

Tuesday – December 13, 2022 - 2:00 p.m.

Capital Improvement Program Worksession

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Sandra Kilgore; Councilwoman S. Antanette Mosley; Councilwoman Kim Roney; Councilwoman Sheneika Smith; Councilwoman Sage Turner; Councilwoman Maggie Ullman; City Manager Debra Campbell; City Attorney Brad Branham; and City Clerk Magdalen Burleson

City Manager Campbell said this is the launch of our CIP worksession and budget process. Usually we start our budget year with the operating budget, but this year we have a serious need to address our capital improvement projects.

Budget Manager Taylor Floyd said that today's key takeaways will be (1) goal is to have a capital plan that considers long term needs; (2) current capacity to fund projects outside of existing plan is limited; and (3) significant decisions are on the horizon related to needs and funding needs. He then provided Council with the capital budget overview, including examples of how capital projects impact services, the capital spending history, and a capital project timing example.

Regarding the capital planning process, Mr. Taylor explained the capital planning summary, how capital needs are identified, identifying needs in the five year plan, planned projects for Fiscal Year 2024 - Fiscal Year 2027, and the prioritization of allocating funding.

Capital Projects Director Jade Dundan then provided Council with a status update of the current capital projects. The Capital Improvement Program (CIP) update summary includes (1) 2016 General Obligation (GO) bond projects are on schedule to be completed or under contract by summer fo 2023, ahead of the final debt issuance (2) continuing to develop a better understanding of our capital needs, prioritization and funding strategy; and (3) capital needs are increasing due to (a) additional services; (b) aging infrastructure and facilities; and (c) effects of climate change and carbon reduction goals. He provided Council with the 2016 GO bond financial summary as of November 30, 2022, along with examples of unfunded major facility needs - Thomas Wolfe Auditorium - \$120 Million; Operations Campus - \$105 Million; Transit Maintenance Center - \$57 Million; West Asheville Public Safety Facility - \$13 Million; Quality Multipurpose facility - \$20 Million; and Fire Station B - \$8 Million. He noted that additional projects will be identified in the Comprehensive Facilities Study.

Mr. Dundas reviewed in more detail some unfunded projects (1) McCormick Field - renovation & upgrade of facility to meet Major League Baseball (MLB) standards; \$37.5M estimated cost original cost estimate was \$30M; will require a partnership with team, Buncombe County & Tourism Development Authority; improvements could potentially be funded through 20-year debt with City contribution estimated at an increase of \$1.0M-\$1.2M per year; and plan to MLB by April 1, 2023; and (2) Walton Street Park - currently funded at \$500k; improving courts, playground, paved walks, signs and mural to honor history of pool; construction award March/April; preliminary site work in Jan/Feb; pool under construction at Grant Center will replace historic Walton St Pool; and future work to determine how to repurpose pool site (pool and building). A partially funded project includes the Municipal Building - needs structural, roof, building envelope, HVAC, and office space improvements; structural observations on a routine schedule; current \$2.5M budget is the entire annual maintenance budget for nearly 3 years; additional \$1.5M-\$4.8M needed; fire service delivery impacts; and planned construction award July 2023 (phasing possible). An unknown capital project is Duke Substation - needed rebuild of downtown electrical substation adjacent to Harrah's Cherokee Center - Asheville; continue to explore options in partnership with Duke; assessing other sites, unknown potential costs to City; and timeline.

Finance Director Tony McDowell then reviewed with Council the debt modeling funding capacity (1) forward looking projection of revenues and spending; and (2) based on assumptions and financial policies - revenue growth rate (2% annual); timing of project spending; interest rate assumptions (5% for tax exempt); minimum fund balance levels; and inflationary pressure. Regarding the debt capacity, he said active projects and adopted CIP is fully funded in the model. He outlined the Limited Obligation Bonds CIP projected spending for Fiscal Year 2022 - Fiscal Year 2026 (approximately \$81 Million). Due to projected spending, no capacity for additional projects prior to Fiscal Year 2027 due to inflationary pressures and higher bid prices; and rising rate environment. To increase capacity, slower spending or additional resources are needed.

Regarding the Fiscal Year 2023 CIP Development and beyond (1) using Fiscal Year 2024 process to identify where we can't fund priority projects within our existing resources; (2) identifying what is flexible in the current plan; and (3) aligning outside funding opportunities with community priorities.

Staff are already working to identify new projects and update information for existing projects. They are working towards developing a 2024 GO bond referendum; and will follow-up at future budget worksessions.

Throughout the presentation, City Manager Campbell, Mr. McDowell, Mr. Floyd and Mr. Dundas responded to various questions/comments from Council, some being, but are not limited to: have we talked with Buncombe County about consolidating garage needs; when will be Comprehensive Facilities Study be completed; McCormick Field needs more public benefits and public use of the space; we need to acknowledge the rich history of McCormick Field; concerns of grid security with the Duke Substation; appreciation the "how do capital projects impact services" including sustainability and equity, especially with our stated climate emergency; need to be prepared to respond to future recommendations from the Reparations Commission about neighborhood plans and already-identified needs; in the climate justice initiative project, trust building looks like that public input in BIPOC community and Legacy Neighborhoods being matched with real dollars and an intention for meaningful response, shoring up disparities to mitigate the worst impact of climate change - including stormwater and food security while partnering for facilities for education and economic development opportunities; carbon reduction goals and procurement policy need to be in alignment with complete streets policy, roof replacement with feasibility for solar, and lo-no emission vehicles; request for list of procurement policies to see if updates are needed and ensure staff has support to align with carbon reduction goals; need to coordinate an ask for a future infrastructure bill or new revenue funding for housing; request for project details of the transportation 2016 GO Bond financial summary; what is the percentage of capital projects that are on budget or over budget; reasons for difficulty in project costs for capital projects because they are funded over several years; should the City consider putting forth on their legislative agenda budgetary items similar to Buncombe County; and hopeful that we can put together a bond package (and a regular bond package cycle) for consideration in 2024 for capital project improvements. Responses not readily available will be provided to Council in a memorandum form.

At 3:23 p.m., Mayor Manheimer adjourned the budget worksession.

Tuesday – December 13, 2022 - 5:00 p.m.

