

Tuesday – June 13, 2017 - 5:00 p.m.

Regular Meeting

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

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

I. PROCLAMATIONS:

A. PROCLAMATION PROCLAIMING JUNE, 2017, AS "BEE CITY USA POLLINATION CELEBRATION MONTH"

Mayor Manheimer read the proclamation proclaiming June, 2017, as "Bee City USA Pollination Celebration Month" in the City of Asheville. She presented the proclamation to Ms. Phyllis Stiles who briefed City Council on some activities taking place during the month.

II. CONSENT AGENDA:

At the request of City staff, Councilman Bothwell moved to continue Consent Agenda Item "O" (Resolution authorizing the City Manager to enter into a lease agreement with Beverly-Grant/ Barnhill to use 314 Riverside Drive as construction job offices during the construction of the TIGER VI projects) until June 27, 2017. This motion was seconded by Councilman Young and carried unanimously.

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON MAY 23, 2017

B. RESOLUTION NO. 17-104 - RESOLUTION SUPPORTING A STATE GOAL OF 100% CLEAN ENERGY BY 2050 AND THE CREATION OF GREEN JOBS

Summary: The City of Asheville endorses the State of North Carolina and the United States to establish a transition from a fossil fuel-based economy and infrastructure to a 100% renewable energy for an all energy sectors-based economy, while increasing protections that keep forests standing, by January 1, 2050 or sooner to avoid climate catastrophe, to promote job creation and economic growth, and to protect the Earth for current and future generations from climate catastrophe.

Councilwoman Mayfield said this resolution was adopted by the Sustainability Advisory Committee on Energy & the Environment (SACEE) prior to the Trump administration pulling out of the Paris Accords. This resolution indicates an on-going commitment from the City to get to clean energy as soon as we can. She said that SACEE will start looking at the City's carbon reduction goal, which is currently 80% carbon reduction by 2030, and Council might hear a proposal from them for the City to set a new goal.

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C. ORDINANCE NO. 4586 - ORDINANCE AMENDING THE FIRST PAGE OF ORDINANCE NO. 4379, AN ORDINANCE ESTABLISHING CONDITIONAL

ZONING FOR PROPERTY LOCATED AT 99999 FAIRVIEW ROAD, TO REFLECT A CONDITION THAT WAS AGREED UPON BY THE APPLICANT AND CITY COUNCIL TO DEDICATE 7% OF THE UNITS AT AN AFFORDABLE RENT FOR A PERIOD OF TEN YEARS

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D. RESOLUTION NO. 17-1-5 - RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A FEDERAL AVIATION ADMINISTRATION GRANT AGREEMENT FOR PROJECT NO. 3-37-0005-049-2017

Summary: The consideration of a resolution authorizing the execution by the Mayor of a Federal Aviation Administration (FAA) Grant Agreement for Project No. 3-37-0005-049-2017 in the amount of \$18,200,000.

The FAA has offered a grant agreement to the Asheville Regional Airport. This grant, in an amount of \$18,200,000 is for the Airport Project to Rehabilitate Runway (Phase 7 Paving, Lighting and NAVAIDs Installation, Permanent Runway 17/35).

Pro:

- Supports service enhancements at Airport

Con:

- None noted

Staff recommends adoption of the resolution authorizing the Mayor to execute the grant agreement for Project No. 3-37-0005-049-2017.

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E. RESOLUTION NO. 17-106 - RESOLUTION NAMING FIRE STATION 9 IN MEMORY OF CITY OF ASHEVILLE FIREFIGHTER GRADY WILSON SR.

Summary: The consideration of naming Fire Station 9 in memory of City of Asheville Firefighter Grady Wilson, Sr.

City of Asheville Firefighter Grady Dock Wilson Sr. tragically lost his life on June 28th, 1948, while on duty at the original Fire Station 3. The Asheville Fire Department requests that Firefighter Wilson be honored by naming City of Asheville Fire Station 9 after Grady Dock Wilson Sr. Firefighter Wilson's family has requested that Fire Station 9 be named in his memory.

This was reviewed by the Public Safety Committee on May 22nd, 2017, and was unanimously recommended to move forward to the City Council.

Pro:

- Having a City of Asheville owned facility that has been named to honor a public servant who has died in the line of duty is an ultimate recognition of their public service and sacrifice.

Con:

- None have been identified or known at this time.

The purchase of a plaque commemorating the naming would be the associated expense to this consideration.

Staff recommends that the Asheville City Council name Fire Station 9 located after 749 Fairview Road in memory of Grady Wilson, Sr.

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F. RESOLUTION NO. 17-107 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL ENGINEERING SERVICES SUPPLEMENTAL AGREEMENT WITH BROWN AND CALDWELL FOR THE SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)/SOFTWARE UPGRADES FOR THE WATER TREATMENT PLANTS

Summary: The consideration of a resolution authorizing the City Manager to execute a professional engineering services supplemental agreement with Brown and Caldwell for the Supervisory Control And Data Acquisition (SCADA)/Software Updates for the Water Treatment Plants for the not-to-exceed amount of \$140,946.

All Water Resources Department Water Treatment Plants have a SCADA computer system that monitors and controls infrastructure and facility-based processes at the water treatment plants and pump stations. This upgrade would consist of hardware and software upgrades. The last system upgrade was performed in 2008.

All hardware and software upgrades will include all components required to complete the project scope of work. Hardware upgrades include: new servers, UPS, server racks, power distribution, network switches, and cabling. Software upgrades include upgrades to the iFix software keys, Historian, and reporting software. The Water Resources Department has worked with the City's Information Technology Services Department to identify all required hardware and software needed for the upgrade.

Through a Request for Qualifications (RFQ) process for engineering services, the City of Asheville selected three engineering firms to provide on-call professional services for Water Treatment Plant Projects. Brown and Caldwell was one of the selected firms and the City of Asheville executed a Master Agreement with them on June 10, 2015, for On-Call Professional Services for Water Treatment Plant Projects. If approved, the proposed engineering services described herein will be developed into a Supplemental Agreement under the terms and conditions of the executed Master Agreement.

Pros:

- All machines that currently run the SCADA software are operating on Windows XP, which is no longer supported by Microsoft. This upgrade will provide a critically needed upgrade to the SCADA system.
- These improvements will enhance performance and reliability of the water system. The WRD relies heavily on the SCADA system to be able to respond quickly to various issues throughout the water system. The upgrade will help address issues quickly that otherwise could be catastrophic to the general public.

Con:

- Not replacing these machines could cause a potential threat to the system security and is mandated by our ITS policy to be replaced.

The funding needed for this agreement will be funded from the Water Resources Department Software Updates/HMI Capital Improvement Project.

Software Updates/HMI Project Budget	\$200,000
Amount Needed for Brown and Caldwell Supplemental Agreement	\$140,946
Amount Remaining in Project Budget	\$ 59,054

The remaining budget in the Software Updates/HMI Capital Improvements Project will be used to purchase the software needed to complete the upgrades.

Staff recommends City Council adopt a resolution authorizing the City Manager to execute a professional engineering services supplemental agreement with Brown and Caldwell for the SCADA / Software Updates for the Water Treatment Plants for the not-to-exceed amount of \$140,946.

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G. RESOLUTION NO. 17-108 - RESOLUTION AUTHORIZING THE HYDROPLUS INC., FUSEGATE SYSTEM AS A PREFERRED BRAND ITEM FOR THE NORTH FORK SPILLWAY AND EMBANKMENT IMPROVEMENTS PROJECT

Summary: The consideration of a resolution to: (1) Approve the written justification for the use of the Hydroplus, Inc., Fusegate System as the preferred brand item for the North Fork Spillway and Embankment Improvements Project; (2) Approve the specifications and performance standards for the Hydroplus, Inc., Fusegate System; and (3) Add the Hydroplus, Inc., Fusegate System as an independent line item in the "Unit Price Work" Bid Form when the construction portion of the Project is bid.

The Water Resources Department's North Fork Spillway and Embankment Improvements Project ("Project") will soon be ready to bid. The Project is estimated at approximately \$40 million and will include: (1) raising the dam by four feet; (2) improvements to the principal spillway and the addition of an auxiliary spillway; (3) modifications to the raw water piping through the dam and to the water treatment plant; and (4) earth buttressing to reinforce the main dam and saddle dam for seismic stability. Once completed, the dam will be able to better withstand inflow from severe storm events, as well as add capacity to the reservoir.

NCGS 133-3 allows the City to specify a preferred brand item based on performance standards if the preferred item will provide cost savings, maintain or improve the functioning of any process or system affected by the preferred item, or both and a justification identifying these criteria is made available in writing to the public.

Exhibit "A" is a Memorandum from the project engineers, Schnabel Engineering South, P.C., and Hydroplus, Inc., Fusegate System specifications containing performance standards for approval. These items are being presented and requested for approval in order to meet the requirements of NCGS 133-3

As outlined in Exhibit "A", the Hydroplus, Inc., Fusegate System is the only system of its kind in the world. For example, the Fusegates provide a release of the gate with no human intervention or power requirements to activate. This is especially important during a storm when other systems require mechanical operation during a storm event, i.e., with other systems if the operator is unable to get to the site due to the storm or if power is out, the gates cannot be activated.

Pros:

- The Hydroplus Fusegate System is the only one of its kind in the world that functions in its manner to release without mechanical, electrical, or human involvement. It releases at predetermined water elevations.
- The Hydroplus Fusegates are beneficial to the environment by being independent and non-polluting, requiring no energy other than the natural power of water.
- The Hydroplus Fusegates make it possible to delay the need to build new structures, thereby reducing the social and environmental impact relating to the flooding of new land.

- The system allows for a smaller footprint than conventional passive systems, thereby reducing environmental impact, construction duration, and costs.
- This Project is aligned with the City and the WRD goal of continued investment and improvement of the City's water system through Capital Improvement Projects, in order to provide safe and reliable service.

