

Tuesday – March 26, 2019 - 3:00 p.m.

## Annual Operating Budget Worksession

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Gwen C. Wisler; Councilman Brian D. Haynes; Councilman Vijay Kapoor; Councilwoman Julie V. Mayfield; Councilwoman Sheneika Smith; Councilman W. Keith Young; City Manager Debra Campbell; Interim City Attorney Sabrina Rockoff; and City Clerk Magdalen Burleson

City Manager Campbell said that at this worksession it is her goal to (1) provide an update of the General Fund budget process; (2) share information on resource alignment with Council strategic and ongoing priorities; and (3) receive direction on key strategic priorities and resource allocation. At the April 9 worksession, the discussion will surround Enterprise Funds and the Capital Improvement Program.

Chief Financial Officer Barbara Whitehorn reviewed the City's fiscal health, outlining that (1) policies supporting good fiscal management; (2) long-term capital planning; (3) Government Financial Officers Association Awards; and (4) highest bond rating (AAA).

She reviewed with Council the budget worksessions, community budget information meetings, and department presentations to Council which included a deep-dive into department budgets with a focus on core service delivery. She then recapped Council's retreat which was a (1) Council review of strategic goals; (2) budgeting; (3) financial forecast; and (4) Capital Improvement Program review.

She then reviewed the 2018 citizen survey which ranged from 90% public safety to 50% recreation centers. She then reviewed the Council priorities for the timeframe of short 1-3 years.

Regarding the General Fund budget development are (1) organizational challenges which themes were identified in the department presentations (a) capacity to meet programmatic needs with existing staffing resources; (b) rising cost of service and project delivery; and (c) requests exceed revenue; (2) structural gap (a) a structural gap does not mean that the City's fiscal health is at risk; (b) Asheville's structural gap is not unique; and (c) resources required to maintain quality city services exceed revenue growth; (3) structural gap is estimated at \$1.1 Million with the base budget assuming zero additional revenue from Mission/HCA sale; (4) update on the Mission/HCA revenues which estimate is \$2.5 Million for Fiscal Year 2019-20 and \$5 Million for Fiscal Year 2020-21; and (5) forecast chart (baseline + Mission/HCA).

Continuing with the General Fund budget development are guiding principles (1) enhancing customer value - ensuring efficient service delivery that improves the customer experience; (2) essential service delivery - ensuring departments have the resources required to meet service delivery expectations; and (3) strategic alignment - aligning resources (new and existing) to achieve community, Council and staff goals.

Regarding a continuation budget (1) base budget is core service focused; (2) assumes no significant additions; and (3) adjustments for strategic priorities (a) population; (b) service demand; and (c) costs. Included in the base is (1) increase in LGERS (retirement system) contribution; (2) across-the-board pay increase (2.5%); and (3) flat health care costs - no increase.

She reviewed the core services alignments with various Council's goals.

She then explained the budget drivers of (1) estimated new Mission/HCA revenue; and (2) key investments (a) transit; and (b) structural gap.

She then reviewed investment of new funds which include (1) Transit investment of \$1.2 Million; (2) structural gap coverage of \$1.1 Million; and (3) options in three categories of projects (a) projects; (b) plans; or (c) staff resources. Using a chart, she reviewed each of the options.

Council then discussed the options which they felt best aligns with their short-term (1-3 year) top priorities.

Ms. Whitehorn responded to various questions/comments from Council, some being, but are not limited to: how important is the pay and classification study; what are the route re-configurations and when would they take place; what is needed to fully fund the Transit Master Plan and if it were fully funded, can we achieve the expectations; are there other groups or partners that are other doing small business training that can help get entrepreneurs and minority businesses into our system; is funding for vacancies in the City Attorney's Office in place; do we anticipate any excess of revenue over expenditures with vacancies; are there any partners to help with the Haywood/Page Plan and can in-house staff help with some of the scope of work with that Plan; is the Fire Department small capital a placeholder fund going forward; can we use the comprehensive pay study done in 2015 as a benchmark; and what are some of the other projects from staff or the community that might be contentious that didn't reach the Manager's budget. For those questions not readily answered, a memorandum would be provided to Council. In addition, Council will be provided with a short paragraph on the details and impact of each of the options.

At 4:20 p.m., Mayor Manheimer adjourned the worksession.

Tuesday – March 26, 2019 - 5:00 p.m.

#### Regular Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Gwen C. Wisler; Councilman Brian D. Haynes; Councilman Vijay Kapoor; Councilwoman Julie V. Mayfield; Councilwoman Sheneika Smith; Councilman W. Keith Young; City Manager Debra Campbell; Interim City Attorney Sabrina Rockoff; 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 MARCH 30, 2019, AS "ARBOR DAY"**

Councilwoman Mayfield read the proclamation proclaiming March 30, 2019, as "Arbor Day" in the City of Asheville. She presented the proclamation to Dawn Chavez, Executive Director of Greenworks, and others, who briefed City Council on some activities taking place during the day..

##### **B. TREE CITY USA AWARD**

Mr. Robert (Dillan) Michael of the NC Forest Service presented the City of Asheville with the Tree City USA Award for accomplishments in 2018. Asheville is one of 87 cities and towns in North Carolina and one of over 3,400 in the nation to receive this recognition for 2018, which also marks the 39th year that Asheville has earned this national designation.

On behalf of Council, Mayor Manheimer thanked Mr. Michael for this Award and the Tree City USA Flag.

### **C. NORTH CAROLINA FINANCIAL LITERACY COUNCIL**

Mayor Manheimer was pleased to announced that Dewana Little has been appointed by Governor Roy Cooper as Chairperson of the North Carolina Financial Literacy Council. She said that Dewana will be a strong voice on the council as we have known her to be here in Asheville. She has devoted countless hours of volunteer work to help make Asheville a better place.

## **II. CONSENT AGENDA:**

- A. APPROVAL OF THE MINUTES OF THE RETREAT HELD ON MARCH 8, 2019; AND THE REGULAR MEETING HELD ON MARCH 12, 2019**
- B. RESOLUTION NO. 19-61 - RESOLUTION ADOPTING THE MARCH 1, 2019, MUNICIPAL RECORDS AND DISPOSITION SCHEDULE ISSUED BY THE N.C. DEPT. OF NATURAL AND CULTURAL RESOURCES**

**Action Requested:** Adoption of the March 1, 2019, Municipal Records and Disposition Schedule issued by the N.C. Dept. of Natural and Cultural Resources.