Regular Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Sandra Kilgore;
Councilwoman S. Antanette Mosley; Councilwoman Kim Roney; Councilwoman Sheneika Smith;

Councilwoman Sage Turner; Councilwoman Maggie Ullman; City Manager Debra Campbell; City Attorney Brad Branham; and City Clerk Magdalen Burleson

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

I. PROCLAMATIONS:

II. CONSENT AGENDA:

At the request of Councilwoman Roney, Consent Agenda Items “H”, “I”, “J” “K” and “Q” were removed from the Consent Agenda for discussion and/or individual votes.

- A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON NOVEMBER 15, 2022; AND THE ORGANIZATIONAL MEETING HELD ON DECEMBER 6, 2022**

- B. RESOLUTION NO. 22-253 - RESOLUTION AUTHORIZING THE CITY OF ASHEVILLE TO OBTAIN A SOLE SOURCE EXEMPTION WITH AMICK EQUIPMENT CO. IN ORDER TO PURCHASE NEW WAY PARTS FOR NEW AY TRUCKS IN OUR FLEET**

Action Requested: Adoption of a resolution supporting the sole source procurement of New Way truck parts from Amick Equipment Co., Inc.

Background:

- The City owns and operates six New Way automated side loading garbage trucks to provide trash collection by the Sanitation Division.
- New Way parts are only available through authorized dealers, and Amick Equipment Co., Inc. is the only authorized dealer for sales, service, parts, and all related items for New Way products in North Carolina.
- Use of OEM (original equipment manufacturer) parts is recommended to maintain the equipment up to the manufacturer’s standards.

Council Goal(s):

- A Well-Planned and Livable Community
- A Clean and Healthy Environment

Committee(s):

- None

Pro(s):

- This resolution will allow the Fleet Division to efficiently purchase the needed parts required to repair and maintain the City’s six New Way trucks.

Con(s):

- None

Fiscal Impact:

- Staff estimate that \$80,000 will be spent in the current fiscal year.
- Funding for these purchases is available in the Public Works Department operating budget.

Motion:

- Motion to adopt a resolution approving the sole source procurement of New Way truck parts from Amick Equipment Co., Inc.

RESOLUTION BOOK NO. 43 - PAGE 345

C. RESOLUTION NO. 22-254 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT GRANT FUNDS FROM THE GOLDEN LEAF FOUNDATION FOR THE SWANNANOA RIVER ROAD FLOOD MITIGATION AND DAMAGE REDUCTION FEASIBILITY STUDY

ORDINANCE NO. 4986 - BUDGET AMENDMENT TO ACCEPT GRANT FUNDS AWARDED FROM THE GOLDEN LEAF FOUNDATION

Action Requested: Adoption of a resolution authorizing the City Manager to accept \$150,000 in grant funds from the Golden Leaf Foundation for the Swannanoa River Road Flood Mitigation and Damage Reduction Feasibility Study to support preliminary engineering findings for the Swannanoa Transportation Corridor Resiliency Plan and to execute all necessary grant agreements; and the associated budget amendment in the amount of \$150,000.

Background:

- The Swannanoa River Road corridor (between Biltmore Avenue and South Tunnel Road) is one of the City's major east-west corridors that serves as an important commercial, recreation, transportation, and emergency access corridor.
- There is also a City plan to add a greenway/multi-use path within this corridor that would link to the larger city/county greenway system and serve as a key connector in the regional Hellbender Trail as well as extend the state's Fonta Flora Trail.
- The existing corridor, however, routinely floods during large rain events because of its proximity to the Swannanoa River floodplain.
- The frequency of flood events has also increased over the last 10 years, leaving Swannanoa River Road and surrounding roadways (including Thompson Street, and portions of Biltmore Avenue) inaccessible until flood waters recede.
- Buildings in the area also are frequently flooded and damaged.
- Swannanoa River Road and Thompson Street are located within feet of the riverbank and are vulnerable to being undermined by the river.
- Swannanoa River Road is owned and operated by the N.C. Dept. of Transportation (NCDOT) and is designated NC 81.
- A future project to reconstruct Swannanoa River Road is currently programmed in the State Transportation Improvement Plan (STIP #EB-5832).
- The NCDOT is currently considering alignment scenarios to improve the corridor's flood resiliency.
- Staff in the Transportation, Public Works, Planning and Urban Design (PUD), and Development Services Department (DSD) have taken this opportunity to discuss how best to incorporate the greenway while also aiming to provide some flood mitigation, flood damage reductions, and stream enhancements in this area.
- The Transportation Department applied for funding from the Golden Leaf Foundation in April 2022 and received confirmation of the award in October 2022.
 - Land of Sky Regional Council's (LOSRC) watershed and climate resilience specialist also assisted with the grant application.
 - The City was awarded \$150,000 and no match is required.
- The Golden Leaf Foundation is a non-profit organization whose mission is to increase economic opportunity in North Carolina through various types of community grants.
- The feasibility study, and the included flood study will:

- Identify flood patterns
- Identify flood impacts on public infrastructure and private properties
- Evaluate and make recommendations for conceptual plan options of a re-envisioned Swannanoa River Road corridor that provides for a resilient transportation corridor, a greenway, additional public open space, and potential flood mitigation and damage reductions
- Provide a planning-level cost estimate to implement the plan
- Inform ongoing City and NCDOT planning efforts related to the future reconstruction of Swannanoa River Road, as well as the Swannanoa Greenway.
- The Transportation Department intends to contract with the LOSRC (using existing budgeted funds) to manage the project and grant in an effort to minimize impacts to limited City staff resources.
- The Public Works Department will assist with technical support.

Council Goal(s):

- Expand Core Services
- Neighborhood Resilience

Committee(s):

- Multi-Modal Transportation Committee - June 24, 2020 - Informational presentation
- Asheville Area Riverfront Redevelopment Commission - February 10, 2022 - Informational presentation

Pro(s):

- Outcomes of the study will include data on patterns and impacts of recurring flooding, as well as recommendations for potential flood reduction, mitigation, and increased climate resiliency.
- The study will benefit the City and NCDOT in ongoing planning efforts related to the future reconstruction of Swannanoa River Road and the Swannanoa Greenway.
- The LOSRC will manage the project, thereby reducing the strain on limited City staff resources.

Con(s):

- Completion of the study will require some City staff time, primarily from the Transportation and Public Works Department, to coordinate with LOSRC, provide data as necessary, and review deliverables.
- The study may recommend future actions, work program items, and capital improvements that could impact City resources.