Con:

- Failure to authorize the WRD to use the Hydroplus Fusegate System will result in additional costs to develop an entirely new and different design for the new spillway to accommodate an inferior gate system. This also would delay construction and implementing this system which would increase the risk of flooding, loss of life, and damage downstream until a new design could be made.

There is no fiscal impact to this action. The Hydroplus Fusegate System will be added as an independent bid item to the total construction cost of the entire Project.

Staff recommends City Council adopt a resolution authorizing: (1) Approval of the written justification for the use of the Hydroplus, Inc., Fusegate System as the preferred brand item for the North Fork Spillway and Embankment Improvements Project; (2) Approval of the specifications and performance standards for the Hydroplus, Inc., Fusegate System; and (3) The addition of the Hydroplus, Inc., Fusegate System as an independent line item in the "Unit Price Work" Bid Form when the construction portion of the Project is bid.

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H. RESOLUTION NO. 17-109 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT WITH SITE DESIGN STUDIO, PLLC, FOR THE MONTFORD COMPLEX PHASE I PROJECT

Summary: The consideration of a resolution authorizing the City Manager to execute a contract amendment with Site Design Studio, PLLC, to increase the existing contract in the amount of \$64,000 for a total budget of \$124,000 for the project known as Montford Complex Phase 1.

The Parks and Recreation Department awarded the design services contract to Site Design Studio, PLLC of Weaverville, NC for the first phase of renovations to the Montford Complex through a Qualifications Based Selection process. Under the existing contract the consultants are to prepare design/engineering plans and cost estimates for the project. Phase 1 site development was defined in the facility site plan (2015), and includes: the construction of an expanded parking lot, entrance plaza, playground, trellis covered seating area, outdoor classroom, landscape improvements including edible plantings, and an accessible route to serve future sport courts and additional parking.

With the approval of the Parks and Recreation bond full project funding is now available. In order to complete the project, permitting, bidding, and construction administration services are now required. Direct oversight and management by the designer/engineer of record is encouraged to provide continuity and compliance with construction drawings by the contractor through construction. This contract amendment will authorize staff to enter into an agreement with the project designer to provide construction services.

Site Design Studio, PLLC has presented a scope of work and fee proposal for additional professional services associated with the Montford Complex Phase 1 project and will provide full design services, bidding administration, and contract administration/reporting during construction. The project budget is \$1,700,000 million in General Obligation (GO) Bond Funding.

Tentative Project Timeline:

Engineering/Design Services
Permitting
Request for Construction Bid
Construction Begin
Construction Complete

Summer/Fall 2017
Winter 2017
Winter/Spring 2018
Summer 2018
Winter 2018

Pros:

- Address immediate maintenance needs and critical failures that are otherwise unattached to capital investments
- Focus on underserved areas of the city
- Address the needs of diverse park users through replacement of existing assets in parks to better reflect changing neighborhoods
- Meet the Parks and Recreation goal of increasing accessibility and equity

Con:

- None

Funding for these additional services is already included in the adopted Capital Improvement Budget through the City's General Obligation (GO) Bond Funding. City Council is being asked to authorize this contract because as an amendment to the original contract the total cost of the contract exceeds the City Manager's approval authority of \$90,000.

Staff recommends City Council adopt the resolution authorizing the City Manager to execute a contract amendment with Site Design Studio, PLLC, to increase the existing contract in the amount of \$64,000 for a total project budget of \$124,000 for the project known as Montford Complex Phase 1 and further authorizing the execution of any change orders to said contract which may arise during execution of said project.

RESOLUTION BOOK NO. 38 - PAGE 506

I. ORDINANCE NO. 4587 - BUDGET AMENDMENT FROM THE FEDERAL EMERGENCY MANAGEMENT ASSOCIATION'S FIRE MANAGEMENT ASSISTANCE GRANT FOR THE PARTY ROCK FIRE REIMBURSEMENT

Summary: The consideration of a budget amendment in the General Fund in the amount of \$23,354 awarded from the Federal Emergency Management Association's Fire Management Assistance grant.

In November 2016, the City of Asheville Fire Department committed staff and apparatus to support Buncombe County Fire Service at the Party Rock fire near Chimney Rock. The around-the-clock effort of crews protecting structures and maintaining the fire line around the fire boundary accumulated a total cost of \$23,354 in staff and equipment. On April 11, 2017 City Council voted on a resolution authorizing the City Manager to apply for and accept funding from the Federal Emergency Management Association's Fire Management Assistance grant to cover the costs associated with this mutual aid response. The fiscal impact statement of the staff report presented on April 11th indicated a return to Council to appropriate the exact amount of the award. Because the costs associated with the wildfire were realized in Fiscal Year 2016 – 2017, best practice is to allocate the funds received from the grant in the same fiscal year.

Pro:

- Reduction of overtime impact on Asheville Fire Department's overtime budget.

Con:

- None identified.

Upon City Council approval, a budget amendment will be made in the current fiscal year to accept this reimbursement and reduce the overtime impact to the Asheville Fire Department.

Staff recommends City Council approve a budget amendment for the General Fund in the amount of \$23,354 from the reimbursement monies awarded by the Federal Emergency Management Association's Fire Management Assistance grant to reimburse the City for covering the costs associated with the mutual aid response for the Party Rock wildfire.

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J. RESOLUTION NO. 17-110 - RESOLUTION SETTING A PUBLIC HEARING ON JUNE 27, 2017, FOR AN ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR RIVERBEND MALT HOUSE

Summary: The consideration of a resolution authorizing a public hearing to be held on June 27, 2017, to consider an economic development incentive grant for Riverbend Malt House.

City of Asheville has been requested by Asheville-Buncombe EDC for consideration of a performance based incentive grant under the City Economic Development policy to an existing manufacturing company, Riverbend Malt House. The purpose of the City's participation would be to induce Riverbend Malt House to make investments in the City for expenditures to acquire and install machinery/equipment, make facility improvements which increase the tax value as determined by the Buncombe County Tax Department in the amount of \$9,500,000, and create 22 new quality jobs. The City of Asheville is considering offering a performance based grant in an amount not to exceed \$95,000. North Carolina state law requires a public hearing be held before an incentive grant can be officially awarded.

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:

- Grant is formulated based on use of a portion of the new incremental increase from property tax revenue generated by the project for a 5 year period.

The project has an overall positive fiscal impact on tax revenues received by the city. Initially (during the grant period), the City will receive 50% of the new incremental property tax revenues, as well as the existing property tax revenues from the project. After the grant period of 5 years, the City will henceforth receive 100% capture of all city taxes.

City staff recommends Council approve a resolution authorizing a public hearing to be held on June 27, 2017, on an economic development incentive grant agreement to support Riverbend Malt House.

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K. MOTION SETTING A PUBLIC HEARING ON JUNE 27, 2017, TO CONSIDER CHANGING THE NAME OF HILLCREST DRIVE TO LUNA LANE

Summary: The consideration of a motion setting a public hearing on June 27, 2017 for City Council to consider renaming Hillcrest Drive to "Luna Lane."

The duplication of street names has the potential for misdirection or miscommunication, which can hinder the response of emergency services. Changes to existing public street names shall be approved through a resolution of the City Council following a public hearing advertised with state open meeting laws. Notice to be posted prominently on each end of the street. Notice published at least once in a newspaper. Notice mailed to all property owners adjoining the right-of-way.

The Public Safety Committee reviewed the renaming request at their April 24, 2017, meeting and recommended Hillcrest Drive be renamed if the majority of the property owners could agree on a new street name. A super majority of the property owners have agreed and petitioned the City of Asheville to rename the street to "Luna Lane."

Pro:

- Potential emergency response will be enhanced with a unique street name.

Con:

- Cost and labor of replacing two street name signs.

The cost to re-install new street name sign blades to the existing poles are about \$100 each and is included in the current operating budget for the Transportation Department.

Staff recommends City Council adopt a motion authorizing the City Manager to set a public hearing on June 27, 2017, to consider renaming Hillcrest Drive to "Luna Lane."

L. RESOLUTION NO. 17-111 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH APPALACHIAN PAVING AND CONCRETE INC. FOR CONCRETE MAINTENANCE AND AMERICANS WITH DISABILITIES ACT IMPROVEMENTS FISCAL YEAR 2018 PROJECT

Summary: The consideration of a resolution authorizing the City Manager to execute a contract in the amount of \$222,255 plus a contingency of \$33,338.25 (15%) for a total of \$255,593.25 with Appalachian Paving and Concrete, Inc. for the project known as Concrete Maintenance and ADA Improvements FY18.

Review: This contract is our annual Concrete Maintenance Contract. The project was advertised on May 1, 2017, and bids were opened on May 24, 2017, with the following results:

Appalachian Paving and Concrete, Swannanoa, NC	\$222,255.00
Patton Construction Group, Arden, NC	\$226,150.00
Graham County Land Company, Robbinsville, NC	\$256,881.00

A list of the proposed project sites to be completed under the maintenance contract were provided. This list is subject to change pending unforeseen ADA or maintenance issues.

Pros:

- Will correct a number of sidewalk issues throughout the City.
- Addresses pedestrian safety by providing the required sidewalk maintenance.

Con:

- Project management and contract administration will consume staff time.

Funding for this contract is included in the Fiscal Year 2017-2018 that City Council is scheduled to adopt at this same meeting. This funding is our annual pay-as-you-go sidewalk maintenance program and is not bond or debt funded.

City staff recommends City Council adopt a resolution awarding the contract to Appalachian Paving and Concrete Inc. and authorizing the City Manager to execute a contract in

the amount of \$222,255.00 plus a contingency of \$33,338.25 (15%) for Concrete Maintenance and ADA Improvements for FY 18.

RESOLUTION BOOK NO. 38 - PAGE 508

M. MOTION SETTING A PUBLIC HEARING ON JUNE 27, 2017, TO CONSIDER CHANGING THE SPELLING OF KITCHEN PLACE TO KITCHIN PLACE

Summary: The consideration of a motion setting a public hearing on June 27, 2017 for City Council to consider renaming Kitchen Place with the spelling of "Kitchin Place."

