

Tuesday – February 7, 2017 - 2:30 p.m.

Bond Implementation Worksession

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; and City Clerk Magdalen Burleson

Assistant City Manager Cathy Ball provided Council with an update on the new Capital Projects Department and upcoming budget amendments: (1) Budget amendment to the 2017 operating budget: \$197,175; and (2) Budget amendment to the 2017 capital budget: \$74,000,000.

Using charts, she reviewed the estimated transportation bond progress by year (road resurfacing and sidewalk improvements; new sidewalks; transportation safety and bus stops; and greenway and connectors), along with the estimated Parks & Recreation bond progress by year (land acquisition; outdoor courts and playgrounds; ballfields and lighting; and park improvements).

Regarding the housing bond implementation, work on the following strategies will progress: (1) Implementing the Comprehensive Affordable Housing Strategy; (2) Attaining Council Goal of 2,800 new affordable housing units by June, 2021; (3) Expanding the supply of permanent place-based affordable housing; (4) Eliminating chronic homelessness; (5) Leveraging City resources; (6) Measuring effectiveness of delivery system by per unit cost, amount of subsidy, length of period of commitment to affordability; and (7) Incorporating location and energy efficiency as key factors of affordability and livability.

Expansion of the Housing Trust Fund: (1) Estimated minimum contribution: \$10,000,000; Anticipated availability: July 1, 2017; (3) Anticipated date by which all funds must be expended: June 30, 2024; and (4) Range of potential uses: broad, including investment in rental and homeownership new unit production and preservation. Limited only by bond language.

Regarding preliminary research on the expansion of the Housing Trust Fund, (1) Assistant Community & Economic Development Director currently conducting interviews among affordable housing stakeholders to assess current and anticipated pipeline, assessment of market, economic forecast, and interest in partnership. To be completed by March 1, 2017; (2) Staff investigating market and legal framework for uses other than direct financing of projects. These include: (a) Land Banking; (b) Loan Guarantees; and (c) City as development partner; and (3) Community land trust educational series now in planning stage. To be conducted during March, 2017. She then reviewed the next steps, with implementation and reporting to begin in July of 2017.

Regarding repurposing of City-owned land, based on City-owned property analysis, staff identified high yield properties that could be used to support the development of affordable housing, including: (1) S. Charlotte Street; (2) Matthews Ford Property; and (3) 91 Riverside Drive. She then explained South Charlotte Street is approximately 7.5 acres total; Biltmore Avenue (Matthews Ford site) is approximately 5.5 acres total; and 91 Riverside Drive is 1.03 acres and 81 Riverside Drive is 0.73 acres.

The recommendation on repurposing City-owned land is to proceed with performing due diligence on all 3 properties (12 month process): Environmental site assessments; Appraisals; Surveys; Conceptual designs; Site capacity, number of potential units; Geo tech; and Alignment with City Council goals (proximity to jobs, transit, etc.) . In the Summer/Fall 2018, after due diligence is complete, staff will present to Council to determine whether to proceed with developing a RFP/RFQ for sites

Ms. Ball responded to various questions/comments from the Council, some being, but are not limited to: provide information on a separate break out the road resurfacing and sidewalks; should be consider putting off a project is it still has a useful life; will the City-owned property study prepared in 2005-2006 be considered; confirmation that if one of the projects has an unforeseeable problem, due diligence would not continue and it would be reported back to Council; confirmation that information and a deeper analysis on projects moving forward is available on the website; staff is working on a homeownership program in the Housing Trust Fund; need to proactively push out information on the bond projects; interest in a permanently affordable homeownership program; and possibility of a community forum before projects are brought before a Council Committee.

It was the consensus of Council to have staff proceed with performing due diligence on all 3 properties - (1) S. Charlotte Street; (2) Matthews Ford Property; and (3) 91 Riverside Drive; and the expansion of the Housing Trust Fund as outlined above.

At 3:12 p.m., Mayor Manheimer adjourned the meeting.

CITY CLERK

MAYOR