Fiscal Impact:

- While matching funds are not required for this grant, an additional \$25,000 will be used to contract with LOSRC for management of the project.
- Funding for this contract is available in the Transportation Department operating budget.

Motion:

- Motion to adopt a resolution authorizing the City Manager to accept \$150,000 in grant funds from the Golden Leaf Foundation for the Swannanoa River Road Flood Mitigation and Damage Reduction Feasibility Study to support preliminary engineering findings for the Swannanoa Transportation Corridor Resiliency Plan, and to execute all necessary grant agreements; and the associated budget amendment.

Councilwoman Roney appreciated staff's efforts on this study, as well as acknowledging the Oakley Neighborhood Association who has been hosting events to help us to imagine how

this road can not only be safe for all modes of transportation, not only for the Swannanoa River Corridor but also for connected streets like Thompson Street.

**RESOLUTION BOOK NO. 43 - PAGE 346
ORDINANCE BOOK NO. 34 - PAGE 307**

D. RESOLUTION NO. 22-255 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY TO THE FRENCH BROAD METROPOLITAN PLANNING ORGANIZATION FOR THE ANNUAL FISCAL YEAR 2022 SECTION 5307 AND FISCAL YEAR 2022 SECTION 5310 GRANT FUNDING TO FUND EXISTING TRANSIT OPERATIONS FOR ROUTE 170 AND THE CITY'S PARATRANSIT SERVICES; AND IF AWARDED, TO SIGN ALL APPROPRIATE AGREEMENTS

Action Requested: Adoption of a resolution authorizing the City Manager to apply and submit grant applications to the French Broad River Metropolitan Planning Organization (FBRMPO) for the annual FY22 Section 5307 Job Access Reverse Commute (JARC) and FY22 Section 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities) grant funding to fund existing transit operations for Route 170 (fixed-route), and the City of Asheville's paratransit services, and if successful, to accept the grant funds and sign all the appropriate agreements, and to include the revenue in the FY24 Budget.

Background:

- Each year, the City must apply to the FBRMPO to receive FTA Section 5307 Job Access Reverse Commute (JARC) and FTA Section 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities) funds for transit operations, grant management and administration, and reporting.
- On November 2, 2022, FBRMPO issued a Call for Projects for the Federal Transit Administration FY 2022 Section 5307 (JARC) and Section 5310 funds soliciting proposals.
- The deadline for the grant application is December 15, 2022.
- The City utilizes Section 5307 (JARC) funding to support Route 170, the fixed-route service operated between downtown Asheville and the Town of Black Mountain.
 - The total FY22 Section 5307 (JARC) funds available for distribution is \$408,394.
 - The City is applying for \$254,720 in federal funding.
 - The match requirement for this grant is 50%.
 - In the coming fiscal year, the Town of Black Mountain has agreed to provide \$25,000 toward the required matching funds, and Buncombe County is expected to provide approximately \$86,000 in matching funds as well.
 - The City will provide the remaining match (\$143,720).
- The City utilizes Section 5310 funds to support operation of the City's paratransit service.
 - The total FY2022 Section 5310 funding available is \$511,257.
 - Of this funding, 10% or \$51,125, is automatically allocated to the City of Asheville for administration of the grant.
 - The remaining \$460,132 will be awarded for regular 5310 projects and programs.
 - The City is applying for \$210,000 in FY22 Section 5310 funding.
 - The match requirement for this grant is 20% (\$52,500).

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- None.

Pro(s):

- Enables the City to use federal funds to help offset the annual operating cost of paratransit and Route 170 fixed-route services.
- Grant recipients and subrecipients are responsible for their local match.
- The City will receive \$51,125 for oversight and administrative cost which does not require a local match.
- These funds will be used for the administrative cost for the Section 5310 program.

Con(s):

- The City is responsible for the 20% and 50% local match for the Section 5310 and JARC Funding programs respectively.
- There is no administrative fee paid to the City for administering the 5307/JARC grant program.

Fiscal Impact:

- If awarded the grant funding (\$515,845), matching funds (including \$196,220 of City funding), and associated expenses will be included in the Proposed FY24 Budget (Transit Services Fund).

Motion:

- Motion to approve a resolution authorizing the City Manager to apply to the French Broad River Metropolitan Planning Organization (FBRMPO) for FY 2022 Section 5307 JARC Funds in the amount of \$254,720. and FY 2022 Section 5310 Funds in the amount of \$210,000.

RESOLUTION BOOK NO. 43 - PAGE 347

E. RESOLUTION NO. 22-256 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH CARAHSOFT CLOUD SOLUTIONS FOR THE PURCHASE OF SWIFTLY REAL-TIME TRANSIT PLANNING SOFTWARE

Action Requested: Adoption of a resolution authorizing the City Manager to execute an agreement with Carahsoft Cloud Solutions under the National association of State Procurement Officials Cooperative Purchasing Agreement for the purchase of Swiftly Real-Time Transit Planning Software under a three-year contract for a total contract amount of \$237,276.

Background:

- The City currently contracts with a software company called Swiftly to provide various transit-related data and information services that are integral to Asheville Rides Transit (ART) daily operations.
- These services include:
 - GPS-enabled real-time data showing the location of each bus on a route and when the bus is expected to arrive at a stop.
 - This data is pushed out by apps such as Google Maps, Moovit, and Transit App.
 - Trip planning capabilities - riders can enter where they want to go and the software will recommend routes and times.
 - Monitoring and reporting of on-time-performance for the overall system and for each route.
 - Bus operators and dispatchers use Swiftly for navigation and driver training.
- The City's current contract was entered into after a Request for Proposals during September 2018.
- The City's current contract with Swiftly expires at the end of December 2022.

- To ensure continued operations and real-time transit information for the public, staff is recommending using a cooperative purchasing agreement developed by the National Association of State Purchasing Officials (NASPO) that is specific to cloud-based softwares and includes transit-related software such as Swiftly (provided by Carahsoft Cloud Solutions).

Vendor Outreach Efforts:

- None since a cooperative purchasing agreement is being used.

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- None

Pro(s):

- This action will allow continued and uninterrupted use of critical software that provides information to both the public and staff regarding transit service.