Many of the property owners and businesses have spelled the name after the family name "Kitchin." The City's E911 database, the City's currently displayed street name signs. The property owners brought the street name spelling to staff's attention and petitioned the City to rename the street to "Kitchin Place." The street is currently a City maintained street. Changes to existing public street names shall be approved through a resolution of the City Council following a public hearing advertised with state open meeting laws. Notice to be posted prominently on each end of the street. Notice published at least once in a newspaper. Notice mailed to all property owners adjoining the right-of-way.

The Public Safety Committee reviewed the renaming request at their April 24, 2017, meeting and recommended Kitchen Place be renamed with the spelling of "Kitchin Place."

Pro:

- Potential emergency response will be enhanced with a consistent street spelling.

Con:

- Cost and labor of replacing two street name signs.

The cost to re-install new street name sign blades to the existing poles are about \$100 each and is included in the current operating budget for the Transportation Department.

Staff recommends City Council adopt a motion authorizing the City Manager to set a public hearing on June 27, 2017, to consider renaming Kitchen Place with the spelling of "Kitchin Place."

N. RESOLUTION NO. 17-112 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH GRAHAM COUNTY LAND COMPANY, LLC, FOR RENOVATION OF THE VELODROME AT CARRIER PARK

Summary: The consideration of a resolution authorizing the City Manager to enter into a construction contract for renovation of the velodrome at Carrier Park, with Graham County Land Company, LLC in the amount of \$1,199,000 plus a contingency of \$119,900 for a total of \$1,318,900.

Carrier Park is home to the velodrome, a track used for racing and recreational cycling, as well as general park use for running, walking, and special events. It has been determined the existing track has met or exceeded its useful life resulting in continual maintenance needs and conditions that constitute safety concerns. The primary goal of the project is to address maintenance backlog for the track while building for the future by replacing site components as required because they have reached the end of their service life.

The project is designed to improve the track surface, site drainage, and earthwork that reflects the park setting. Project improvements include new pavement, storm water drainage, fencing, signage, and general site renovations.

The tentative project timeline is June 2017 - Fall 2017.

In support of this capital improvement project, the City issued an Advertisement for Bids for construction. As of the bid opening date on May 9, 2017, the City did not receive a minimum of three bids as required by the City's purchasing policy. The City re-advertised the project and received two bids on the bid opening date on May 17, 2017. One bid was determined non-responsive, making Graham County Land Company, LLC located in Robbinsville, North Carolina as the lowest, responsive, responsible bidder with a base bid of \$1,199,000.00.

Pros:

- Improves the safety of the Carrier Park velodrome for park users by replacing the asphalt track, providing signage, and fencing.
- Improvements will occur during the summer which is an optimum time of the year to install the asphalt pavement as opposed to cooler seasons.

Con:

- The Carrier Park velodrome and portions of the in-field will be partially closed during renovations since the majority of work is scheduled to take place during the summer. Any closure will be advertised and coordinated with general park users, Parks and Recreation programming and Outdoor Special Events Coordinator.

The original adopted CIP budget for this project was \$527,000. Additional funding to cover the full cost of the contract is included in the FY 2017-18 Capital Improvement Program utilizing approved cash flow and funding from the FY 2016-17 Parks and Recreation Department annual CIP allocation.

Staff recommends City Council to adopt a resolution authorizing the City Manager to enter into a construction contract for renovation of the Velodrome at Carrier Park, with Graham County Land Company, LLC in the amount of \$1,199,000 plus a contingency of \$119,900 for a total of \$1,318,900, and to execute any change orders to contract or documents which may arise during construction of project within the approved budget.

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O. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH BEVERLY-GRANT/BARNHILL TO USE FOR 314 RIVERSIDE DRIVE AS CONSTRUCTION JOB OFFICES DURING THE CONSTRUCTION OF TIGER VI PROJECTS

At the request of City staff, Councilman Bothwell moved to continue this resolution until June 27, 2017. This motion was seconded by Councilman Young and carried unanimously.

P. ORDINANCE NO. 4588 - BUDGET AMENDMENT FROM DUKE WATER RESOURCE FUND FOR RIPARIAN RESTORATION PLAN FOR THE RIVER ARTS DISTRICT TRANSPORTATION IMPROVEMENT PROJECT AREA

Summary: The consideration of a budget amendment in the City's Special Revenue fund in the amount of \$60,000 from the Duke Water Resources Fund for the City to engage the community and create a riparian area landscaping plan for the RADTIP project area in the River Arts District.

On December 15, 2016, City staff received an invitation from the Duke Energy Water Resources Fund -managed by the North Carolina Community Foundation- to apply for the 2017 funding cycle. Council approved a consideration to apply for the grant on January 10, 2017. The City submitted a request to the fund on January 20, 2017 for up to \$90,000 to help fund storm water improvements and to create a riparian landscaping plan for the RADTIP area. Because of

construction plan changes that did not align with the request for storm water funds, City staff amended the request to a reduced amount-\$60,000- for the riparian plan only. The funds would be used to hire a firm to develop a Restorative Landscape Plan for the River Arts District Transportation Project (RADTIP) area. The plan's purpose would be to increase riparian sustainability and create a riverfront landscape environment (wildlife habitat, erosion and storm water management, shade for citizens, urban garden opportunities) that builds on what is currently planned under the RADTIP project. This new plan would acknowledge that while the RADTIP and other City plans call for two major storm water management devices, a pollinator garden, and required street trees and landscaping, that there are opportunities to use additional landscaping planning to strategically addressing water quality, tree canopy, and other environmental issues in this area- aka green infrastructure planning. The proposed scope of work would include an inventory of existing trees and vegetation, an analysis of the current plans including tree removal and new landscape designs to be installed via RADTIP street designs, boat ramp designs, and parking lot designs; and an area wide landscaping plan that focuses on how to deliver the plan via community partnerships. RiverLink, Asheville Greenworks and Boy Scouts of America Daniel Boone Council, and the Asheville Tree Commission have agreed to help steer the project.

The Riverfront Commission adopted the following recommendations to Council for 2016, as part of the publication of their 2015 Annual Report: (1) Recommendation 3: Focus on water quality. This will require coordination with local governments, the state of North Carolina, and not for profits like RiverLink and Greenworks; and (2) Recommendation 4: Continue and Improve on Flood mitigation and flood hazard mitigation strategies.

Staff presented this proposal to the Planning and Economic Development Committee of City Council on September 20, 2016. While no official vote was called, members expressed support for staff to submit a Letter of Intent, and were told that any decision to apply for the grant would come to the full Council for consideration.

Council adopted a resolution to authorize the City Manager to apply for, and if awarded, accept grant funds up to \$90,000 on January 10, 2017.

The work proposed via this grant is in alignment with the Wilma Dykeman RiverWay Master Plan, the Sustainability Management Plan, the 2025 plan (Comprehensive Plan), and the implementation of the site plan for RADTIP.

Pro:

- Helps further Council and Community goals via partnerships

Con:

- Requires City staff management/use of human resources (opportunity cost).

No additional City funds are required to match this grant. If adopted, the proposed budget amendment would create a positive impact to the City's budget in the amount of \$60,000.

Staff recommends City Council adopt a budget amendment in the City's Special Revenue Fund in the amount of \$60,000 from the Duke Water Resources Fund for the City to engage the community and create a riparian area landscaping plan for the RADTIP project area in the River Arts District.

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Q. RESOLUTION NO. 17-113 - RESOLUTION SETTING A PUBLIC HEARING ON JUNE 27, 2017, TO CONSIDER THE VOLUNTARY ANNEXATION OF PROPERTY AT 421 AIRPORT ROAD

Summary: The consideration of a resolution fixing the date of a public hearing on June 27, 2017, for the voluntary annexation of property located at 421 Airport Road in south Asheville.

The property owner, MPG Kernersville LLC, has petitioned the City of Asheville for the annexation of 1.26 acres located at 421 Airport Rd. and identified in the Buncombe County tax records as PIN 9643-85-0724. The property is contiguous to the primary corporate limits of the City of Asheville and is subject to the standards for annexation of contiguous areas contained in North Carolina General Statutes (NCGS) 160A-31.

Pursuant to NCGS 160A-31, such petitions must be investigated by the City Clerk for sufficiency in accordance with state law. This investigation has been completed and the Certificate of Sufficiency accompanies this petition request.

The next step in this process is for the Asheville City Council to fix the date for the public hearing on this matter. Should the City Council decide to proceed with this request, the effective date for the annexation would be June 27, 2017.

Considerations:

- Provides for the orderly growth of the City and the tax base through the acceptance of appropriate areas into the corporate limits where owners desire annexation.
- Complies with the 2025 Comprehensive Plan in that it supports the strategy of promoting voluntary annexations of developing areas.

This request includes the voluntary annexation of 1.26 acres of commercial property into the City which will provide new property tax revenue with only a very small increase to services. There is a commercial restaurant project under construction which, at completion, would generate approximately \$6,000-7,000 in city property tax based on comparable commercial properties in the city.

City staff recommends that City Council adopt the resolution setting the date of June 27, 2017, for a public hearing on the annexation petition.

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R. RESOLUTION NO. 17-114 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR THE 2017 FEDERAL TRANSIT ADMINISTRATION'S LOW OR NO EMISSION VEHICLE PROGRAM IN ORDER TO PURCHASE BATTERY-POWERED BUSES AND THE RELATED CHARGING EQUIPMENT

Summary: The consideration of a resolution authorizing the City Manager to apply for the 2017 Federal Transit Administration's (FTA) Low or No Emission Vehicle Program in order to purchase battery-powered buses and the related charging equipment.

