City's sidewalk network. Staff recommends consideration of a \$30 million bond in order to improve the streets infrastructure and PCI, and to further the Multimodal Transportation Master Plan.

- **Public Safety Facilities.** The AFD and APD stations and substations have been neglected for some time and need considerable upgrades and renovation to reach current code requirements, including the addition of sprinklers to some building and structural repair to others. These are prioritized by greatest need.

Public Safety Facilities Options include (1) Fire Stations and Police Substations - Aging and outdated buildings; and Built in 1950s- 1970s; (2) Municipal Building - Staff outgrowing space; and Ongoing parking issues; and (3) Increasing maintenance and repair costs.

Public safety facilities recommendations: (1) Fire Stations and Police Department Facilities (a) Municipal Building Improvements; (b) Police Sub-Station Improvements; (c) Fire Station Improvements; and (d) Parking Improvements. Total of \$13 million.

Public Safety Facilities:

| Station/Substation | Approximate Year Built | Location |
|---|------------------------|--|
| Municipal Building | 1925 | Central |
| AFD Station #12 | 1985 | Haw Creek, East |
| AFD Station #9; Oakley Police Resource Center | 1980 | Oakley, East |
| AFD Station #7 | 1975 | UNCA, North |
| AFD Station #5 | 1975 | Hendersonville and Caribou, South |
| AFD Station #2 | 1975 | Livingston and South French Broad, Central |
| AFD Station #3 | 1980 | Oregon Avenue, West |
| AFD Station #8 | 1975 | Tunnel Road, East |
| AFD Station #6, West Asheville Police Resource Center | 1954 | Haywood Road, West |

The total cost to completely renovate all fire and police stations and resource centers far exceeds available resources. Staff recommends dedicating \$13 million to the most critical needs including significant improvements to the Municipal Building, the oldest building in Public Safety’s portfolio.

- **Parks and Recreation.** Staff used the Parks Master Plan to identify priorities for facilities and parks upgrades, including the Wesley S. Grant Sr. Center and Jake Rusher Park, ballpark improvements and lighting upgrades, improvements to playgrounds and safety, and the expansion of the park system in south Asheville.

Parks & Recreation Options include (1) Significant Park & Facility Upgrades - Priorities according to Parks Master Plan; and 2-3 Major Projects; (2) Land Acquisition for Future Park Development - Areas of City Lacking Park Facilities; (3) Ball Field and Lighting Improvements; and (4) Playground and Court Improvements.

Parks & Recreation recommendations: (1) Major Park Upgrades - \$13,000,000; (a) Wesley Grant Sr. Center, Phase II; (b) Jake Rusher Park; and (c) Others as funding allows; (2) Ball Fields and Lighting - \$2,000,000; and (3) Playgrounds and Courts - \$2,000,000. Total of \$17 million.

Recreation and Parks Facilities Improvements:

| Project | Primary | Master Plan? | Area of City |
|------------------|------------------------|--------------|--------------|
| Wesley Grant Sr. | Continuation of vision | Yes | Central |

| | | | |
|--------------------------------|---|-----|---------------|
| Center Phase II | | | |
| Memorial/Mountainside Stadium | Structural and aesthetic improvements | Yes | Central |
| Jake Rusher Park | Major park facility upgrade | Yes | South |
| Montford Park Complex | Parking and improvements | Yes | North |
| Richmond Hill Park Restrooms | Addition of Restrooms | Yes | East |
| Outdoor Courts and Playgrounds | Rebuild, resurface; upgrades and equipment replacement | Yes | City-wide |
| Ball Fields and Lighting | Upgrades and conversion of lighting to LED | Yes | North & South |
| Land Acquisition | Purchase land to build parks in areas of the City lacking park facilities | Yes | North & South |

The above list totals approximately \$17 million in improvements.

Director of Communication and Public Engagement Dawa Hitch said that best practices in City-sponsored communications of bond referendums include two important steps prior to questions being placed on the ballot:

- Public Engagement to determine the types of projects to place on the ballot
- Multi-channel education campaigns

Public Engagement - In determining the types of projects to include in the bond package, municipalities approach this stage in ways that best align with community needs and/or preferences. Common strategies include citizen committees, surveys, input sessions and polls. Asheville residents regularly provide input on preferences for City investments. Examples include the Downtown Master Plan; Parks Recreation and Cultural Arts Master Plan, Affordable Housing Plan, Asheville in Motion (multi-modal transportation) Plan and the Plan-on-a-Page Plans many neighborhoods are currently designing. The Citizen Surveys © conducted in 2008 and 2015 also indicate preferences and/or satisfaction with City investments.

The public participation aspects of these city plans, created a solid foundation for identifying categories and projects appropriate for a bond referendum. These plans and the public participation that created them influenced the projects outlined for today's work session. Moving forward, polling is an option to better understand community priorities at this current point in time. Another consideration is a current Board or Commission such as the Neighborhood Advisory Committee which has representation from across the City and could offer a broad perspective on priorities.