Con(s):

- Failure to take this action will result in the existing contract with Swiftly ending and therefore a stoppage in receiving data and information regarding bus locations, system performance, and certain ART training activities.
- Failure to take this action will also require staff to pursue procurement of an alternative software to provide transit data, resulting in additional cost and impacts to riders.

Fiscal Impact:

- The contract will be a three-year contract with potential for additional one-year renewals under the cooperative purchasing agreement. The three-year contract cost totals \$237,276 and is broken down as follows for each year:
 - Year 1 (January 1, 2023 - December 31, 2023) = \$74,714
 - Year 2 (January 1, 2024 - December 31, 2024) = \$79,298
 - Year 3 (January 1, 2025 - December 31, 2025) = \$83,262
- Funding for the first year of this contract is available in the Transit Services operating budget. Future years will be planned for during the annual budget development process.

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute an Agreement with Carahsoft Cloud Solutions under the NASPO Cooperative Purchasing Agreement for the purchase of Swiftly Real-Time Transit Planning Software under a three-year contract for a total contract amount of \$237,276.

RESOLUTION BOOK NO. 43 - PAGE 348

F. RESOLUTION NO. 22-257 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT WITH THE BUNCOMBE COUNTY BOARD OF EDUCATION FOR THE USE AND MAINTENANCE OF THE IRBY BRINSON SPORTS COMPLEX AT VALLEY SPRINGS MIDDLE SCHOOL

Action Requested: Adoption of a resolution authorizing the City Manager to enter into an interlocal agreement with Buncombe County Board of Education regarding the use and maintenance of Irby Brinson Sports Complex at Valley Springs Middle School

Background:

- The Irby Brinson sports complex at Valley Springs Middle School is owned by the Buncombe County Board of Education.
- Previously the City entered into an agreement with the Buncombe County Board of Education to construct the Irby Brinson Sports Complex.
- Since the construction the property and existing site improvements have been used exclusively for recreational purposes by the school and the City Parks & Recreation Department.
- The park is needed for youth athletic programming activities serving South Asheville.
- This agreement is beneficial to the Parks and Recreation Department because it allows the department to continue to support youth recreation sports, specifically baseball, softball, t-ball, and youth football.
- The previous agreement expired in June 2022, and the City approached Buncombe County Board of Education expressing interest in renewing the agreement for 1 (one) year with the option for 2 (two) years extension.
- Buncombe County Board of Education is agreeable to the extension.
- Existing terms of the agreement will continue, such as the City's commitment to maintain the facilities, make any necessary repairs, and cover utility costs.
- The City shall maintain adequate property & casualty insurances for any use of the facility.

Council Goal(s)

- A Well Planned and Livable Community
- A Clean and Healthy Environment

Pro(s):

- Establishes the expectations for the responsibility of the City as they relate to the use & maintenance of the sports complex at Valley Springs Middle School. .
- Supports City Council's FY 2022-23 Neighborhood Resilience and Improve and Expand Core Services priorities through partnership with the Buncombe County Board of Education

Con(s):

- The agreement commits the City to costs to maintain the facility during its programmed use.
- Places liability on the City during its programmed use.

Fiscal Impact:

- Any maintenance of this facility will be funded from within the existing Parks & Recreation operating budget.

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute to enter into an interlocal agreement with Buncombe County Board of Education regarding the use & maintenance of Irby Brinson Sports Complex at Valley Springs Middle School

RESOLUTION BOOK NO. 43 - PAGE 349

G. RESOLUTION NO. 22-258 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH WNC ROOFING LLC FOR THE NORTH FORK FILTER BUILDING ROOF REPAIR PROJECT

Action Requested: Adoption of a resolution authorizing the City Manager to execute a contract with WNC Roofing LLC in the amount not to exceed \$108,500 for North Fork Filter Building roof repairs.

Background:

- The roof at North Fork Filter Building has experienced degradation to water resistant coatings in masonry.
- Facade and shingle sections of building were originally constructed in 1978
- Aging clay tiles on the roof require removal and replacement with new shingles.
- Deteriorating wooden decking under the roof requires removal and replacement to maintain structural integrity.

Vendor Outreach Efforts:

- Staff performed outreach to minority- and women-owned businesses through the solicitation processes which include posting on the State's Interactive Purchasing System and requiring prime contractors to reach out to Minority Women-Owned Business Enterprise (MWBE) service providers for subcontracted services.
- The project was competitively bid as an informal bid.
- A pre-bid meeting was held on site at the North Fork Plant on October 13, 2022.
- Two bids were submitted on November 2, 2022 for the project from J Bartholomew Construction (\$195,000), and from WNC Roofing LLC (\$108,500)
- WNC Roofing LLC is a woman-owned business.
- Following a review of the bids by City staff and the project engineers, WNC Roofing was selected as the lowest responsible, responsive bidder.

Council Goal(s):

- Financially Resilient City

Committee(s):

- None

Pro(s):

- Ensures continued structural integrity of City Water System buildings.
- Ensures continuous operation of North Fork Water Facility.
- Ensures protection of Water Resources infrastructure from exposure to elements.

Con(s):

- Building houses multi-million dollar equipment that requires protection from rain.
- Building is a critical component of the treatment of the City water supply.

Fiscal Impact:

- Funding for this contract was previously budgeted and is available in the Water Resources Capital Projects Fund.

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute a contract with WNC Roofing LLC in the amount not to exceed \$108,500 for North Fork Filter Building roof repairs.

RESOLUTION BOOK NO. 43 - PAGE 350

H. RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR AND

ACCEPT GRANT FUNDS FROM THE U.S. DEPT. OF JUSTICE FOR THE 2022 BULLETPROOF VEST PARTNERSHIP GRANT

BUDGET AMENDMENT FROM THE U.S. DEPT OF JUSTICE 2022 BULLETPROOF VEST PARTNERSHIP GRANT

These items have been removed from the Consent Agenda for discussion and/or individual votes.

- I. RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR AND ACCEPT THE U.S. DEPT. OF JUSTICE 2022 EDWARD BYRNE JUSTICE ASSISTANCE GRANT**

BUDGET AMENDMENT FROM THE U.S. DEPT. OF JUSTICE FOR THE 2022 EDWARD BYRNE JUSTICE ASSISTANCE GRANT

These items have been removed from the Consent Agenda for discussion and/or individual votes.