The FTA has opened a competitive opportunity for \$55 million for the purchase or lease of low or no emission vehicles. The FTA will reimburse up to 85 percent of the cost of the vehicles and up to 90 percent of the cost of the equipment or facilities. Transportation Department staff proposes to collaborate with Proterra to apply for this application, which according to the grant is deemed to satisfy the requirement for a competitive procurement under 49 U.S.C. 5325(a). In 2016, transit agencies who partnered with Proterra for the Low or No Emission Vehicle Program received more than two thirds of the awarded grants.

The deadline for the application is June 26, 2017, and it requires City Council approval.

Staff is pursuing the following project:

- The purchase of six battery-powered buses and charging equipment for a total cost of \$3,149,000. Federal portion would total \$2,491,000.
- The local match will come from two sources: 1) the General Fund Capital Improvement Program (CIP) funding for bus fleet replacement (\$558,000) and 2) the Office of Sustainability will be contributing \$100,000 from Green Savings. Total local contribution is \$658,000, a 21% match. Although the minimum required match is only 15%, we are overmatching in order to have a better chance of being awarded funding for this highly competitive national grant.

If received, these funds would help to bring ART's bus fleet into a state of good repair, which is necessary because by 2019 six buses will have met or surpassed their useful life. In addition, this grant opportunity will function as a catalyst to begin the conversion of Asheville's bus fleet toward a zero emission fleet within 8-10 years, significantly reducing the carbon footprint of the city's transportation system.

The Finance Committee reviewed this item on May 23, 2017, and recommended that it move forward to City Council for review and approval.

Pros:

- If funded ART will receive six electric buses for the approximate cost of six diesel buses, when considering all costs over the useful life of the buses
- Decreases maintenance costs
- Decreases dependence on liquid fossil fuels by about 10,000 gallons per bus per year (60,000 gallons of diesel per year for six buses)
- Contributes to the city's carbon reduction goal by decreasing carbon output approximately 40 metric tons per bus per year (240 metric tons for six buses)
- Reduces energy consumption by 80% because electric motors are so much more efficient than combustion engines
- Reduces harmful local emissions by over 1,000 pounds per bus per year (6,000 pounds per year for six buses)
- By partnering with a pre-approved partner successful applications will be deemed to satisfy the requirement for a competitive procurement

Cons:

- Commits the city to funding to the match, at least for the time the applications are pending
- Commits the city to funding a yearly operating lease for the batteries

If successful, the grant application will be supported with \$658,000 in city funds (\$558,000 from the General Fund CIP and \$100,000 from the Office of Sustainability's Green Savings). The cost of the yearly operating lease for the batteries will be funded within the annual Transit Operating Budget.

Staff recommends that City Council approve a resolution authorizing the City Manager to apply for the 2017 Federal Transit Administration's Low or No Emission Vehicle Program in order to purchase battery-powered buses and the related charging equipment.

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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.

Vice-Mayor Wisler moved for the adoption of the Consent Agenda. This motion was seconded by Councilman Young and carried unanimously.

III. PRESENTATIONS & REPORTS:

A. HOMESTAY PERMITTING UPDATE

Site Planning & Development Division Manager Chris Collins, said that staff has been charged with providing quarterly updates of Homestay permit activity and Short Term Rental enforcement. The data in this report spans a time frame from November 2015 through May 26, 2017.

Rental of a property within the City of Asheville for a duration of less than 30 days is considered “Short-term”. Rental of an entire home/apartment on a short-term basis is not allowed in residential districts and some commercial districts. Rental of private rooms within a dwelling on a short-term basis is allowed with a valid *Homestay permit* from the City.

November 2015, due to strong demand for homestay lodging, City Council passed a text amendment to Section 7-16-1(c)(9) to modify the requirements for a *Homestay*. The Development Services Department (DSD) began receiving applications for *Homestay permits* under the new provisions on November 18, 2015.

July 2016, Council allocated additional resources and staff to DSD to facilitate the permitting of Homestays and enforcement of illegal short-term rentals.

November 2016, the City engaged a third party contractor (Host Compliance) to assist with locating short-term rental violations throughout the City. The Address Identification service provides a monthly report with complete address information and screenshots of all identifiable short-term rentals in our jurisdiction.

Update on Homestay Permit Activity: According to data compiled by Host Compliance, there are approximately 331 listings advertising partial home rentals for properties located within the City of Asheville. Partial home rental activity is that which is most likely to be eligible for the issuance of a Homestay permit. It can be concluded from the permit data that a large percentage of eligible properties identified by Host Compliance are now operating with a legally issued homestay permit.

Time Period	Permits Issued
Nov 2015- Oct 2016; 12 month span	102
Nov 2016- May 2017; 7 month span	247
Total Active Homestay Permits (All Time Spans)	326

Update on Enforcement Activity: As directed, Development Services staff has increased proactive (staff initiated) enforcement of short-term rental violations. From November 2015 to November 2016, staff issued an average of 10 notices of violation for short-term rentals per month. From November 2016 to May 2017, City staff has issued an average of 72 notices of violation for short term rentals. From November 2015 to the date of this report, the City has sent a total of 536 notices of violation. Of the total noticed violations, only 13.7% originate through citizen complaints. 86.3% of the violations noticed by the city have been proactively originated by city staff with the assistance of the third party.

Time Period	Average Violations Noticed, Monthly
Nov 2015- Oct 2016; 12 month span	10

Nov 2016- May 2017; 7 month span	72
Percentage Increase, Proactive Enforcement	720%

The majority of the cases opened are resolved through the correction of the violation or issuance of a homestay permit where applicable. The table below highlights the most noteworthy resolutions:

Resolution of Case	Percentage of Cases
Homestay Permit Issued	20%
Violation Corrected, Case Closed (change of use in an allowed zoning district, change to 30 day minimum rental, etc)	43%
Invalid Complaint	7%

Staff Concerns: Through the administration of the revised Homestay permitting and proactive enforcement programs, staff has encountered many different scenarios that have informed the following areas of concern:

- Possible false representation of residency, web postings, and leases;
- Property owners seeking to operate homestays from detached structures;
- Accurate identification of livable space and unit separation; and
- Continuing media, recognition of the value of the short-term rental market in Asheville.

Next Steps: Staff will continue to work with the Host Compliance software service while diligently verifying supplied data to identify properties that are possibly in violation and those which may have the opportunity to gain compliance through Homestay permitting or other means. However, the number of new and unique violations identified by the Address Identification Service is decreasing. As such, the number of violations issued is expected to decrease in the future.

Mr. Collins responded to various questions/comments from Council, noting that the permit fees do not cover the enforcement costs.

IV. PUBLIC HEARINGS:

A. PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE UNIFIED DEVELOPMENT ORDINANCE ESTABLISHING REQUIREMENTS FOR UTILITY SUBSTATIONS

Mayor Manheimer briefly updated the Council on the Duke utility substation locations. She said that Duke has shifted off the three initial sites and is now focused on a site on McDowell and they have an option contract for the old Volvo dealership on Patton Avenue.

Councilman Bothwell moved to continue this public hearing until August 22, 2017. This motion was seconded by Councilman Young and carried unanimously.

B. REDEVELOPMENT PLAN FOR 338 HILLIARD AVENUE

RESOLUTION NO. 17-115 - RESOLUTION AUTHORIZING THE LEASE OF CITY-OWNED PROPERTY AT 338 HILLIARD AVENUE TO THE KASSINGER GROUP FOR AN AFFORDABLE HOUSING DEVELOPMENT

RESOLUTION NO. 17-116 - RESOLUTION APPROVING A LOAN FROM THE CITY'S HOUSING TRUST FUND TO KASSINGER GROUP

PUBLIC HEARING TO CONSIDER A LAND USE INCENTIVE GRANT FOR ASTON PARK, 338 HILLIARD AVENUE (KASSINGER DEVELOPMENT GROUP)

RESOLUTION NO. 117 - RESOLUTION APPROVING A LAND USE INCENTIVE GRANT FOR ASTON PARK, 338 HILLIARD AVENUE (KASSINGER DEVELOPMENT GROUP)

Councilman Smith noted that this will be Assistant Director of Community & Economic Development Jeff Staudinger's last presentation to Council. On behalf of Council, he thanked Mr. Staudinger for his dedication, devotion and keen mind that has resulted in nearly off of the affordable housing policies that we are using today.

Mr. Staudinger said that this is the consideration of (1) a resolution authorizing lease of City-owned property by Kassinger Development Group for the development of affordable housing at 338 Hilliard Street, (2) a resolution approving a Housing Trust Fund loan to the development, and (3) a resolution approving a Land Use Incentive Grant to the development. The public hearing to consider a Land Use Incentive Grant Application of 338 Hilliard by the developer of "Aston Place," Kassinger Development Group was advertised on June 2, 2017.

On September 6, 2016, Council accepted staff and Housing & Community Development (HCD) Committee recommendation that negotiations proceed with Tribute Companies for the development of the City-owned Parks Maintenance property located on Hilliard Avenue. In April of this year, Tribute withdrew their proposal. In accord with the provisions of the Request for Proposals, staff contacted Kassinger Development Group (Kassinger), the other developer that submitted a proposal for the development of the site. Kassinger agreed to submit a revised proposal. That proposal is summarized in this report.

Kassinger proposes a 64 unit rental development, with an estimated development cost of \$7.9 million. In summary, the major elements of the proposal are:

	Proposed
# of units	64
% 80% AMI or below	52%
# 30% AMI	0
# 60% AMI	13
# 80% AMI	20
# 100% AMI	0
# Market	31
# Reserved for Homeless Households	0
# 1 BR	49
# 2 BR	15
# 3 BR	0
Third-Party Sustainability Certification	Yes
Period of Affordability	50 Years

Two other key elements are proposed:

- 50 year land lease from the City; with a lease payment of 10% of net cash flow made annually to the City for the term of the lease;
- 50 year period of affordability

The Kassinger Group's proposal meets or exceeds all original RFP requirements, except that no three-bedroom units are proposed. This enabled the developer to increase the number of units from 60 to 64, and the number of affordable units from 31 to 33.