### **Background:**

- N.C. Gen. Stat. sec. 121-5 mandates that records defined under Chapter 132 may be disposed of only in accordance with an official records retention schedule.
- This updated schedule provides that records listed may be destroyed after the specific retention periods without further approval, provided the governing body has authorized the records listed for destruction to be destroyed through its blanket approval of the Municipal Records and Disposition Schedule.
- The N.C. Dept. of Natural and Cultural Services has issued a new Municipal Records and Disposition Schedule.

### **Council Goal(s):**

- n/a

### **Committee(s):**

- n/a

### **Pro(s):**

- Promotes good municipal records management

### **Con(s):**

- n/a

### **Fiscal Impact:**

- None

### **Motion:**

- Move to adopt the March 1, 2019, Municipal Records and Disposition Schedule issued by the N.C. Dept. of Natural and Cultural Resources.

**RESOLUTION BOOK NO. 40 - PAGE 325**

**C. RESOLUTION NO. 19-62 - RESOLUTION AUTHORIZING THE CITY MANAGER TO CONTINUE AN AGREEMENT WITH TYLER TECHNOLOGIES FOR CONTINUED SUPPORT OF THE TYLER/MUNIS ENTERPRISE FINANCIAL SYSTEM**

**Action Requested:** Adoption of a resolution clarifying annual expenses related to an agreement with Tyler Technologies to provide maintenance and support for Munis, the City's financial system.

**Background:**

- In July 2018, the City adopted a maintenance agreement with Tyler Technologies to provide maintenance for the City's financial systems.
- Funding for the agreement is to be appropriated annually in the City budget process.
- The initial term of the agreement runs from April 2018- April 2023.
- This maintenance will support core city financial and other key functions.

**Council Goal(s):**

A Financially Resilient City

**Committee(s):**

- n/a

**Pro(s):**

- The City has been using Tyler/Munis Enterprise System since January of 2010 and staff is familiar with its strengths, limitations, and support process.
- Allows for updates to the Tyler/Munis Enterprise System, which enables new features and improved underlying technologies; upgrade licensing is included with support & ongoing fixes.

**Con(s):**

- None

**Fiscal Impact:**

- The maintenance agreement annual estimated expenses for the term of the agreement are as follows:

2019/2020	\$189,700.00
2020/2021	\$198,700.00
2021/2022	\$208,200.00
2022/2023	\$218,120.00

- Funding for each year of the contract will be included in the annual budget process.

**Motion:**

- Motion to adopt a resolution authorizing the City Manager to continue the remaining term of the general services agreement with Tyler Technologies, and to expend the remaining total estimated base amount of \$814,720.00, and further authorizing the City Manager to

execute any contract amendments obligating the City to pay up to 15% in excess of the total estimated base cost of the contract for the remaining term if necessary and proper.

**RESOLUTION BOOK NO. 40 - PAGE 327**

**D. RESOLUTION NO. 19-63 - RESOLUTION AMENDING THE BY-LAWS OF THE AFFORDABLE HOUSING ADVISORY COMMITTEE TO ADD TWO ADDITIONAL MEMBERS FOR THE PURPOSE OF INCREASING DIVERSITY AND DEVELOPMENT EXPERTISE**

**Action Requested:** Approval of a proposed amendment to the AHAC Bylaws to add two (2) additional Committee Members for a total Committee membership of 11 members and also amending this section to add a banker/lender with affordable and/or commercial loan experience to the list of desired members.

**Background:**

- The Affordable Housing Advisory Committee was established in June, 2011, with a 9 member board.
- As the difficulty of developing and building affordable housing continues, AHAC would like to add additional members to the Committee to represent expertise needed to help address our affordable housing crisis.
- AHAC envisions an additional development expert and an additional banker with affordable and/or commercial loan experience.

**Council Goal(s):**

- A Connected & Engaged Community

**Committee(s):**

- Affordable Housing Advisory Committee - January 3, 2019 - recommended unanimously
- Boards & Commissions - March 12, 2019 - recommended unanimously

**Pro(s):**

- Additional diversity on the AHAC Committee, adding expertise in development, banking & affordable housing

**Con(s):**

- None

**Fiscal Impact:**

- None

**Motion:**

- Move to amend Article III, Section 1, of the Bylaws of the AHAC to add two (2) additional Committee Members for a total Committee Membership of 11 Members; and to amend this section to add a banker/lender with affordable and/or commercial loan experience to the list of desired members.

**RESOLUTION BOOK NO. 40 - PAGE 328**

**E. RESOLUTION NO. 19-64 - RESOLUTION AUTHORIZING THE STANDARDIZATION PURCHASE OF PLYMOVENT SYSTEMS FOR**

## **VEHICLE EXHAUST EXTRACTION IN THE CITY'S FIRE STATIONS FOR CONSISTENCY IN OPERATION AND FUNCTIONALITY**

**Action Requested:** Adoption of a resolution authorizing the standardization purchase of Plymovent exhaust removal systems for consistency in operation and functionality in Asheville Fire Department stations.

**Background:**

- Plymovent systems extract hazardous vehicle exhaust emitted by fire trucks in fire station bays when they start.
- The Asheville Fire Department has been using Plymovent systems in fire stations since 1993.
- Exhaust removal from the bays allows for cleaner, more breathable air.
- City Council has approved CIP funds to be utilized for upgrading all 11 vehicle exhaust removal systems currently in use and installing a new system in one station.
- Exhaust removal technology does not currently exist that allows systems from different vendors to be interchangeable.
- If approved, the City's authorization for standardization shall be effective until the Asheville Fire Department considers technology has improved enough to request a change of systems for fire stations.

**Council Goal(s):**

- A Clean and Healthy Environment
- Smart City

**Committee(s):**

- Human Resources and Finance Committee - March 26, 2019 - Pending
- Public Safety Committee - March 25, 2019 - Pending

**Pro(s):**

- Standardization of Plymovent systems for vehicle exhaust removal will ensure consistency and compatibility among fire apparatus and across the fire stations out of which they operate.

**Con(s):**

- If standardization is not authorized, and a bid for exhaust removal systems is issued, the lowest bidder may not be Plymovent systems. The Department would have to shift operations in order to accommodate apparatus and stations with the same exhaust removal systems.
- Fire companies would need to find work arounds for apparatus at different stations, such as parking fire trucks outside of bays.
- The current system is installed in 11 fire stations and 30 fire trucks. If standardization is not authorized and vendors changed, demolition would need to be performed to remove the current system in all stations and on all apparatus.

**Fiscal Impact:**

- The budget has already been approved for purchases and upgrades to the current Plymovent Systems and costs associated with upgrades and installations will fit within the allocated budget amount.

**Motion:**

- Motion to adopt a resolution authorizing the standardization purchase of Plymovent exhaust removal systems for consistency in operation and functionality in Asheville Fire Department stations.