- J. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH COLE PRO MEDIA LLC. FOR POLICE TRANSPARENCY ENGAGEMENT ADVISING SERVICES**

This item has been removed from the Consent Agenda for discussion and/or individual vote.

- K. RESOLUTION AUTHORIZING THE CITY MANAGER TO RENEW A CONTRACT WITH LEXISNEXIS FOR THE ACCURINT VIRTUAL CRIME CENTER CRIME ANALYSIS PLATFORM**

This item has been removed from the Consent Agenda for discussion and/or individual vote.

- L. RESOLUTION NO. 22-263 - RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A LICENSE AGREEMENT WITH BELL ATLANTIC MOBILE SYSTEMS LLC (D/B/A VERIZON WIRELESS) TO ALLOW THEM TO REMAIN ON THE ROYAL PINES CELL TOWER**

Action Requested: Adoption of a resolution authorizing the City Manager to sign a license agreement that will allow Verizon to remain on the City's tower at Royal Pines.

Background:

- Verizon has been one of two telecommunications tenants on the City-owned Royal Pines Cell Tower located at 57 Crestwood Drive.
- The City owns the tower primarily for its own public safety communications equipment and allows private telecom companies to utilize space per license agreements with the City.
- Verizon Wireless has been a long-standing telecommunications tenant since 2008.
- The most recent Structural Analysis has shown that the tower is near maximum capacity and equipment upgrades previously requested by Verizon could not be installed.
- In 2020, Verizon decided to relocate to a new tower, and asked for a transition period of two years.
- The City granted that request.
- However, in June of 2022, Verizon notified the City's Real Estate Office that their plans

- had changed and they were no longer going to move to a new site.
- Verizon is requesting a new license agreement with the City for a total of 10 years structured as two five-year terms.
- Given that Verizon will not be able to add additional equipment because of structural limitations, the base rent will not be increased.
- However the annual escalation clause of 3% will continue to be applied.
- The current rent is \$47,149.18 per year and will increase 3% each year through the term of the license agreement.

Council Goal(s):

- A Thriving Local Economy

Committee(s):

- None

Pro(s):

- The presence of Verizon on this tower strengthens the signal for the many users of Verizon in the city.
- Rental rate provides revenue to the City of Asheville.

Con(s):

- The departure of Verizon would have enabled other users to increase their equipment loadings on the tower.

Fiscal Impact:

- The General Fund will continue to receive revenue (currently \$47,149.18) from this license agreement , which is included in the annual budget.

Motion:

- Motion to approve the resolution authorizing the City Manager to execute a new license agreement with Bell Atlantic Mobile Systems LLC, dba Verizon Wireless.

RESOLUTION BOOK NO. 43 - PAGE 355

M. RESOLUTION NO. 22-264 - RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH BUNCOMBE COUNTY TO ACCEPT RENEWAL FUNDING FOR THE OPERATION OF THE HOMELESS INITIATIVE ADVISORY COMMITTEE AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE INTERLOCAL AGREEMENT

Action Requested: Adoption of a resolution approving an interlocal agreement with Buncombe County to accept renewal funding for operations of the Homeless Initiative Advisory Committee and authorizing the City Manager to enter into the interlocal agreement.

Background:

- The U.S. Department of Housing and Urban Development (HUD) Continuum of Care program provides federal resources to local communities for homeless and housing programs.
- The Continuum of Care framework designates a specific geography within which homeless populations are identified and responsive services are strategically developed and coordinated. Each Continuum of Care is led by a local governance board and supported by a designated Lead Agency.

- Locally, the NC-501 Asheville-Buncombe Continuum of Care covers the geography of Buncombe County, is governed by the Homeless Initiative Advisory Committee (HIAC), and the City of Asheville is the designated Lead Agency.
- The Homeless Initiative Advisory Committee is a joint committee of the City of Asheville and Buncombe County.
- City Council and County Commission each appoint 8 members to serve on HIAC.
- City staff in the Homeless Strategy Division support HIAC and fulfill the Continuum of Care Lead Agency responsibilities.
- Buncombe County provides the City with \$32,000 annually to support these efforts.

Council Goal(s):

- Houselessness Strategies

Committee(s):

- N/A

Pro(s):

- Provides funding from key partner to facilitate community work to end homelessness

Con(s):

- None identified

Fiscal Impact:

- The revenue associated with this agreement was budgeted in the FY23 Adopted Budget.

Motion:

- Motion to adopt a resolution approving an interlocal agreement with Buncombe County to accept renewal funding for operations of the Homeless Initiative Advisory Committee and authorizing the City Manager to enter into the interlocal agreement.

RESOLUTION BOOK NO. 43 - PAGE 356

N. RESOLUTION NO. 22-265 - RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH BUNCOMBE COUNTY FOR CODE PURPLE EMERGENCY SHELTER AGREEMENTS AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE INTERLOCAL AGREEMENT

ORDINANCE NO. 4989 - BUDGET AMENDMENT FROM BUNCOMBE COUNTY TO SUPPORT CODE PURPLE ACTIVITIES

Action Requested: Adoption of a resolution approving an interlocal agreement with Buncombe County to accept funding for Code Purple Emergency Shelter Agreements and authorizing the City Manager to enter into the interlocal agreement; and adoption of the accompanying budget amendment in the amount of \$50,000.

Background:

- Code Purple is an emergency overflow shelter with fewer requirements than traditional shelters that is activated when the temperature is 32 degrees or below, in order to ensure survival for people experiencing homelessness.
- Code Purple is a longstanding community initiative operated by a variety of service providers each year.
- During the pandemic, the City and County provided significant funding for Code Purple, since operations were complicated by COVID protocols.

- This fiscal year, for the first time, both the City and County have budgeted \$50,000 to fund Code Purple shelter.
- The City is administering the full \$100,000, and this agenda item is requesting approval to accept the County's portion of \$50,000.
- City staff issued community notice inviting funding requests for Code Purple activities, and the Finance Workgroup of the Homeless Initiative Advisory Committee (HIAC) reviewed requests received.
- The Finance Workgroup made recommendations to HIAC who voted on funding awards at their October 28, 2022 meeting.
- City staff shared funding recommendations during the City Manager's report at City Council on November 15, 2022.
- The recommendations included some funding for Winter Shelter, an initiative to provide shelter throughout the cold winter months regardless of temperature.
- To accommodate this recommendation, County funding will be directed to Code Purple only and City funds will be utilized for both Code Purple and Winter Shelter.
- City staff will initiate funding agreements with providers based on HIAC's awards, as the agreements are within the City Manager's authorization to execute.