Examples from other cities:

- The City of Winston-Salem, in its 2014 bond referendum, relied on a citizen committee to identify community needs. The committee considered projects in two categories: 1) areas of disrepair, and 2) future needs for building an attractive community. In the end, the City of Winston-Salem's \$139.2 million bond package included 42 projects across the city that addressed needs in the areas of parks and recreation, public safety, streets and sidewalk, housing, and economic development/infrastructure.
- The City of Hickory also collaborated with a citizen committee in narrowing down the projects that eventually made up the bond package. Hickory's \$35.5 bond package includes three major projects: 1) "Riverwalk," 2) "Citywalk," 3) Streetscapes/Gateways with a final \$4.5 million designated for a community park.

- The City of Charlotte has a long standing bond program and has used public input in various forms over the years, including some level of polling, to determine community priorities. Most recently, Charlotte's program has been branded a Community Investment Plan (CIP) and incorporates a high level of public engagement in the planning and implementation of the funds. The engagement includes community meetings, surveys and collaborative meetings with City planners and project managers.

The proposed projects reflect community input and priorities gathered in master planning processes and the most recent Citizen Survey. More fine-tuning opportunities include (1) polling the community regarding priority projects; and (2) gathering input from a current organized group/board/commission.

Education Campaigns - Once priority projects are identified, a multi-channel education campaign maximizes community understanding of general obligation bonds and the projects to be included on the ballot. All of the City's resources would be available for dissemination including, but not limited to: webpage, community meetings, newsletters, City Source, fact sheets, brochures, Frequently Asked Questions, PowerPoint presentations, social media and video production.

These materials would be available for any advocacy or position groups that form regarding the referendum.

Discussion surrounded the four categories identified by staff; the possibility of making progress in both of the affordable housing options/recommendations; the effect upon property taxes; why some projects are not identified since more time is necessary for analyzing and planning; what is the timeframe for completing the bond projects; how specific do the bond questions need to be; if this bond referendum is successful, possible bond referendums in future years; Homeownership Developer Loan Program and if it can work in tandem with the redevelopment of City-owned properties; acknowledgement that these potential bond projects would not come into fruition until after 2025 based on current capacity of the CIP (noting though that some may be because of the allocation of other funding sources or other allocations); need to identify major projects for the bond referendum, but will have ability for flexibility; request to include some transit station improvements; how prudent is this bond referendum from a city management and financial standpoint; how much internal staff will be required for administration of the projects (noting that some management will be able to be capitalized through the project but other costs coming out of the General Fund or other funding sources); obtaining input from relevant boards/commissions; and can we use more informal methods to do reader polls.

Additional information requested by City Council included: a side by side comparison of the CIP next to this list for a more global review of what can be accomplished with a bond referendum; geographic map for major projects; how this bond referendum aligns with successful bond referendums in other cities; sense of how far along we are in the plan for the projects so Council can get a sense of how close the estimates are from a dollar perspective, as well as the work plan; need additional information on the public safety facilities (noting it has not been discussed by the Public Safety Committee); information on what is identified in the Transit CIP and their priorities; where we are with debt per citizen if the bond program moves forward; information on what type of taxpayer increase will be necessary to cover the project and administrative costs, going beyond just the building construction (maintenance, etc.); information on how Asheville's taxes are compared to other North Carolina cities; additional linkage of parks to the Master Plan; and request to see what the benefits would be for the taxpayers in the four categories. City Manager Jackson said that he would work on providing this information to Council prior to their next worksession on June 28. He also asked that if Council had other questions, to please e-mail them to him and he would attempt to get that information prior to the next worksession as well.

Council agreed that public input is important and would be interested in receiving that prior to the decision of placing the questions on the ballot. Some Council felt that the \$75 Million bond referendum proposed is a little high.

Mayor Manheimer personally had a concern about the public safety facilities, along with the affordable housing category.

City Manager Jackson acknowledged that if all projects are approved by the bond referendum that it will require a significant amount of project management, outside engineering services, etc., that is built into the estimates. He felt confident in staff's ability to complete the projects in 5-7 years, but did not recommend any more projects. He even suggested Council scale back the list to some degree.

Mayor Manheimer suggested the polling topics include (1) Affordable Housing; (2) Infrastructure (horizontal); (3) Parks and Recreation (parks and facilities); and (4) Public Safety facilities." She also suggested subtopics as outlined in the presentation. Councilwoman Mayfield also suggested questions related to potential increases to tax bill

It was the consensus of Council to instruct Ms. Hitch to begin the process of polling, with said contract amount of a sample size of 330 being in the \$5-10,000 range; and also the consensus for staff to move forward with the four broad categories recommended by staff.

Mayor Manheimer adjourned the meeting at 4:28 p.m.

CITY CLERK

MAYOR