**RESOLUTION BOOK NO. 40 - PAGE 329**

**F. RESOLUTION NO. 19-65 - RESOLUTION APPROVING THE ISSUANCE OF UP TO \$22,500,000 MULTI-FAMILY HOUSING REVENUE BONDS TO PROVIDE FINANCING FOR REDEVELOPMENT OF LEE WALKER HEIGHTS TO SATISFY SECTION 147(F) OF THE INTERNAL REVENUE CODE**

**Action Requested:** Adoption of a resolution approving the issuance of bonds by the Housing Authority of the City of Asheville for the redevelopment of Lee Walker Heights (LWH) into a new, affordable, multi-family residential development.

**Background:**

- Maple Crest, LLC, has requested that the Asheville Housing Authority issue up to \$22,500,000 in multi-family housing revenue bonds for the redevelopment of LWH, currently consisting of 96 affordable apartments, located off of SouthSide Avenue. Maple Crest, LLC, is seeking to replace the existing 96 public housing units with 212 new affordable mixed-income units, 7 residential buildings, serving families earning between 10% and 60% of Area Median Income (AMI), 96 of which will continue to have deep subsidies, serving families below 50% of AMI.
- Maple Crest, LLC, will be the new tax credit entity for the Lee Walker Heights redevelopment. The LLC is made up of a managing member, Maple Crest Management, Inc., and a tax credit investor member, which will be affiliated with the National Equity Fund and will make the private equity investment in the property. Maple Crest Management, Inc., which will manage the property, is a North Carolina non-profit that also has two members: Mountain Housing Opportunities, Inc. and Maple Crest Affordable Housing, Inc., a non-profit affiliated with the Housing Authority.
- This redevelopment is being financed by a combination of 4% Low Income Housing Tax Credits, bond debt, HUD Funds, Housing Authority funds, including grants to the Housing Authority from Buncombe County and the City of Asheville.
- The IRS Code Section 147(f) requires that any bonds issued by the Housing Authority for developments such as this have the approval of the plan of financing by City Council, following a public hearing with respect to such plan. On March 20, 2019, the Housing Authority held a public hearing, and there were no comments. This approval by City Council does not obligate the City in any way to issue or pay for the bonds, or for any other debt undertaken by Maple Crest LLC in connection with this project.

**Council Goal(s):**

- An Equitable and Diverse Community
- A Well-Planned and Livable Community
- Quality Affordable Housing

**Committee(s):**

- None

**Pro(s):**

- 212 new affordable units serving individuals and families below 60% of AMI

**Con(s):**

- None
- 

**Fiscal Impact:**

- As noted above, the approval of this bond issuance does not require City investment. In a separate City initiated approval, \$4.2M in City Funds are being granted to assist in the redevelopment of LWH.

**Motion:**

- Motion to adopt the resolution approving in principle the issuance by the Housing Authority of the City of Asheville of up to \$22,500,000 in multi-family housing revenue bonds for the redevelopment of Lee Walker Heights into a new, affordable, multi-family residential development.

**RESOLUTION BOOK NO. 40 - PAGE 330**

**G. RESOLUTION NO. 19-66 - RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A LEASE WITH THE ASHEVILLE-BUNCOMBE YOUTH SOCCER ASSOCIATION FOR THE LEASE OF FOUR SOCCER FIELDS, THE CONCESSIONS AND MEETING ROOM AT THE JOHN B. LEWIS SOCCER COMPLEX**

**Action Requested:** Authorize the City Manager to sign a lease for the John B. Lewis Soccer to the Asheville Buncombe Soccer Association

**Background:**

- The City owns property at 439 Azalea Park known as the John B. Lewis Soccer Complex.
- The John B. Lewis soccer complex was constructed utilizing public and private funding.
- ABYSA utilizes and schedules use of the soccer fields for youth and adult play including practices, games and tournaments.
- ABYSA will lease the fields, concession and meeting room of the building for \$1 per year for a period of 12 years, with a 180-day termination clause that may be exercised by either party.
- The lease agreement will include the terms of the lease, responsibility for ongoing maintenance, responsibility for repairs after flooding events or other acts of God and long-term replacement of the fields.

**Council Goal(s):**

- A Financially Resilient City
- A Connected and Engaged Community

**Pro(s):**

- The terms of the lease define the responsibilities of the City and ABYSA for short, medium and long term recommendations.
- The terms of the lease agreement creates a capital fund supported by ABYSA and the City for the long-term replacement of the fields.

**Con(s):**

- None

**Fiscal Impact:**

- The City of Asheville will pay a maximum of \$50,000 a year for the repair of fields due to flood events or acts of God. Additionally, the City will place \$15,000 per year into a



capital fund to be utilized for the replacement of the soccer fields for a total of \$150,000 over a ten year period. The total operating budget impact is \$65,000 per year for the twelve-year duration of the lease.

**Motion:**

- Motion to authorize the City Manager to negotiate and sign a lease agreement with ABYSA for the lease of four soccer fields, the concessions and meeting room at the John B. Lewis Soccer Complex.

**RESOLUTION BOOK NO. 40 – PAGE 332**

**H. RESOLUTION NO. 19-67 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH PATTON CONSTRUCTION GROUP INC. FOR THE PARKING GARAGES ELEVATORS RENOVATION PROJECT**

**ORDINANCE NO. 4734 - BUDGET AMENDMENT TO FULLY FUND ELEVATION RENOVATION IN THE RANKIN AVENUE AND WALL STREET PARKING GARAGES**

**Action Requested:** Adoption of a resolution authorizing the City Manager to: 1) execute a contract with Patton Construction Group, Inc. for an amount not to exceed \$395,990 and 2) further authorizing the execution of any contract amendments up to 10% above the contract price, which may arise during execution of the Parking Garages Elevators Renovation Project; and 3) adoption of the associated budget amendment in the amount of \$300,000 from the Parking Services fund balance to fully fund elevator renovation in the Rankin Avenue and Wall Street parking garages.

**Background:**

- The Rankin Avenue and Wall Street parking garages are 30 years old.
- The elevators in the parking garages have reached the end of their service lives.
- The Wooten Company has prepared specifications and designs and will provide construction management.
- The renovation includes elevator car replacement, mechanical room refurbishment, and updating to current fire and building codes.
- A project was budgeted in FY 2016 in the Parking Capital Fund for renovation of the elevators in the Civic Center, Rankin Avenue, and Wall Street garages. Renovation of the Civic Center garage elevator was completed in spring 2018.

**Council Goal(s):**

- Transportation and Accessibility

**Committee(s):**

- Finance & HR Committee - March 26, 2019 - pending

**Pro(s):**

- Updates 30-year old elevators ensuring continued safe use.
- Enhances the customer experience.
- Helps extend the service life of two of the parking garages.