Cost estimates are still early and could change once plans are drawn, but estimates are on the high side indicating a conservative estimate. Developer is seeking financing with a HUD guarantee for \$6,675,000 and is expected to receive a commitment by January 2018 with closing in March 2018 and construction scheduled to start in July 2018.

The HCD Committee reviewed the proposal at their meeting on May 16, 2017, including applications for Housing Trust Funds and a Land Use incentive Grant, and unanimously recommended that City Council accept the proposal.

Kassinger seeks the following incentives:

\$1,280,000 Housing Trust Fund loan. The loan request is for a 50 year term at 2% interest. Although principal payments would be made upon achieving stabilization (93% occupancy), interest payments would be deferred until the project achieves a Debt Service Coverage ratio (DCR) of 1.30 for its bank debt (this provision would be a condition of the primary financier).

Proposed Loan Terms and Conditions							
60% AMI Units	80% AMI Units	Market Rate Units	Loan Amount	Assistance Per Unit/Affordable Unit	Interest Rate	Term (Years)	Type
13	20	31	\$1,280,000	\$20,000 / \$38,789	2%	50	Amortizing, Deferred Interest until 1.3 DCR

Proposed Total Development Costs and Assistance Allocations							
Total Loan Amount	Total Development Cost	Loan % of Total Development Cost	Total cost per unit	Est. Cost Per Square Foot	Additional Assistance Request*	Total Assistance	Total Est. Assistance Per Affordable Unit
\$1,280,000	\$7,955,000	16%	\$124,297	\$199	\$291,430	\$1,571,430	\$47,619
<i>* Land Use Incentive Grant – estimated 10 year benefit</i>							

The developer and the City have also discussed voucher holders will be eligible for these units. That is households of 50% median income whose rents would be supported through a Housing Choice Voucher.

10 year Land Use Incentive Grant. The developer has scored 100 points using the City's scoring matrix. The project, as presented to staff, appears to meet the following Eligibility Requirements,

- The proposed development consists of three or more dwelling units for rent;
- At least 10% of the units will meet the affordability standards set by the City of Asheville for households earning 80% or less of the Area Median Income.
- The affordable units will be affordable to and leased to income-eligible households for at least 15 years.
- The proposed development is located inside the city limits.
- The proposed development is located to provide residents convenient access to jobs,

schools and services

Scoring for the LUIG:

Affordable Rental Housing - The proposed project will provide thirty-three (33) units affordable to households at 80% or less of median income, with thirteen (13) of those units being rented to households earning 60% AMI or less. The developer has committed to an affordability period exceeding the minimum 15 year affordability requirement. Under this category, the project qualifies for 60 points.

Long term affordability - The proposed project will be committed to serving households at the designated rental rates for a period of fifty (50) years. This qualifies the project for 20 points.

Superior locational efficiency - The proposed project is within 0.25 miles of an existing bus-stop served by multiple bus lines, is within 1 mile of a job center in downtown, and is within .5 miles of public amenity in an ART bus stop served by an existing sidewalk. The project qualifies for 20 points in this category.

Staff has scored the project with 100 points, which qualifies the project for ten years (10) of Land Use Incentive Grant.

The total public cash assistance proposed for this project is \$1,571,430 (\$1,280,000 Housing Trust Fund and estimated \$291,430 Land Use Incentive grant), which averages \$24,554 assistance per unit and \$47,619 per affordable unit. With a fifty (50) year affordability period, this incentive is \$491 per year for all units and \$952 per year per affordable unit.

The action complies with the following adopted City plans: (1) 2025 Comprehensive Plan; and (2) 2015-2019 Consolidated Plan for the Use of CDBG and HOME Funds.

Pros:

- 64 units of new mixed-income rental housing will be developed in the City's Central Business District, with excellent transportation access as well as walkable proximity to jobs, schools, services, and amenities ;
- 33 of those units will be affordable to low and moderate income households for 50 years;
- The new construction will be Energy-Star certified;
- The development will be of high-quality.
- The City will have expanded its public-private partnerships for the development of affordable housing, and will have supported an alternative to the highly competitive 9% LIHTC program.

Concerns:

- The project is highly leveraged and depends on the developer obtaining a HUD finance guarantee.

The project seeks a total of cash incentive from the City of \$1,571,430: \$1,280,000 in a loan from the Housing Trust Fund, and an estimated \$291,430 in a Land Use Incentive Grant. This is a total incentive per unit of \$24,554 and \$47,619 per affordable unit. The promised 50 year term of affordability means the incentive per year per affordable unit is \$952, and \$491 per year for all units. This compares reasonably with other incentives provided. For example, the Simpson Street development incentive is estimated at \$731/unit/year of affordability (70 units, 100% affordable); the Smith Mill Place assistance is \$678/unit/year of affordability (72 units, 50% affordable).

Lease payments, new City property tax revenues and Housing Trust Fund repayments will provide revenue to the City over the term of the project. Estimated cash revenues are \$344,300 in 10 years, \$1,322,800 in 20 years and \$3,996,473 in 50 years.

Staff recommends City Council approve the HCD's recommendation to adopt (1) a resolution authorizing lease of City-owned property by Kassinger Development Group for the development of affordable housing at 338 Hilliard Street, (2) a resolution approving a Housing Trust Fund loan to the development, and (3) a resolution approving a Land Use Incentive Grant to the development.

Councilman Bothwell said that we are getting a 50 year agreement because the City is making the land available.

Mayor Manheimer opened the public hearing at 5:35 p.m.

Ms. Sabrah n'haRaven asked that instead of using the percentages of "ami" that dollar amounts be used so people will understand exactly who the units will be affordable for. Mr. Staudinger then provided that information, along with the rates.

Ms. Melissa Clark felt that these rent rates will do nothing for low income people. Mr. Staudinger explained that the rental numbers come from a national standard. He then explained how the vouchers will be available in this project

Ms. Dewana Little felt that proposal is still not affordable for the people who live here. She felt it should be mandatory that vouchers be accepted for a certain number of apartments.

Ms. Ashley Cooper felt that this is only appealing to a certain population of people and does not address the lower income people.

Mayor Manheimer closed the public hearing at 5:59 p.m.

Councilman Young suggested that in future projects, we consider revising our policy to get a project that will provide more units for lower income people in our community. He didn't want to undervalue what the City brings to the table.

Councilman Smith felt it would be good to revisit our policy; however, due to escalating construction costs, it may limit developers from submitting proposals. He understood the the rents will not be affordable to everyone, but it will be important to the people who live there. He didn't want to underestimate the good faith of the developers who are trying to make the numbers work.

Councilwoman Mayfield said that every piece of City-owned property that we use for this purpose will have different components. We want to make as many affordable units as we can on City land, but we need a partner to accomplish that task.

Mayor Manheimer said that this is this the first time we have gone into this type of arrangement for City property, as we move forward, our discussion will be more informed and meaningful.

Councilman Smith said that the term "affordable housing" the City is using comes from the U.S. Dept. of HUD. There is a significant need in this area, but acknowledged we need more housing for the homeless, people on fixed income and people on minimum wage.

Councilman Bothwell noted that addressing affordable housing hinges hugely on federal money and we have to abide by the regulations established by the federal government.

Councilman Haynes said that the City's land is valuable and he hoped our next project will include units for the lower income community.

Mayor Manheimer said that members of Council have previously received copies of the resolutions and they would not be read.

Councilman Smith moved for the adoption of Resolution No. 17-115. This motion was seconded by Councilman Bothwell and carried on a 6-1 vote, with Councilman Young voting "no".

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Councilman Smith moved for the adoption of Resolution No. 17-116. This motion was seconded by Vice-Mayor Wisler and carried on a 6-1 vote, with Councilman Young voting "no".

RESOLUTION BOOK NO. 38 - PAGE 515

Councilman Smith moved for the adoption of Resolution No. 17-117. This motion was seconded by Vice-Mayor Wisler and carried on a 6-1 vote, with Councilman Young voting "no".

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V. UNFINISHED BUSINESS:

A. ORDINANCE NO. 4589 - ORDINANCE ADOPTING THE FISCAL YEAR 2017-18 ANNUAL OPERATING BUDGET AND AMENDMENTS TO THE FEES & CHARGES MANUAL

City Manager Jackson provided Council with some key performance outcomes and measures from the Police Department, Fire Department, Human Resources Department, Parks & Recreation Department, Office of Sustainability, and Community & Economic Development Department.

Director of Finance & Management Services Barbara Whitehorn said that this is the consideration of an ordinance to adopt the Fiscal Year 2017-18 Annual Budget, and amendments to the Fees & Charges Manual

The Fiscal 2017-18 Proposed Annual Operating Budget was presented to City Council on May 9, 2017. In accordance with the North Carolina Local Government Budget and Fiscal Control Act, a summary of the Proposed Budget along with a notice of the Public Hearing was published on May 13, 2017. City Council conducted a public hearing on the Proposed Budget on May 23, 2017.

The 2017-18 Proposed Budget includes a property tax rate of \$0.4339, an increase from the revenue neutral property tax rate of \$0.3939. 0.035 (3.5-cents) is dedicated to debt service for the 2016 GO Bond program. The additional 0.050 (0.5-cents) to the General Fund will pay for Transit service enhancements and the purchase of new buses.

Changes to the Proposed Budget - Since the Proposed Budget was presented to City Council, there have been some adjustments per Council direction that have altered the budget that is presented tonight for Council adoption.

- **Revenue Neutral Property Tax Rate.** The revenue neutral estimate in the Proposed Budget document is \$0.395. The proposed budget now includes a revenue neutral estimate of \$0.3939, slightly less than the original estimate.
- **Firefighter 401(a).** An increase to the City matching contribution to the fire personnel 401(a) retirement program from 2% to 4%, effective January 1, 2018. Approximate cost: \$150,000. This expenditure has been added to the Fire Department budget with an

offsetting increase to revenue that reflects more refined information about revenue trends.