Council Goal(s):

- Houselessness Strategies

Committee(s):

- N/A

Pro(s):

- Provides funding from key partner to facilitate community work to end homelessness

Con(s):

- None identified

Fiscal Impact:

- Funding for the City's portion of this program (\$50,000) is available in the Community & Economic Development Department's operating budget.
- This will be augmented by an additional \$50,000 from Buncombe County.

Motion:

- Motion to adopt a resolution approving an interlocal agreement with Buncombe County to accept funding County for Code Purple Emergency Shelter Agreements and authorizing the City Manager to enter into the interlocal agreement; and adoption of the accompanying budget amendment in the amount of \$50,000.

**RESOLUTION BOOK NO. 43 - PAGE 357
ORDINANCE BOOK NO. 34 - PAGE 310**

O. RESOLUTION NO. 22-266 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT WITH TERRACON CONSULTANTS INC. FOR THE MUNICIPAL BUILDING CAPITAL REPAIRS AND RESTORATION PROJECT

Action Requested: Adopt a resolution authorizing the City Manager to execute an amendment with Terracon Consultants, Inc. in the amount of \$615,000 for design and construction administration services for the Municipal Building Capital Repairs and Restoration Project and further authorizing the City Manager to approve change orders up to 10% (\$61,500) of the amendment #3 value.

Background:

- The Municipal Building is located at 100 Court Plaza and houses Police & Fire Headquarters along with serving as Fire Station 1.
- The current building condition requires repair to the structure in the fire apparatus bay and exterior envelope, which are critical to the operation and occupancy of the Municipal Building.
- A Request for Qualifications (RFQ) was advertised on October 22, 2021, for Architectural and Engineering Professional Services.
- The services requested in the RFQ included an initial pre-design building investigation and scope assessment phase, and the subsequent project design and construction administration phase.
- All services provided by Terracon up to this point have been investigative to determine the full scope of the project, and are captured in the original contract along with amendments #1 and #2.
- This Amendment #3 in the amount of \$615,000 will authorize the Phase 2 design and construction administration services to be performed by Terracon.
- The total value of the contract, including this amendment, is within the range that is expected for these types of services.

Vendor Outreach Efforts:

- For the original solicitation of pre-design and design services for this project, staff performed outreach to minority and women owned businesses through the RFQ solicitation process.
- This included posting on the State's Interactive Purchasing System and encouraging consultants to reach out to Minority & Women-Owned Business Enterprise (MWBE) service providers for subcontracted services.

Council Goal(s):

- Clean and Healthy Environment
- Financially Resilient City

Committee(s):

- None

Pro(s):

- The pre-design assessments are complete and identified critical repairs.
- This amendment will allow the project to proceed into design and will cover construction administration services.

Con(s):

- Completing the needed repairs and restoration to the Municipal Building will require most of the funding allocated to facility maintenance over the five year Capital Improvement Program (CIP), limiting the capacity to address maintenance needs at other facilities.

Fiscal Impact:

- Funding for this contract was previously budgeted and is available in the General Capital Projects Fund.

Motion:

- Motion authorizing the City Manager to execute an amendment with Terracon Consultants, Inc. in the amount of \$615,000 for design and construction administration services for the Municipal Building Capital Repairs and Restoration project and further

authorizing the City Manager to approve change orders up to 10% (\$61,500) of the amendment #3 value.

RESOLUTION BOOK NO. 43 - PAGE 358

P. RESOLUTION NO. 22-267 - RESOLUTION ADOPTING THE 2023 CITY COUNCIL MEETING SCHEDULE

RESOLUTION BOOK NO. 43 - PAGE 359

Q. ADOPTION OF ASSIGNMENT OF BOARD & COMMISSION MEMBERS/ LIAISONS FOR 2023-24

This item was removed from the Consent Agenda for discussion and/or individual votes.

Mayor Manheimer said that members of Council have been previously furnished with a copy of the resolutions and ordinances on the Consent Agenda and they would not be read.

Councilwoman Turner moved for the adoption of the Consent Agenda, with the deletion of Consent Agenda Items “H”, “I”, “J”, “K” and “Q”. This motion was seconded by Councilwoman Smith and carried unanimously.

ITEMS REMOVED FROM THE CONSENT AGENDA FOR INDIVIDUAL VOTES

Several individuals made various comments regarding Consent Agenda Items “H”, “I”, “J” “K” and “Q”. The general theme of the comments was the opposition to executing a contract with Cole Pro Media for police transparency engagement advising services. In addition, comments were made to support the Asheville Police Department and the acceptance of grants; and comments to allow or not allow Councilwoman Roney to remain on the Public Safety Committee (now Environment & Safety Committee).

Regarding Consent Agenda Items “H”, “I”, “J” and “K”, Councilwoman Roney said our city is desperate for appropriate and equitable public safety response, but disparities in our service outcomes are well-documented, which is why she has asked for the City of Asheville to add to our public safety response, ensuring we send the right person with the right tools and training during crises including mental health, opioid poisoning, intimate partner violence, violence interruption and crime prevention. It is the Council’s duty to maintain oversight of budgets, plans, and policies. The Public Safety Committee is still lacking the requested update on the Fiscal Year to date budget and projections. Last year, the Public Safety Committee was presented a public safety budget surplus of over \$1 Million. There’s an expectation and anticipation that we will again have a budget surplus that can be used to meet the very serious public safety needs in our community, She understands that overtime is expensive, so we likely don’t have the budget surplus the public expects with so many vacancies, but we need to be able to inform and educate the public on what budget resources are available. In the last Public Safety Committee meeting, she heard clearly that we are not going to get into budget details at the committee level, but if not there, when and where? She said that bulletproof vests are an absolutely necessary tool for the role we assign to our Asheville Police Department staff, and there is funding in the budget for this expenditure. Until we have updates on our budget, her no vote is directed at not approving increases to budgets that lack transparency because these items would otherwise (and are literally named as) being funded in our existing budget, of which 47% of our general fund balance is allocated to public safety. Though her neighbors may or may not agree on details on her stance and vote, she knows that we care, and that we’re capable of appropriate, equitable public safety services.