**Con(s):**

- None

**Fiscal Impact:**

- As noted above, a budget amendment in the amount of \$300,000 is needed from the Parking Services fund balance to fully fund the construction contract. The Parking Services Fund balance was approximately \$2.2 million above the City's fund balance policy goal at the end of FY 2017-18. Following the \$300,000 appropriation, the fund balance will be \$1.9 million above the City's policy goal. Staff anticipates making an additional appropriation from fund balance for capital needs in the upcoming FY 2020 budget.

**Motion:**

- Motion to approve a resolution authorizing the City Manager to: 1) execute a contract with Patton Construction Group, Inc. for an amount not to exceed \$395,990, and 2) further authorizing the execution of any contract amendments up to 10% above the contract price, which may arise during execution of the Parking Garages Elevators Renovation Project; and 3) move to approve the associated budget amendment in the amount of \$300,000 from the Parking Services fund balance to fully fund elevator renovation in the Rankin Avenue and Wall Street parking garages.

**RESOLUTION BOOK NO. 40 - PAGE 344  
ORDINANCE BOOK NO. 32 - PAGE 321**

**I. RESOLUTION NO. 19-68 - RESOLUTION AUTHORIZING THE CITY  
MANAGER TO CONVEY AN EASEMENT ON CITY-OWNED  
PROPERTY AT MCCORMICK PLACE TO DUKE ENERGY PROGRESS  
FOR ELECTRICAL INFRASTRUCTURE TO SUPPORT THE  
NEIGHBORING TOWNHOME DEVELOPMENT**

**Action Requested:** Adoption of a resolution to authorize the City Manager to convey an easement on City-owned property at 30 Buchanan Place (McCormick Field property) to DEP for electrical infrastructure to support the neighboring townhome development.

**Background:**

- Private developers are building the Bauhaus Townhomes on a parcel located at 72 McCormick Place, adjacent to McCormick Field. Construction has begun on the units and the main electricity for the units is coming from the North side of the property.
- The developers are now asking that DEP extend electricity in order to connect street lights. In order to so, DEP plans to consolidate existing poles located across the street at the City's fueling station and extend service.
- No additional easement is needed on the fueling station property, however a small easement is needed where the Bauhaus property meets the City's property at McCormick Field. Duke plans to install the electrical conduit underneath the sidewalk along the southern edge of the Bauhaus development utilizing a 2,500 square foot area of City property for utility easement purposes.
- This easement does not interfere with operations at McCormick Field. Parks & Recreation and Streets have been consulted for input and neither has objections.

**Council Goal(s):**

- Well Planned and Livable Community

**Committee(s):**

- None.

**Pro(s):**

- DEP is agreeing to consolidate poles in the City's right of way at the City Fueling Station located at 45 McCormick Place.

**Con(s):**

- A minor easement for utilities on City property.

**Fiscal Impact:**

- DEP is offering no compensation for this easement.

**Motion:**

- Motion to adopt a resolution that authorizes the City Manager to sign an easement with Duke Energy Progress for an electrical easement on City-owned property at McCormick Place.

**RESOLUTION BOOK NO. 40 - PAGE 345**

**J. RESOLUTION NO. 19-69 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH FLETCHER HOSPITAL INC. (D/B/A ADVENT HEALTH HENDERSONVILLE) FOR PHYSICIAN SERVICES AT THE EMPLOYEES HEALTH CENTER**

**Action Requested:** Adoption of resolution approving contract with Fletcher Hospital, Inc. (d/b/a Advent Health Hendersonville) for physician services for the Employee Health Center.

**Background:**

- The City of Asheville maintains an Employee Health Center providing basic medical services.
- The Health Center is staffed by medical staff with professional oversight by a physician.
- Physician serves as Medical Director for the City.
- Cost of the service is \$114,00/year.

**Council Goal(s):**

- A Connected and Engaged Community

**Council Committee(s):**

- n/a

**Pro(s):**

- Access to a licensed physician who provides oversight to medical care both personal and workers compensation-related
- Cost-avoidance to health plan expenses

**Con(s):**

- n/a

**Fiscal Impact:**

- \$114,000/year which is budgeted in the Health Insurance Internal Service Fund.

**Motion:**

- Motion authorizing the City Manager to enter into a contract with Fletcher Hospital, Inc. (d/b/a Advent Health Hendersonville) for physician services for the Employee Health Center.

Dr. Paul Martin reiterated his concerns from the March 23, 2019, meeting, stating that the current physicians provided by Fletcher Hospital have had no formal training in specialized requirements demanded by Workers Comp, Fire, Police and Public Works. He felt the RFP should be redesigned and re-posted.

### **RESOLUTION BOOK NO. 40 - PAGE 346**

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 Councilwoman Mayfield and carried unanimously.

### **III. PRESENTATIONS & REPORTS:**

#### **IV. PUBLIC HEARINGS:**

- A. PUBLIC HEARING TO CONSIDER CONDITIONAL ZONING OF PROPERTY LOCATED AT 155, 137, 129 AND 123 BILTMORE AVENUE FROM CENTRAL BUSINESS DISTRICT TO CENTRAL BUSINESS DISTRICT EXPANSION DISTRICT/CONDITIONAL ZONE FOR THE CONSTRUCTION OF A 56-ROOM HOTEL IN ONE NEW 5-STORY BUILDING AND THREE EXISTING BUILDINGS**

**ORDINANCE NO. 4735 - ORDINANCE TO CONDITIONALLY ZONE PROPERTY LOCATED AT 155, 137, 129 AND 123 BILTMORE AVENUE FROM CENTRAL BUSINESS DISTRICT TO CENTRAL BUSINESS DISTRICT EXPANSION DISTRICT/CONDITIONAL ZONE FOR THE CONSTRUCTION OF A 56-ROOM HOTEL IN ONE NEW 5-STORY BUILDING AND THREE EXISTING BUILDINGS**

Urban Planner Sasha Vrtunski said that this is the consideration of an ordinance to conditionally zone property located at 155, 137, 129 and 123 Biltmore Avenue Central Business District to Central Business District Expansion District/Conditional Zone for the construction of a 56-room hotel in one new 5-story building and three existing buildings. This public hearing was advertised on November 30 and December 7, 2018. On December 11, 2018, the petitioner requested this matter be moved to this date.

**Action Requested:** Consider a conditional rezoning petition from property currently zoned Central Business District (CBD) to Central Business District Expansion/Conditional Zone (CBD EXP CZ).

**Project Location:**

- The project site consists of four parcels totalling 1.56 acres known as 155, 137, 129 and 123 Biltmore Avenue and PINs 9648-48-3860, 9648-48-3740, 9648-48-3611, and 9648-49-2474 ("155 Biltmore Avenue").