- **Compensation Budget clarification.** The operating budget includes a 2.5% increase to all City employees to be implemented with the July 1-14 pay period. This is a general wage increase. Performance metrics for the implementation of merit increases in FY 2018-19 are included in management work plans.
- **Organizational Changes.** Modifications to the City's organizational structure which, though they do not involve changes to the total budget being adopted by City Council, alter the budgeted amounts and the full-time equivalent (FTE) position count in certain departments. These changes include:
 - The City's Real Estate function is being reassigned from the Community and Economic Development Department to the General Services Department.
 - 2 FTE positions and
 - \$170,855 reallocated between the two departments.
 - Zoning Enforcement and Board of Adjustments responsibilities are being reassigned from the Development Services Department (DSD) to the Planning and Urban Design Department.
 - 3 FTE positions and
 - Approximately \$246,000 reallocated between the two departments.
 - The DSD FTE position count in the budget document has been adjusted by 1.5 FTE positions to reflect the amount that was originally included in the adopted FY 2016-17 budget. This is a correction only and does not have a fiscal impact.

Fees and Charges Manual Amendments

City Council adopted fee adjustments for Fiscal Year 2017-18 at its March 14, 2017 meeting. Since that time, additional minor fee adjustments have been brought forward in Development Services and Parking Services, and are included with adoption of the FY 2017-18 budget ordinance. These adjustments, which were reviewed by the Finance Committee at its May 23, 2017 meeting, are summarized below.

- Development Services: Fee structure modification to provide a rate for the construction of roofed porches and screened porches - \$150 plus \$0.30 per square foot over 500 square feet for porches with a roof, including screened porches, but excluding sunrooms. Staff also recommends a retroactive adjustment for the fiscal year 2016-17 in order to offer refunds to customers who paid this higher rate and make the refund request in writing.
- Parking Services:
 - Use of parking space for an entire day (metered) – New fee = \$22.00 (Current fee = \$18.00)
 - Use of parking space for an entire day (non-metered) – New fee = \$22.00 (Current fee = \$0.00)
 - Validation Tickets (Parking Garages) – New fee = \$1.50 (Current fee = \$1.25)

Budget Ordinance (Capital Fund Amounts)

The Capital Improvement Program (CIP) presented in the Proposed Budget Document reflects expected cash flows over the next five fiscal years for debt-funded projects and includes a number of projects that have budgets that have been fully adopted in prior years. The FY 2017-18 Budget Ordinance, however, only includes the adoption of new project budgets and budget additions to existing projects, some of which may be non-debt related. Budget staff provided

Council with a detailed listing of new projects and project budget additions that are included in the FY 2017-18 Budget Ordinance.

This action complies with the Thriving Local Economy and Smart City focus areas of City Council's Strategic Themes. The budget reflects City Council's ongoing commitment to providing a living wage as an example for other organizations in the area and managing the City to the highest levels of fiscal responsibility and prudence.

Pros:

- Ensures City's compliance with North Carolina General Statutes that require local governments to adopt a balanced budget ordinance by July 1 of each year.
- General Fund Budget is balanced with no fund balance appropriation for ongoing operating expenses and all essential City services are continued.

Con:

- None.

As noted above, the Proposed FY 2017-18 General Fund budget is balanced with no fund balance appropriation for ongoing operating expenses. The FY 2017-18 General Fund does budget includes a \$1.18 million appropriation from fund balance for one-time expenditure items, which is consistent with the City's fund balance policies and the FY 2016-17 revenue and expenditure forecast.

In response to Mayor Manheimer, Ms. Whitehorn explained that the proposed budget on-line has not been changing after each worksession. All changes are tracked and then made in the adopted budget. Moving forward, a reconciliation will be posted on-line after each worksession, as we want to be as transparent as possible.

In response to Councilman Bothwell, Ms. Whitehorn explained the \$430,000 in the Police Department's budget was accumulated by shifting resources from a different number of line items in the Police Department's budget in order to address some of their staffing issues. She said that we are delaying purchases.

Mayor Manheimer has asked the City Manager to come up with a plan to absorb the \$630,000 in transit improvements without the .5-cent additional property tax increase.

City Manager Jackson said that staff has prepared a summary of the impact to the FY 2018 Proposed Budget if transit funding was increased by \$630,000 annually without a ½ cent property tax rate increase. In general, absorbing this amount into the current budget would include several strategies some of which include longer term service impacts. Staff will attempt to outline those impacts in terms of strategies with shorter and longer term impacts.

The following strategies could be considered:

(1) **Managing vacancies - except in public safety and bond implementation (\$100,000)** Evaluate vacant positions to determine where positions could remain open for six to nine months with the least impact on service delivery.

(2) **Deferring maintenance/ replacement of fleet (\$315,000) and facilities (\$50,000) -** Defer the replacement of fleet equipment (likely one large vehicle) and some less critical facility maintenance work (like painting, concrete repairs, carpet, pressure washing, etc.). There is also the possibility to realize savings in the cost of new fleet purchases in the upcoming fiscal year.

(3) **Reducing temp/seasonal employees by limiting hours worked and the number of workers- (\$50,000)** - Reducing temp/seasonal employee hours would result in less

maintenance in parks and program staffing for summer camp and after-school programming.

(4) **Delaying contracted services (\$65,000)** - Evaluating all discretionary contracts and deferring some, such as the Citizens Survey, that are not time sensitive or required to meet basic operational needs.

(5) **Managing overtime (\$50,000)** - Managing overtime by converting eligible employees to compensatory time (comp time). While improving cash flows when the comp time is awarded, comp time owed to employees is a long-term liability of the City and must be paid out with separation. Service is impacted while the employee works for the City and uses the comp time. There is a fiscal impact with separation from the City.

Strategies (1), (3),(4) and (5) will be recurring costs that will need to be included in the FY 2019 budget if the intent is for these savings to be a one year only.

City Manager Jackson said that he would come back in the next quarter and let Council know what the forecast will look like.

Vice-Mayor Wisler moved to approve the budget as proposed with all but one of the adjustments itemized in the staff's report above, and that would be to remove the ½-cent property tax increase to fund Transit operations and the purchase of buses. Instead of the ½-cent property tax rate increase, the City Manager and department directors will determine a reallocation of funds within the General Fund to cover the \$630,000 in Transit Costs. This will make the Property tax rate: 42.89-cent and General General fund budget total - \$120,705,145. This motion was seconded by Councilman Bothwell.

Councilwoman Mayfield read a prepared statement. In summary, she explained that the proposed budget to add new police officers has been reduced by almost half and most of that money will come from reallocating existing dollars in the police budget rather than from new allocations. While to some degree the additional funding does not address deeper problems, it does not mean the funding is not needed. She agreed with Councilman Smith that this is a budget for the people and it advances many priorities that help people and improve our quality of life. This year we are increasing funding for affordable housing, sidewalks, sidewalks, crosswalks, greenways, parks, youth programs, partnerships with nonprofits, staff salaries, and retirement for firefighters. She was also pleased with the over \$2 Million increase for transit. Asheville is being responsive in the areas of sustainability/energy/climate, affordable housing/food policy/insecurity, and multimodal transportation, and is also being responsive in the areas of equity and race, but this will not be solved overnight. She will work on the issues and try to be effective.

Councilman Young read a prepared statement. In summary, he supported the City to look at their budget process and seriously consider moving toward participatory budgeting. This is a move that will bring people closer to democracy in our City and closer to transparency and the decision-making. He asked Council to support directing staff to bring information forward on the participatory budgeting concept to the Finance and Governance Committees. Because our community needs a voice in decision-making and needs to work together for a stronger community, he supported the efforts of creating a new Human Resources Commission. That Commission will focus on the needs of our community and offer tangible solutions for serious Council consideration. We need to promote policies that provide serious and momentous opportunities for dialogue and action involving residents and police that will lead to better relationships, more equitable treatment by the police, greater police responsiveness and accountability, and greater willingness of residents to work with police. He did not believe this budget is bad, that it does not serve our community or it doesn't allocate funds to areas that serve the most vulnerable. However, he could not support the budget because he stands in empathetic support not only for the courage shown of those who protest a process and seek better

transparency and equitable outcomes, but also for those who serve in public safety roles who deserve a better process, as well as one that will support a thorough recruitment and retention effort that would include a better opportunity for minority recruitment and a very attractive compensation package, and an emphasis on higher educational and mental standards for officers that would be compensated appropriately. He would also like to see active efforts in recruiting home grown talent from the same communities that harbor distrust in police.

Mayor Manheimer said that this has been one of the most challenging budget she has worked on in her past seven years on Council. Even though the budget is not perfect, it does reflect a lot of input we have heard from the community. She felt that a participatory budget is an interesting idea and should be explored for the upcoming budget process.

Mayor Manheimer stated that since the public hearing was held on May 23, 2017, no public comment would be accepted.

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

The motion made by Vice-Mayor Wisler and seconded by Councilman Bothwell carried on a 5-2 vote, with Councilman Haynes and Councilman Young voting "no."

ORDINANCE BOOK NO. 31 – PAGE 230

VI. NEW BUSINESS:

- A. RESOLUTION NO. 17-118 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION FOR A PROJECT TO IMPROVE PEDESTRIAN SAFETY ALONG FAIRVIEW ROAD FROM BLEACHERY BOULEVARD TO NC 81 (SWANNANOA RIVER ROAD)**

ORDINANCE NO. 4590 - BUDGET AMENDMENT TO FUND THE CITY'S 50% SHARE OF THE CONSTRUCTION AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION FOR A PROJECT ALONG FAIRVIEW ROAD

Director of Transportation Ken Putnam said that this is the consideration of (1) a resolution authorizing the City Manager to enter into a construction agreement with the N.C. Dept. of Transportation (NCDOT) for a project to improve the pedestrian safety along Fairview Road from Bleachery Boulevard to NC 81 (Swannanoa River Road); and (2) a budget amendment in the amount of \$450,000 from fee-in-lieu-of sidewalk revenue to fund the City's 50% cost share of the project.