Councilwoman Turner understood the frustration; however, it's clear that we all care about public safety.

Mayor Manheimer noted that Council must vote on federal and state grants, regardless of the amount, and that we try to leverage any and all grants.

Vice-Mayor Kilgore said that the City is dealing with a lot of challenges and we are doing our best to balance the issues with transparency and everyone having a voice.

At the request of Councilwoman Turner, it was the consensus of Council that there be no automatic renewals with Cole Pro Media and any renewals be brought forward to the full Council for review.

H. RESOLUTION NO. 22-259 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR AND ACCEPT GRANT FUNDS FROM THE U.S. DEPT. OF JUSTICE FOR THE 2022 BULLETPROOF VEST PARTNERSHIP GRANT

ORDINANCE NO. 4987 - BUDGET AMENDMENT FROM THE U.S. DEPT OF JUSTICE 2022 BULLETPROOF VEST PARTNERSHIP GRANT

Action Requested: Adoption of a resolution to apply for and accept the 2022 BVP Grant from the U.S. Dept. of Justice; and adopt a budget amendment in the City's Special Revenue Fund in the amount of \$20,327.22.

Background:

- The City of Asheville receives an annual opportunity to apply for a U.S. Department of Justice (DOJ), Bulletproof Vest Partnership (BVP) Grant.
- The DOJ has preliminarily determined that the Asheville Police Department (APD) is eligible to receive a 2022 award of \$10,163.61 which requires a dollar for dollar match by the City.
- Bulletproof vests expire after 5 years, and during the life of this grant 50 current officer's vests will expire and require replacement.
- The funding will allow the purchase of 26 bulletproof vests over the two year life of the grant.

Council Goal(s):

- A Connected and Engaged Community

Committee(s):

- Public Safety Committee - November 17, 2022 - 2-1 approval to move forward to City Council

Pro(s):

- Increases officer safety by providing crucial safety equipment.
- Reduction in cost to the City of Asheville for the purchase of bulletproof vests

Con(s):

- None

Fiscal Impact:

- Funding for the required \$10,163.61 local match has been identified within the current fiscal year General Fund operating budget.

- This grant offsets the cost of equipment replacement that would otherwise be borne in full by the City.

Motion:

- Motion to adopt a resolution approving the application and acceptance of the grant from the U.S. Dept. of Justice; and a budget ordinance amendment in the City's Special Revenue Fund in the amount of \$20,327.22.

Councilwoman Smith moved to adopt a resolution approving the application and acceptance of the grant from the U.S. Dept. of Justice for the 2022 Bulletproof Vest Partnership Grant. This motion was seconded by Councilwoman Turner and carried on a 6-1 vote, with Councilwoman Roney voting "no".

RESOLUTION BOOK NO. 43 - PAGE 351

Councilwoman Turner moved to adopt the budget amendment from the U.S. Dept. of Justice for the 2022 Bulletproof Vest Partnership Grant. This motion was seconded by Councilwoman Ullman and carried on a 6-1 vote, with Councilwoman Roney voting "no."

ORDINANCE BOOK NO. 34 - PAGE 308

I. RESOLUTION NO. 22-260 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR AND ACCEPT THE U.S. DEPT. OF JUSTICE 2022 EDWARD BYRNE JUSTICE ASSISTANCE GRANT

ORDINANCE NO. 4988 - BUDGET AMENDMENT FROM THE U.S. DEPT. OF JUSTICE FOR THE 2022 EDWARD BYRNE JUSTICE ASSISTANCE GRANT

Action Requested: Adoption of a resolution to apply for and accept the United States Department of Justice (DOJ) 2022 Edward Byrne Justice Assistance (JAG) Grant; and adopt a budget amendment in the City's Special Revenue Fund in the amount of \$80,145.

Background:

- The City of Asheville receives an annual opportunity to apply for a Department of Justice (DOJ), Edward Byrne Justice Assistance Grant.
- The DOJ has preliminarily determined that the Asheville Police Department (APD) is eligible to receive a 2022 award of \$80,145 which is allocated to the APD and the Buncombe County Sheriff's Office in the amounts of \$61,926 and \$18,219 respectively.
- The APD will use the funds to help pay for a DNA Analyzer machine.
- The Buncombe County Sheriff's Office CID (Crime Investigations Division), and CNT (Crisis Negotiation Team) will use grant funds to purchase access (license) for Magnet Axiom \$3,840, and to update vital technology programs and related equipment for CID (\$6,840) and CNT (\$7,545) law enforcement.
- The grant does not require local matching funds.

Council Goal(s):

- A Connected and Engaged Community

Committee(s):

- Public Safety Committee - November 17, 2022 - 2-1 approved to move forward to City Council

Pro(s):

- Ensures the ability to better protect the safety of the residents of Asheville and Buncombe County.

Con(s):

- None

Fiscal Impact:

- Matching funds are not required for this grant.

Motion:

- Motion to adopt a resolution approving the application and acceptance of the grant and a budget ordinance amendment in the City's Special Revenue Fund in the amount of \$80,145.

Councilwoman Turner moved to adopt a resolution approving the application and acceptance of the grant from the U.S. Dept. of Justice for the 2022 Edward Byrne Justice Assistance Grant. This motion was seconded by Councilwoman Smith and carried on a 6-1 vote, with Councilwoman Roney voting "no".

RESOLUTION BOOK NO. 43 - PAGE 352

Councilwoman Turner moved to adopt the budget amendment from the U.S. Dept. of Justice for the 2022 Edward Byrne Justice Assistance Grant. This motion was seconded by Councilwoman Ullman and carried on a 6-1 vote, with Councilwoman Roney voting "no."

ORDINANCE BOOK NO. 34 - PAGE 309

J. RESOLUTION NO. 22-261 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH COLE PRO MEDIA LLC. FOR POLICE TRANSPARENCY ENGAGEMENT ADVISING SERVICES

Action Requested: Adoption of a resolution to allow the City Manager to execute on behalf of the City of Asheville a contract not to exceed \$162,000 with Cole Pro Media, LLC, with the option to renew annually for two one-year extensions, upon budgetary approval by Council for each fiscal year for police transparency engagement advising services.