**Petitioner/Agent/Contact:**

- Warren Sugg

**Summary of Petition:**

- The proposal is to construct a lodging facility (called Family Lodge) of 56 rooms spread across four buildings. One new building will contain 50,207 square feet and 36 rooms, while three existing historic houses will include a total of 20 rooms.
- The new building is five stories tall and has a parking structure in the basement (S. Lexington entrance). There is also a restaurant on the ground floor of the new building facing Biltmore Avenue.
- Vehicular access is from S. Lexington Avenue for both the northern parcels (existing surface parking) and southern parcel (new building). One historic driveway on Biltmore in front of 123 Biltmore will be left for service use, but does not connect to the rear parking lot.
- The new building will have fully compliant sidewalks (12 feet on Biltmore, 10 feet on S. Lexington). Sidewalks at the historic houses will not be compliant (seven feet on Biltmore, seven to 10 feet on S. Lexington).
- The applicant is requesting the following conditions be approved for this proposal:
  - Some sidewalks are narrower than normally required due to historic walls or trees. Staff is generally supportive of this condition.
  - Courtyard - the site plan shows a deeper courtyard than usually allowed. Both staff and the Downtown Commission is supportive of this modification.
  - Number of driveways - the Unified Development Ordinance (UDO) allows one driveway per development and this project will have three driveways (two existing and one proposed). The front entrance on Biltmore is a historic drive and will not be a primary driveway for guests. This development is also separated by another building that is not part of the project; therefore, staff feels this request is reasonable.

**Staff Recommendation:**

- Staff supports the proposed rezoning in that it 1) meets most standards of the Unified Development Ordinance (UDO), 2) meets the intent of the Downtown Design Review Guidelines, and 3) will help preserve the three historic houses and carriage house. The hotel and restaurant will also bring visitors to an area of downtown that has been less vibrant than other areas.

**Comprehensive Plan Consistency:**

- In the newly adopted Living Asheville Comprehensive Plan, the Future Land Use Map identifies this area as Downtown. Living Asheville reinforces downtown as the city and regional center for a mix of uses, including hotels, residential, and a wide variety of commercial uses. It also states, *“Lodging is essential to the mix of uses downtown and while additional lodging uses may be appropriate, they must be considered in context with other development so that the variety and mix of uses, which give downtown its distinctive character is not compromised.”*

**Compatibility Analysis:**

- The new building at 155 Biltmore is an appropriate scale for this area and will be much smaller than the adjacent future building at 145 Biltmore (currently under construction).
- The design complies with design and operational standards as required by the proposed zoning district with the exception of the deeper courtyard. The materials and composition of the new building help to provide visual interest while breaking up large expanses of the facade vertically and horizontally.
- The front courtyard of 155 Biltmore reduces its impact and will help activate the ground floor. The rear of the building on S. Lexington also has habitable space lining the parking garage.

- The project will preserve the three historic houses, which are important to downtown's history.
- Traffic is largely limited to two driveways on South Lexington, and two driveways are being eliminated from Biltmore Avenue.
- Residents of Lexington Station have voiced concerns about trash pickup, noise, light and the landscaping along the S. Lexington side of the project. The developer has increased the landscaping behind 137 Biltmore to help address this issue.
- The location of this lodging facility is in a part of downtown where there are fewer hotels; the majority of downtown hotels are located to the north of the subject site.

**Council Goal(s):**

- A Well-Planned and Livable Community

**Committee(s):**

- Technical Review Committee - October 8, 2018 - approved with conditions
- Downtown Commission - October 12, 2018 - recommended denial (5-3)
- Planning & Zoning Commission - November 7, 2018 - recommended approval (5-2)

Mr. Chris Day, with Civil Design Concepts, reviewed with Council some of the technical points. This developer has recently completed a project at 45 Asheland Avenue, and the project next door at 145 Biltmore Avenue is underway. They are also working with the developer and Mountain Housing Opportunities on a mixed-use project in the Central Business District to provide retail, office and affordable housing. We appreciate that the three houses now have a permanent preservation easement on them and the project project will preserve those historic structures. He reviewed the site layout noting they are eliminating some curb-cuts. The historic wall will be retained. All concerns expressed by the Downtown Commission have been addressed. While the 18 parking spaces now is private parking, they are proposing that it become publicly accessible parking, which will be reflected in the conditions.

In response to Vice-Mayor Wisler, Mr. Day said that he understands that his applicant was responsible for working out the permanent preservation easement with the Preservation Society.

Mr. Gene Ellison, attorney representing the applicant, felt this is a great project for the corridor coming in from the south. They will be saving the 3 historic houses that have a permanent preservation easement on them. They will also be providing the 18 public spaces. The developer is also working on another project at the corner of Hilliard and Clingman showing their commitment to our City. This project will bring something different to downtown. It also improves on the pedestrian experience. The developer is committed to paying a living wage, including their contractors and subcontractors.

Regarding the three historic houses, Ms. Robin Raines, with Rowhouse Architects, said that they will keep as much of the interior space as is. The houses will be restored back to as much to the historical originality as possible. She said the two most southern houses are in bad shape and need more work. The State has strict rules and regulations on what you can do to a historic structure to receive tax credits and that is the goal. Whatever is done to fix the houses will have to adhere to the State's strict rules and regulations.

In response to Vice-Mayor Wisler, Mr Al Sneed, developer, said that the three historic homes may have a kitchen for a small family or a if a meeting is held in them, they can cater a meal. Kitchens are not in the individual rooms.

Ms. Raines responded to Councilman Haynes regarding the amenities in the rooms in the new construction. They will be a one-bedroom format with a living room area with a fold-out couch. There will be a very small kitchen in each room and each room can possibly accommodate four people.

Mayor Manheimer opened the public hearing at 5:43 p.m.

Mr. David Nutter spoke in support of the conditional zoning as it will (1) help us to define a workable hotels policy based on special benefits that cannot be achieved in any other way; (2) expand the cause of downtown revival; (3) help bring a now desultory Biltmore Avenue to life along a weak stretch; (4) abet healthy pedestrian and biking activity; (5) help carry out a working vision for the South Slope and Southside by providing a new gateway to and from Biltmore; (5) make historic preservation more a part of the main game of the city; and (6) be a refreshing burst of mixed use, design, preservation and economic vitality.

Mr. Peter Landis, downtown resident, was curious about how much noise the stage in the event space will generate.

Mr. Chris Smith, Vice-President and part owner in Beverly-Grant, spoke in support of the conditional zoning as they have been working with the developer in the community and they hire local staff and pay a living wage.