A tragic crash occurred on December 1, 2016, at 6:17 pm involving a motor vehicle and three pedestrians along US 74-A (Fairview Road) at a point east of the intersection at US 74-A (Fairview Road) and Gold's Gym / Babies R Us / River Ridge Business Park. Two of the pedestrians, ages 10 and 5, died and the third pedestrian was injured.

The crash was thoroughly investigated by the Asheville Police Department, the NCDOT's Western Regional Field Operations Engineer, the NCDOT's Blue Ridge Mountains Region Traffic Safety Engineer, and the Pedestrian & Bicycle Working Group (Working Group). The Working Group includes local NCDOT and City staff members.

After much review and discussion, the Working Group recommends a joint safety-related project on a 50%/50% basis between the NCDOT and the City of Asheville (City) that will improve the pedestrian experience and safety in the area. The project would include a new sidewalk along the "north" side of Fairview Road from Bleachery Boulevard to NC 81 (Swannanoa River

Road), pedestrian friendly safety rails along the bridges, and pedestrian amenities (pedestrian signals and marked crosswalks) at the three signalized intersections. The total estimated cost of the project is approximately \$900,000. Once the funds are approved, the work should be accomplished during the Summer and Fall months of 2017. The NCDOT will handle all aspects of the work including preliminary engineering, design, utilities, and construction and the City will be responsible to maintain the new sidewalk. In addition, the City is moving forward with Duke Energy to install new street lights along the Fairview Road corridor.

In order for the NCDOT to obligate funds including Spot Safety and Small Construction Funds, a resolution from the City indicating its support of and participation in the project is required.

The Multi-Modal Transportation Commission reviewed this item on May 12, 2017, and endorsed it. The Public Safety Committee also reviewed this item on May 22, 2017, and recommended that it move forward to City Council for review and approval.

Pros:

- A much needed safety project will be constructed via a partnership between the NCDOT and the City of Asheville.
- The pedestrian experience will be improved for the citizens of the Oakley Community.
- A second direct connection to the future Swannanoa River Greenway will be provided.

Con:

- The City's local match of \$450,000.

The City would be responsible for 50% (\$450,000) of the total estimated cost (\$900,000). The City's share is proposed to be funded from the current balance in the sidewalk "fee-in-lieu-of" monies.

Staff recommends City Council adopt (1) a resolution authorizing the City Manager to enter into a construction agreement with the NCDOT for a project to improve the pedestrian safety along Fairview Road from Bleachery Boulevard to NC 81 (Swannanoa River Road); and (2) a budget amendment in the amount of \$450,000 from fee-in-lieu-of sidewalk revenue to fund the City's 50% cost share of the project.

When Ms. Melissa Clark asked if the property owners along this route will be compensated for any loss of right-of-way, Mr. Putnam said that the NCDOT owns all the right-of-way.

Mayor Manheimer said that members of Council have been previously furnished with a copy of the resolution and ordinance and they will not be read.

Councilwoman Mayfield moved for the adoption of Resolution No. 17-118. This motion was seconded by Councilman Bothwell and carried unanimously.

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Councilwoman Mayfield moved for the adoption of Ordinance No. 4590. This motion was seconded by Councilman Bothwell and carried unanimously.

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B. RESOLUTION NO. 17-119 - RESOLUTION RE-AFFIRMING THE CITY OF ASHEVILLE'S COMMITMENT TO REDUCING CLIMATE POLLUTION IN ALIGNMENT WITH THE CITY COUNCIL VISION, AND CONTINUED

SUPPORT OF THE PRINCIPLES OF THE PARIS AGREEMENT AND THE PARTICIPATION OF THE UNITED STATES OF AMERICA AS A PARTY TO THE PARIS AGREEMENT

Mayor Manheimer read the resolution. In summary, the City of Asheville re-affirms its commitment to taking action to reduce climate pollution in alignment with the City Council Vision, the City of Asheville continues to support the principles of the Paris Agreement and the participation of the United States of America as a party to the Paris Agreement; and that the City of Asheville will continue to stand with cities and other public and private sector partners throughout the world to advance actions to reduce climate change.

Mr. Joe Caudle spoke in support of the resolution.

Ms. Melissa Clark felt that the City of Asheville needs to do more if we want to change global warming.

Councilman Bothwell moved for the adoption of Resolution No. 17-119. This motion was seconded by Vice-Mayor Wisler and carried unanimously.

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C. RESOLUTION NO. 17-120 - RESOLUTION OF INTENT TO CONSIDER AMENDING THE CITY OF ASHEVILLE CHARTER TO PROVIDE FOR SIX SINGLE-MEMBER ELECTORAL DISTRICTS GOVERNING THE NOMINATION AND ELECTION OF CITY COUNCIL MEMBER AND SETTING A PUBLIC HEARING ON JUNE 27, 2017, ON THE PROPOSED CHARTER AMENDMENTS

City Attorney Currin said that this is the consideration of a resolution of intent to consider an ordinance amending the City of Asheville Charter to provide for six single-member electoral districts governing the nomination and election of City Council member and setting a public hearing on June 27, 2017, on the proposed Charter amendments.

The City of Asheville Charter provides for the composition of the City Council, as well as the method used for electing Councilmembers and the Mayor. Currently, the Charter provides that the Council is comprised of six (6) Councilmembers and a Mayor. All Councilmembers and the Mayor are elected by all qualified voters of the City (commonly referred to as an "at-large" method of election). N.C. Gen. Stat. §160A-102 allows the City Council to change the mode of election by ordinance, and also allows Council to provide that such an ordinance will only become effective "if approved by a vote of the people."

A bill ("SB 285") has been filed in the North Carolina General Assembly, which would require the City to amend the Charter to create six (6), single-member electoral districts, to govern the nomination and election of Councilmembers. The bill also requires that the qualified voters of each electoral district shall nominate and elect City Council candidates who reside in the district for the seat apportioned to that district. The Mayor would still be elected at-large. At this time, SB 285 provides that, if the City fails to create electoral districts within the time set forth in the bill, the General Assembly will establish electoral districts for the City.

The City commissioned a poll to determine, among other things, the preferences of the citizens as to the mode of election, and whether the citizens would like to vote on the mode of election by referendum. The majority of the citizens polled indicated they would like to have the question regarding the mode of election to be on the ballot. City Council has indicated a desire to move forward with such a referendum, and to put the question regarding whether the City Council should be elected from six districts on the November 2017 ballot. As explained below, the first action toward this objective is before the Council on June 13.

The General Statutes set forth a statutory process that cities must follow when enacting Charter amendments which change the mode of electing City Council members, and to submit the same to a vote of the people by referendum. The statutes require action at a series of three Council meetings. Below is a summary of the steps Council must take at each Council meeting, as well as the date on which each meeting will be held, to allow Council to vote to approve the charter amendments prior to the current proposed deadline for Council to act in SB 285, and to place the ordinance on the ballot in November.

First Council Meeting (June 13, 2017)	Adopt a resolution of intent to consider an ordinance amending the Charter. At the same meeting, call a public hearing on the proposed Charter amendments.
Second Council Meeting (June 27, 2017)	Hold a public hearing on the proposed Charter amendments.
Third Council Meeting (July 25, 2017)	Adopt an ordinance amending the Charter. If Council chooses to make that ordinance effective only upon a vote by the people, at the same meeting, adopt a resolution calling for an election on the referendum.

The action taken at the June 13 Council meeting will be the first step in the statutory process.

Mayor Manheimer said that we do not know if the bill will pass or not; however, if we want to move forward with a referendum on this issue, adoption of the resolution and setting a public hearing needs to occur at this meeting.

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

Councilman Bothwell moved to: 1) adopt a resolution of intent to consider an ordinance amending the City of Asheville Charter to provide for six single-member electoral districts to govern the nomination and election of City Council Members; and 2) to set a public hearing on the proposed charter amendments, to be held by the City Council of the City of Asheville during the regular meeting of the City Council on June 27, 2017, beginning at 5:00 pm in the Council Chamber on the second floor of the City Hall Building of the City of Asheville. This motion was seconded by Councilwoman Mayfield and carried unanimously.

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D. BOARDS & COMMISSIONS

Regarding the African American Heritage Commission, the following individuals have applied for a vacancy: Michael Zuckerman, Debra Barnes and Samantha Singer. It was the consensus of Council to continue this vacancy until attendance records can be obtained.

Regarding the Historic Resources Commission, the following individuals have applied for a vacancy: Christopher Brian Cobb, Leslie Humphrey, Kevin Saum, Wayne Wheeler and Gerry Leonard. It was the consensus of Council to re-advertise for the vacancies.

Regarding the Multimodal Transportation Commission, the following individuals have applied for a vacancy: Helen Hyatt, Han Winogron, Keaton Edwards, Carson Dellinger, Tina Wexler, Scott Dickens, Andrew Stephen Kirby and Randy Warren. It was the consensus of Council, at the request of the Commission, to postpone appointment until the Multimodal Transportation Commission can review all applications and make a recommendation.

RESOLUTION NO. 17-121 - RESOLUTION APPOINTING MEMBERS TO THE CIVIC CENTER COMMISSION

Vice-Mayor Wisler, Chair of the Boards & Commissions Committee, said that the terms of Corey Atkins, Carol Ann Lydon and Yvonne Cook-Riley as members on the Civic Center Commission, expire June 30, 2017.

The following individuals have applied for a vacancy: Freddy Morgan, Ali Conroy, Christine Sykes Lowe, Tana Macalusco and Larry Layton.

The Boards & Commission Committee recommended (1) postponing the seat of Mr. Atkins until they receive a clarification on attendance; and (2) reappointing Ms. Cook-Riley; and (2) appointing Christine Sykes Lowe.

Vice-Mayor Wisler moved to (1) reappoint Yvonne Cook-Riley to serve an additional three-year term, term to expire June 30, 2020, or until her successors has been appointed; and (2) appoint Christine Sykes Lowe to serve a three-year term, term to expire June 30, 2020, or until her successor has been appointed. This motion was seconded by Councilman Bothwell and carried unanimously.