Mayor Manheimer closed the public hearing at 5:50 p.m.

Mr. Chis Day said that the intention of the stage is intended more for smaller events, like weddings and small family events. The whole project is family based.

In response to Councilman Haynes, Mr. Sneeden said that they looked at a lot of alternatives for this site and a hotel was the best one. They would not have built luxury condominiums on this site because they wanted to support the three historic houses. With the level of repair and upkeep of the houses, the hotel was the best option.

Ms. Vrtunski said that the applicant has agreed to the condition that the project will provide 18 spaces on S. Lexington Avenue and they will be publicly available. That condition will be added to the B.1 Conditions.

Councilman Haynes noted that anytime we add another luxury hotel in downtown, all we're doing is making affordability continue to rise. He felt that people can't afford to live here and Council isn't doing much to combat that.

Vice-Mayor Wisler applauded the applicant's interest in preserving the three historic homes; however, not at the expense of building another hotel.

Councilwoman Smith agreed with Vice-Mayor Wisler, noting that we just approved a hotel right up the street on Biltmore Avenue.

Councilwoman Mayfield stated that she looks at each project individually to see what kind of benefits they bring to the community in exchange for doing business in our community. For her, the benefits of the preservation of the three historic houses, public parking and a private developer who seems well capitalized who is interested in building affordable housing in our City.

Councilman Kapoor said that this project complies with the Living Asheville Comprehensive Plan. He is also pleased with the preservation of the three historic homes, noting that it will take a lot of money to preserve them and in order to do so, they have to make money to

pay for the costs of upkeep. He felt this is a unique piece of property and a good project on this stretch of Biltmore Avenue.

Councilman Young felt we need to look at each individual project on its own merits. He appreciated the preservation of the three historic homes. But, what he is looking for is the aspect of what is the developer doing in the community. He has some issues with some aspects of the project but he also sees that the developer is working hand in hand with the City and not needing funds to build affordable housing.

Mayor Manheimer said that Council struggles each time a hotel comes forward and they make the best decision they know how on each one. Her final capstone issue continues to be the pressure that generally speaking the tourism industry places on the City balanced with the benefits that it brings. We are a tourist town but continuing to grow and balance that tension is a trick for Council. She continues to be encouraged by the Tourism Development Authority's overtures to the City to work with us on a long-term plan to better fund the City's needs for the people that live here as well as the people that visit here.

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

Councilwoman Mayfield moved to approve the rezoning request from Central Business District (CBD) to Central Business District Expansion Conditional Zone (CBD EXP CZ) for a lodging facility at 155, 137, 129 and 123 Biltmore Avenue with the requested conditions and find that the request is reasonable, is in the public interest and is consistent with the city's comprehensive plan in that the project: 1) encourages historic preservation and adaptive reuse; 2) is compatible with the surrounding context; 3) will improve pedestrian access and infrastructure; and, 4) is aligned with the Future Land Use map in the Living Asheville Comprehensive Plan. This motion was seconded by Councilman Kapoor and carried on a 4-3 vote, with Councilman Haynes, Councilwoman Smith and Vice-Mayor Wisler voting "no."

**ORDINANCE BOOK NO. 32 - PAGE 323**

**B. PUBLIC HEARING TO CONSIDER CONDITIONAL ZONING ON PROPERTY LOCATED AT 3 AVON ROAD FROM COMMERCIAL BUSINESS I DISTRICT TO COMMERCIAL BUSINESS I/CONDITIONAL ZONE FOR THE CONSTRUCTION OF A NEW BUNCOMBE COUNTY EAST ASHEVILLE LIBRARY BRANCH BUILDING**

Councilman Kapoor moved to continue this public hearing until April 9, 2019. This motion was seconded by Councilwoman Mayfield and carried unanimously.

**C. PUBLIC HEARING TO CONSIDER AN AMENDMENT TO (1) CHAPTER 7, ARTICLES V AND XV OF THE CODE OF ORDINANCES MAKING ALL SUBDIVISIONS IN HISTORIC OVERLAY DISTRICTS AND ON LOCAL HISTORIC LANDMARK PROPERTIES SUBJECT TO REVIEW BY THE HISTORIC RESOURCES COMMISSION; AND (2) CHAPTER 7, ARTICLE IX TO MAKE MINOR CORRECTIONS**

**ORDINANCE NO. 4736 - ORDINANCE TO AMEND (1) CHAPTER 7, ARTICLES V AND XV OF THE CODE OF ORDINANCES MAKING ALL SUBDIVISIONS IN HISTORIC OVERLAY DISTRICTS AND ON LOCAL HISTORIC LANDMARK PROPERTIES SUBJECT TO REVIEW BY THE HISTORIC RESOURCES COMMISSION; AND (2) CHAPTER 7, ARTICLE IX TO MAKE MINOR CORRECTIONS**



Urban Planner II Alex Cole said that this is the consideration of an ordinance to amend (1) Chapter 7, Articles V and XV of the Code of Ordinances making all subdivisions in historic overlay districts and on local historic landmark properties subject to review by the Historic Resources Commission; and (2) Chapter 7, Article IX to make minor corrections. This public hearing was advertised on March 15 and 22, 2019.

**Action Requested:** Consideration of zoning text amendments to 1) require the review of proposed subdivisions of property located within locally designated historic districts or individual local landmarks by the Historic Resources Commission (HRC) as part of the overall city subdivision review process; and 2) to make minor corrections to sections pertaining to Certificates of Appropriateness application and review procedures for clarification purposes.

**Background:**

- As infill development continues to occur in the City, staff has noted an increase in subdivision applications, including applications for subdivision of land in local historic districts or of properties designated as local historic landmarks.
- As there is no formal process for review of subdivisions that impact historically designated properties, several subdivisions have occurred where the lots created will face difficulty in meeting the respective historic district or local landmark design review guidelines, specifically those guidelines relating to the siting of new structures so that they are similar to the historic pattern in terms of orientation, setback, retention of green space and spacing between structures.

**Summary of Petition:**

- (UDO) Chapter 7, Articles V, IX, XV to require the review of proposed subdivisions of property located within locally designated historic districts or individual local landmarks by the HRC as part of the overall City subdivision review process; and to make minor corrections to sections pertaining to Certificates of Appropriateness application and review procedures.
- This wording amendments include two primary components:
  1. The addition of new standards requiring all lots in subdivisions proposed within historic overlay districts and local historic landmarks to be reviewed by the Historic Resources Commission for congruence with the historic character of the district, prior to final subdivision approval by the Development Services Department.
  2. The correction and/or clarification of existing sections of the code as it pertains to Certificates of Appropriateness applications and approval.
- The proposed amendment would require that any subdivision of land, designated as a local historic landmark or located in one of the four local historic districts, submit their proposal for review by the HRC, prior to final subdivision plat approval.
- The extent of the HRC's review and preliminary approval or denial of the proposed subdivision would be an assessment of the proposed lots and their ability to support potential development that would be congruous with the historic district guidelines regarding building setbacks, orientation and consistency with the historic development pattern.
- The HRC review process would be quasi-judicial and the decision would be based on the adopted guidelines of the historic district (or historic landmark standards) in which the proposed subdivision is located.

**Staff Recommendation:**

- Staff recommends approval of the wording amendments for the following reasons:
  - It will ensure that the city does not allow a subdivision of land that is in conflict with the historic district zoning overlay or local historic landmark ordinance.

- It may help the city to avoid potential legal challenges that might result from the HRC denying a certificate of appropriateness for development on a newly created parcel that is incongruous with the historic character of the neighborhood.
- It will provide more certainty to property owners earlier in the planning and development process.

**Comprehensive Plan Consistency:**

- This wording amendment supports the Living Asheville Comprehensive Plan by enhancing creative placemaking through preservation of neighborhood character and historic resources and ensuring new housing remains compatible with and contributes to the overall character of the existing neighborhood fabric (pp. 128-129, 152-154).

**Council Goal(s):**

- A Well-Planned and Livable Community

**Committee(s):**

- Planning & Zoning Commission - October 3, 2018 - approved unanimously
- Historic Resources Commission - October 12, 2018 - approved unanimously
- Planning & Economic Development Commission - February 11, 2019 - recommended in favor of review by City Council

In summary, this would provide more certainty to property owners/applicants earlier on in the subdivision review process and ensure that new development is compatible with other buildings in the historic district.

Mayor Manheimer opened the public hearing at 6:16 p.m., and when no one spoke, she closed the public hearing at 6:16 p.m.

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

Vice-Mayor Wisler moved to approve the wording amendments to UDO Articles V, IX and XV to expand standards for subdivisions and subdivision plat approvals to require review by the HRC and to clarify the process for obtaining Certificates of Appropriateness, and find that the request is reasonable, is in the public interest, and is consistent with the city’s comprehensive plan in that it: 1) helps to sustain a livable built environment by enhancing creative placemaking through preservation of neighborhood character and historic resources; and, 2) ensures new housing remains compatible with and contributes to the overall character of the existing neighborhood fabric. This motion was seconded by Councilwoman Mayfield and carried unanimously.

**ORDINANCE BOOK NO. 32 – PAGE 337**

**V. UNFINISHED BUSINESS:**

- A. RESOLUTION NO. 19-70 - RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND ENTER INTO A GRANT AGREEMENT WITH THE HOUSING AUTHORITY OF THE CITY OF ASHEVILLE IN THE AMOUNT OF \$4.2 MILLION FROM SEVERAL CITY FUNDING SOURCES AND ACCORDING TO VERIFIABLE, PERFORMANCE BASED DISBURSEMENT SCHEDULE, WITH THE FIRST \$1.4 MILLION DISBURSED TO HACA IN EARLY MAY 2019**

**ORDINANCE NO. 4737 - BUDGET AMENDMENT TO APPROPRIATE FUND  
BALANCE RESERVED FOR THE LEE WALKER HEIGHTS PROJECT**

Mr. Paul D'Angelo, Housing Development Specialist said that this is the consideration of a resolution to

**Action Requested:** Staff recommends that City Council authorize the City Manager to negotiate and enter into a grant agreement with the Housing Authority of the City of Asheville (HACA) in the amount of \$4.2 million from several city funding sources and according to a verifiable, performance based disbursement schedule, with the first \$1.4 million of that amount disbursed to HACA in early May 2019; and further authorizing approval of a Budget Amendment in the amount of \$1,380,000 to appropriate fund balance reserved for the project.

**Background:**

- The Lee Walker Heights Redevelopment will replace the existing 96 public housing units with 212 new affordable mixed-income units serving families earning between 10% and 60% of Area Median Income (AMI). The total project cost is estimated at approximately \$39.7 Million, and the project will be funded through a combination of 4% Low Income Housing Tax Credit (LIHTC) funds, HUD Funds, Housing Authority Funds, Buncombe County grant funds in the amount of \$4.2 million and City grant funds in the amount of \$4.2 million.
- 96 of the 212 units will continue to have deep subsidies, serving families well below 50% of AMI. HACA's current families have an average income of just over \$10,000 or 20% of AMI.
- On April 26, 2016, City Council passed Resolution 16-98 that committed an amount not to exceed \$4.2M in the Lee Walker Heights (LWH) Redevelopment.
- Potential funding sources considered in 2016:

○ HUD Section 108 Loan	\$1,750,000
○ General Fund Fund Balance (assigned)	\$1,380,000
○ HUD 2016-2017 HOME Funds	\$400,000
○ HUD 2016-2017 CDBG Funds	\$135,700
○ City CIP Funds	<u>\$534,300</u>
TOTAL	\$4,200,000
- In order to allow future CDBG & HOME funds to remain for future community needs, a cross-departmental committee recommends new funding sources to replace US Department of Housing and Urban Development (HUD) funding with other sources and satisfy the City's commitment of \$4.2M.
- The General Obligation (GO) funding will be used for demolition, site work improvements and infrastructure improvements for the benefit of 319 Biltmore, adjacent to the Lee Walker Heights property, which is a City identified "High Impact Site", and for which the City has an Option to Purchase for use as a potential mixed-income, mixed-use development. The funding will support construction of a new City street to connect to LWH and building pad sites at 319 Biltmore, therefore contributing to the long term redevelopment of both properties. \$15,000,000 in GO Housing Bonds were set-aside for use at these City identified High Impact Sites.
- The City's full funding of \$4.2 million will fund "eligible project costs" including such costs as demolition of buildings, site work, and infrastructure improvements at both the Lee Walker Heights and 319 Biltmore properties.
- HACA has requested that the City's funds be structured as a grant to HACA, which HACA will invest in the project consistent with Low Income Housing Tax Credit requirements. City staff agrees based on the following:
  - The project budget requires spending of at least \$1,820,000 (which represents the GO Housing Bond funds) of the \$4.2 million exclusively on eligible project

costs, as defined below, for the benefit of the 319 Biltmore property, a City identified "High Impact Site" on which the City has an Option to Purchase.

- \$4.2 million for 212 units at LWH is a subsidy of \$19,811 per unit (which aligns with subsidy level typically approved for the City's HTF loans); however, taking into consideration the \$1.82 million of infrastructure work on 319 Biltmore, the price per unit subsidy is effectively reduced on the Lee Walker property to \$11,321 per unit.