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RESOLUTION NO. 17-122 - RESOLUTION APPOINTING MEMBERS TO THE CRIMESTOPPERS BOARD OF DIRECTORS

Vice-Mayor Wisler, Chair of the Boards & Commissions Committee, said that the terms of Anthony Mitchell and Karl Katterjohn, as members on the CrimeStoppers Board of Directors, expire on June 30, 2017.

The following individuals have applied for a vacancy: Beau Dean, Travis Smith, Alvin Malesky, Douglas Oeser and Tana Macalusco.

The Boards & Commission Committee recommended appointing Beau Dean and Tana Macalusco.

Vice-Mayor Wisler moved to appoint Beau Dean and Tana Macalusco to each serve a three-year term respectively, terms to expire June 30, 2020, or until their successors have been appointed. This motion was seconded by Councilwoman Mayfield and carried unanimously.

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RESOLUTION NO. 17-123 – RESOLUTION APPOINTING MEMBERS TO THE NEIGHBORHOOD ADVISORY COMMITTEE

Vice-Mayor Wisler, Chair of the Boards & Commissions Committee, said that the terms of Philip Lenowitz (representing 28804 zip code); Barber Melton (representing 28805 zip code); and Elaine Poovey (at-large member) expire on July 1, 2017. In addition, Greta Bush (at-large member) resigned, thus leaving an unexpired term until July 1, 2018.

The following individuals applied for a vacancy: Fred Caudle, Gerry Leonard, Kristin Baldwin, Carter Webb, Jackson Tierney and Mike Wasmer.

It was the consensus of the Boards & Commissions Committee, and recommendation from the Neighborhood Advisory Commission, to reappoint Philip Lenowitz, and Barber Melton appoint Carter Webb and Mike Wasmer.

Councilman Bothwell moved to (1) reappoint Philip Lenowitz (representing 28804 zip code) and Barber Melton (representing 28805 zip code); to serve each serve an additional three-year term respectively, terms to expire July 1, 2020, or until their successors have been appointed; and (2) interview Mike Wasmer, Carter Webb and Jason Tierney for an at-large seat. This motion was seconded by Councilwoman Mayfield and carried unanimously.

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RESOLUTION NO. 17-124 - RESOLUTION APPOINTING MEMBERS TO THE PUBLIC ART & CULTURAL COMMISSION

Vice-Mayor Wisler, Chair of the Boards & Commissions Committee, said that the terms of Jay Miller, Andrew Fletcher, Jay Fields, Gwen Rukembrod Smith, Guillermo Rodriguez and Ron Laboray, as members of the Public Art & Cultural Commission, expire on June 30, 2017.

The following individuals applied for this vacancy: Travis Smith, Shelley Schenker, Susan Dunlap, Chris Patton, Michael Carlebach, Laura Sellers, Gerry Leonard, Emma Hutchens, Theodore Windish, Allen Roda and Katie Cornell.

It was the consensus of the Boards & Commissions Committee to (1) reappoint Jay Miller, Andrew Fletcher, Jay Fields, Guillermo Rodriguez and Ron Laboray; and (2) appoint Katie Cornell.

Vice-Mayor Wisler moved to (1) reappoint Jay Miller, Andrew Fletcher, Jay Fields, Guillermo Rodriguez and Ron Laboray as members of the Public Art & Cultural Commission to serve a three-year term respectively, terms to expire June 30, 2020, or until their successors have been appointed; and (2) appoint Katie Cornell as a member to the Public Art & Cultural Commission to serve a three-year term, term to expire June 30, 2020, or until her successor has been appointed. This motion was seconded by Councilwoman Mayfield and carried unanimously.

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RESOLUTION NO. 17-125 - RESOLUTION APPOINTING MEMBERS TO THE RECREATION BOARD

Vice-Mayor Wisler, Chair of the Boards & Commissions Committee, said that the terms of Todd Dunnuck, Tiffany DE'Bellott, Sheneika Smith and Patrick Dennehy, as members of the Recreation Board, expire on June 30, 2017.

The following individuals applied for this vacancy: Ali Mangkang, Beau Dean, Taylon Breden, Lauren Weldishofer, Gerry Leonard, Jeff Luttrell and Ron Nelson.

It was the consensus of the Boards & Commissions Committee to reappoint Ms. DE'Bellott and Patrick Dennehy and to appoint Ali Mangkang and Lauren Weldishofer.

Vice-Mayor Wisler moved to (1) reappoint Tiffany DE'Bellott and Patrick Dennehy as members of the Recreation Board to each serve a three-year term, terms to expire June 30, 2020, or until their successors have been appointed; and (2) appoint Ali Mangkang and Lauren Weldishofer as members to the Recreation Board to each serve a three-year term, term to expire June 30, 2020, or until their successors have been appointed. This motion was seconded by Councilman Smith and carried unanimously.

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E. BLUE RIBBON COMMITTEE ON HUMAN RELATIONS COMMISSION

Vice-Mayor Wisler provided the Council with the proposed charge of the Blue Ribbon Committee on Human Relations Commission as follows: "The purpose of the Blue Ribbon Committee on a Human Relations Commission will be to serve in an advisory capacity to define a mission and scope concerning a newly created Human Relations Commission. The Committee will hold one initial orientation meeting at which time the Chair, Vice-Chair and subcommittees will be formed. The Committee shall hold at least three broad community meetings. The Committee will meet at least one time a month. The City Manager's Office, with Legal Department support, will be responsible for providing support to the Committee. The Committee will select its own Chair and self-facilitate. The Committee and all subcommittees shall adhere to the City of Asheville Rules on Boards and Commissions and North Carolina Open Meeting Laws and all other applicable laws and regulations. The Committee is expected to achieve the following goals: define and provide recommendations of the mission, scope and duties of the Human Relations Commission. After the Committee's first meeting, the Chair and Vice-Chair shall present at the next regular Boards & Commissions Committee meeting the operation and process strategy of the Committee. The Committee must submit final recommendations to City Council by November 6, 2017. The Committee shall be composed of no more than 15 members. Appointments to the Committee shall be made in accordance with the Rules of Procedure for City Council. All recommendations for appointments to the Blue Ribbon Committee will be made by the Boards and Commissions Committee and voted on by Council in an open meeting. Decisions of the Committee are reached by a simple majority vote of the members unless otherwise required by law. All voting will be conducted in open meetings with a quorum present. When the Committee has completed its function, as determined by City Council, the Committee shall be dissolved and the members of the committee shall be informed of the termination by e-mail from the City Clerk's office. City Council will consider, but not be bound by, the Committee's recommendations or concerns."

Vice-Mayor Wisler moved to approve the charge of the Blue Ribbon Committee on Human Relations Commission. This motion was seconded by Councilman Young.

When Councilman Bothwell suggested a friendly amendment that the votes be taken by secret ballot, City Attorney Oast said that it would be a violation of the Open Meetings Law. Councilman Bothwell then withdrew his friendly amendment suggestion.

The motion made by Vice-Mayor Wisler and seconded by Councilman Young carried unanimously.

Mr. Joe Caudle recommended Council look at the City of Atlanta as they have a well-established Human Relations Commission.

Ms. Ashley Cooper questioned what type of power the Human Relations Commission will be charged with.

Ms. Nichole Townsend wanted to make sure that the Human Relations Commission will have the power to make changes and that a diverse group of citizens is appointed to the Commission.

Vice-Mayor Wisler said that Council members have been in the process of sending in their nominations for the Committee and noted that applications for Council-nominated applicants and at-large members are due by Wednesday, July 19, 2017, at 5 p.m. The Boards & Commissions Committee recommended Council appoint the five Council nominations received. Therefore, she moved to appoint Mr. Patrick Conant, Dr. Dwight B. Mullen, Dr. Darin J. Waters, Mr. Joseph Hackett and Ms. Marta Alcala-Williams to serve on the Blue Ribbon Committee for the Human Relations Commission. This motion was seconded by Councilman Bothwell and carried unanimously.

Vice-Mayor Wisler said that the Council is looking to appoint people with expertise in the following areas: Asheville African American history, policy experience, City Hall operations, land use, economic development, community development, housing, arts, law, a Citizen-Police Advisory Committee representative, along with at-large members.

City Clerk Bureson was directed to contact other Council nominations to remind them of the application deadline of July 19, 2017, at 5 p.m.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Ms. Sharon Sumrall, resident on Beaucatcher Mountain, expressed concern over the clear-cutting of property on Beaucatcher Mountain. Mayor Manheimer asked Ms. Sumrall to provide the pictures and information to City Manager Jackson who would follow-up on her complaint.

Ms. Dewana Little relayed an incident in which she was discriminated against when she tried to register her children for summer camp. City Manager Jackson noted that he would follow-up on the complaint.

Closed Session

At 7:48 p.m., Councilman Young moved to go into closed session for the following reasons: (1) to prevent disclosure of information that is privileged and confidential, pursuant to the laws of North Carolina, or not considered a public record within the meaning of Chapter 132 of the General Statutes. The law that makes the information privileged and confidential is N.C.G.S. 143-318.10(a)(3). The statutory authorization is contained in N.C.G.S. 143-318.11(a)(1); and (2) To consult with an attorney employed by the City about matters with respect to which the attorney-client privilege between the City and its attorney must be preserved, including, but not limited to, a lawsuit involving the following parties: Siemens Real Estate Holdings, LLC, and Jim Siemens, individually, vs. the City of Asheville. The statutory authorization is N.C. Gen. Stat. sec. 143-318.11(a)(3); and (3) To discuss matters relating to the location or expansion of industries. The statutory authorization is contained in N.C. Gen. Stat. sec. 143-318.11 (a) (4). This motion was seconded by Vice-Mayor Wisler and carried unanimously.

At 8:08 p.m., Councilman Young moved to come out of closed session. This motion was seconded by Councilman Bothwell and carried unanimously.

VIII. ADJOURNMENT:

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

CITY CLERK

MAYOR