**Council Goal(s):**

- An Equitable and Diverse Community
- A Well-Planned and Livable Community
- Quality Affordable Housing

**Committee(s):**

- Affordable Housing Advisory Committee - February 7, 2019
  - Board unanimously recommended the funding streams and grant be approved
- Housing & Community Development - February 19, 2019
  - Individual presentation by David Nash, Chief Operating Officer of HACA
- Finance & Human Resources Committee - February 26, 2019
  - Action - Recommended to move forward to Council and that the funds be approved as a grant

**Pro(s):**

- This funding supports 212 new affordable and replacement units that will be permanently affordable, a subsidy of \$19,811 per unit (\$11,321 per unit, after deducting investments at 319 Biltmore).
- HACA has stated it will seek no other sources of City funding for this redevelopment project.
- Replacing HOME & CDBG funding with other funding sources allows continued use of CDBG & HOME funds for community investment.
- Replacing Section 108 loan payments with other funding sources allows future CDBG & HOME funds to remain for future community needs.
- Aligns with the purpose of GO Housing Bonds in making improvements to a City identified "High Impact Site: and in other ways, and will show progress on Affordable Housing Bond Projects.
- The redevelopment of 319 Biltmore and Lee Walker Heights, when considered as a whole, will generate affordable mixed-income housing and maximize the community connection.
- City funds will be used for eligible costs including infrastructure improvements, site grading and a new street that connects to Biltmore Avenue as well as demolition and this funding is vital to the success of the redevelopment of both the Lee Walker Heights and 319 Biltmore Avenue properties.
- This redevelopment aligns with the City of Asheville's Consolidated Plan goals of prioritizing development of one bedroom units (96) and rental housing affordable to 60% AMI and below.
- While the funding is structured as a grant, draw requests, after the initial disbursement, will only be disbursed when sufficient work has been completed and verified by the City.

**Con(s):**

- None

**Fiscal Impact:**

- The funding sources for the \$4.2 million payment are outlined below:

- General Fund Balance (reserved)  
\$1,380,000
- Affordable Housing CIP (General CIP)  
\$1,000,000
- General Obligation (GO) Housing Bond, High Impact Sites  
\$1,820,000

**TOTAL**

**\$4,200,000**

- The \$1,380,000 coming from General Fund fund balance (requested Budget Amendment) has already been assigned for this use, thus there will be no impact on General Fund unassigned fund balance. The Affordable Housing CIP and GO Bond funding for this project has already been budgeted.
  - Disbursement Schedule, approximate, to be based on draw requests and verified work completion:
    - On or around May 7, 2019 \$1,400,000
    - On or around July 1, 2019 \$1,400,000
    - On or around October 1, 2019 \$1,200,000
    - After January 1, 2020 \$ 200,000
- TOTAL \$4,200,000**

Mr. David Nash, Chief Operating Office of the Housing Authority of the City of Asheville, thanked Council for working with them on this project. They are excited about the opportunity to replace 96 of their oldest public housing units with 212 new affordable units within walking distance to jobs.

Mr. Tara Irby, Lee Walker Heights site manager, spoke about the employment training opportunities and was pleased to note that the relocation process is complete.

Ms. Margie Rhinehardt- Bukowski, with Weaver Cooke Construction Company, said they were pleased to work with the Housing Authority, Mountain Housing Opportunities, A-B Technical Community College (A-B Tech) and Green Opportunities. They will be holding job fairs for students and the community for the construction of Lee Walker Heights. They are hopeful that some of the people that will actually be living in Lee Walker Heights will help construct Lee Walker Heights. They are committed to paying a living wage to candidates that are certified through A-B Tech and Green Opportunities.

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

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

Vice-Mayor Wisler moved to authorize the City Manager to negotiate and enter into a grant agreement with the Housing Authority of the City of Asheville in the amount of \$4.2 million according to the terms and conditions described in the Staff Report and Resolution. This motion was seconded by Councilwoman Mayfield and carried unanimously.

**RESOLUTION BOOK NO. 40 – PAGE 347**

Vice-Mayor Wisler moved for the adoption of Ordinance No. 4737, budget amendment in the amount of \$1,380,000 to appropriate fund balance reserved for the project. This motion was seconded by Councilwoman Mayfield and carried unanimously.

**ORDINANCE BOOK NO. 32 – PAGE 347**

## **VI. NEW BUSINESS:**

### **A. RESOLUTION NO. 19-71 - RESOLUTION APPOINTING MEMBERS TO THE ASHEVILLE CITY BOARD OF EDUCATION**

Vice-Mayor Wisler, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing members to the Asheville City Board of Education.

The terms of Martha Geitner and Shaunda Sandford will expire on April 1, 2019. In addition, James Lee has resigned, thus leaving an unexpired term until April 1, 2021.

The following individuals applied for the vacancy and met all requirements: Martha Geitner, John Mosconi, Pepi Acebo, Shaunda Sandford, W. Scott Powell, James C. Carter and Melissa Kledis. On March 12, 2019, it was the consensus to interview all seven applicants.

After commenting on the excellent qualifications of all candidates, each Council member voted on the two four-year terms. Martha Geitner and Shaunda Sandford each received 7 votes. Therefore, Martha Geitner and Shaunda Sandford were reappointed as members of the Asheville City Board of Education to each serve an additional 4-year term, terms to expire April 1, 2023, or until their successors have been appointed.

Each Council member then voted on the vacant seat, with a term expiring on April 1, 2021. John Mosconi received 0 votes, Pepi Acebo received 2 votes, W. Scott Powell received 0 votes, James C. Cater received 5 votes, and Melissa Kledis received 0 votes. Therefore, James Carter was appointed as a member of the Asheville City Board of Education to serve the unexpired term of Mr. Lee, term to expire April 1, 2021, or until his successor has been appointed.

### **RESOLUTION BOOK NO. 40 - PAGE 349**

## **VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:**

Ms. Sarah Benoit and Mr. Jonathan Wainscott spoke about district elections.

### **Closed Session**

At 6:41 p.m., Councilwoman Smith 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, or potential lawsuit involving the following parties: The Estate of Jai Lateef Solveig Williams v. Sgt. Tyler Kelly Radford, et al; and The City of Asheville vs. Bird Rides, Inc. The statutory authorization is N.C. Gen. Stat. sec. 143-318.11(a)(3). This motion was seconded by Vice-Mayor Wisler and carried unanimously.

At 6:56 p.m., Vice-Mayor Wisler to come out of closed session. This motion was seconded by Councilman Haynes and carried unanimously.

## **VIII. ADJOURNMENT:**

Mayor Manheimer adjourned the meeting at 6:56 p.m.

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CITY CLERK

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MAYOR