Background:

- In August of 2018, 21CP Solutions, LLC was engaged by Asheville City Council to review the arrest, the tactics, policies, and procedures involved in an excessive force incident.
- Recommendation 8.4 of the Policy and Procedure Review report issued by the company stated, "The City should consider retaining a firm to provide crisis response services to the APD and the City of Asheville in the future. Relying on skilled crisis management experts can reduce the scope and impact of a critical incident, by taking an active role in developing a cohesive, coordinated response across involved parties. These strategic responses can involve asserting control over media exposure, reducing liability, and preserving public safety in the immediate aftermath."
- The Asheville Police Department (APD) is requesting approval from Council to enter into a new contract with Cole Pro Media, LLC, the company identified for award as the result of an Request for Proposals process.

- Cole Pro Media will provide services to APD, which include counseling, advising, and guiding the Police Department in matters of transparency engagement issues, crisis communications, social media messaging, critical incidents or any other counsel requested by the Police Department and City Management.
- The total annual cost for this contract is \$54,000.
- Two optional renewals will be included in the contract documents, bringing the intended three year contract total to \$162,000.
- APD already includes this expense in the annual budget process so no additional funding is required.

Council Goal(s):

- A Connected and Engaged Community

Committee(s):

- Public Safety Committee - November 17, 2022 - 2-1 approval to move forward to City Council

Pro(s):

- Fulfills recommendation 8.4 of the Policy and Procedure Review report issued in August of 2018 by 21CP Solutions, LLC as engaged by Asheville City Council to review the arrest, the tactics, policies, and procedures involved in an excessive force incident.
- Community transparency through counseling, advising, and guidance of the Asheville Police Department by a third party, established, professional agency.

Con(s):

- Continued annual cost of contracting with a Transparency Engagement Advising Service.

Fiscal Impact:

- Funding for this contract is available in the Asheville Police Department operating budget.

Motion:

- Motion to allow the City Manager to execute on behalf of the City of Asheville a contract not to exceed \$162,000 with Cole Pro Media, LLC, with the option to renew annually for two one-year extensions, upon budgetary approval by Council for each fiscal year for police transparency engagement advising services.

Councilwoman Turner moved to adopt a resolution to execute a contract with Cole Pro Media for police transparency engagement advising services. This motion was seconded by Councilwoman Ullman and carried on a 5-2 vote, with Councilwoman Roney and Councilwoman Smith voting "no".

RESOLUTION BOOK NO. 43 - PAGE 353

K. RESOLUTION NO. 22-262 - RESOLUTION AUTHORIZING THE CITY MANAGER TO RENEW A CONTRACT WITH LEXISNEXIS FOR THE ACCURINT VIRTUAL CRIME CENTER CRIME ANALYSIS PLATFORM

Action Requested: Adoption of a resolution authorizing the City Manager to renew a contract

with LexisNexis ACCURINT Virtual Crime Center crime analysis platform, now valued at \$111,426.95.

Background:

- The Asheville Police Department (APD) entered into a contractual agreement with LexisNexis for a local and nationwide crime analysis platform, ACCURINT Virtual Crime Center (AVCC), for the first time on November 21, 2016.
- APD continued its partnership with LexisNexis, executing the current contract on January 1, 2021.
- The City of Asheville's Police Department and its citizens both have access to utilize this platform.
- Access is provided through the web-based Community Crime Mapper that disseminates crime data in a geospatial map and on a link analysis chart.
- The Crime Mapper allows its customers to access real-time nationwide public records databases.
- The total annual cost to APD on January 1, 2021 was \$36,050.00 with a 3% annual increase. The contract was renewed January 1, 2022 for \$37,131.50, bringing the total contract value to \$73,181.50.
- APD is requesting approval to enter into the third and final renewal of the active contract.
- The renewal amount is \$38,245.45 and will bring the contract total for all three years to \$111,426.95, thus requiring Council approval to proceed.
- APD already includes this expense in the annual budget process so no additional funding is required.

Council Goal(s):

- Smart City

Committee(s):

- Public Safety Committee - November 17, 2022

Pro(s):

- Use of a nationwide crime analysis platform, now more robust, extensively used internally by APD and its crime analysts since 2016, as well as, made available to the citizens of Asheville.

Con(s):

- None

Fiscal Impact:

- Funding for this contract is available in the Asheville Police Department operating budget.

Motion:

- Motion to approve the resolution authorizing the City Manager to renew a contract with LexisNexis ACCURINT Virtual Crime Center crime analysis platform, now valued at

\$111,426.95.

Councilwoman Mosley moved to adopt a resolution to renew a contract with LexisNexis for the ACCURINT Virtual Crime Center crime analysis platform. This motion was seconded by Councilwoman Turner and carried on a 6-1 vote, with Councilwoman Roney voting “no”.

RESOLUTION BOOK NO. 43 - PAGE 354

Q. ASSIGNMENT OF BOARD & COMMISSION MEMBERS/LIAISONS FOR 2023-24

MOTION ADOPTING COUNCILWOMAN ULLMAN AS A MEMBER ON THE METROPOLITAN PLANNING ORGANIZATION TO SERVE ACCORDING TO THE LENGTH OF HER COUNCIL TERM OF OFFICE

RESOLUTION NO. 22-268- RESOLUTION APPOINTING AS SAGE TURNER AS A MEMBER TO THE AUDIT COMMITTEE TO SERVE ACCORDING TO THE LENGTH OF HER COUNCIL TERM OF OFFICE

RESOLUTION NO. 22-269 - RESOLUTION APPOINTING MAGGIE ULLMAN AS A MEMBER TO THE CITIZENS-POLICE ADVISORY COMMITTEE AS THE EX-OFFICIO NON-VOTING CITY COUNCIL MEMBER TO SERVE ACCORDING TO THE LENGTH OF HER COUNCIL TERM OF OFFICE

Summary: A complete listing of all appointments made for City Council liaisons and mandatory seats on the various boards and commissions, along with City Council committee appointments was provided for information only for full transparency. (NOTE: The Homeless Initiative Advisory Committee seat is a liaison and not a member as shown on the listing).

Mayor Manheimer said that although the entire boards and commissions members/liaisons list is on the agenda for transparency and accountability, the only committee assignments City Council must vote on is to appoint Councilwoman Ullman to the Metropolitan Planning Organization and to the Citizens-Police Advisory Committee and Councilwoman Turner to the Audit Committee. The rest of the appointments are at her discretion and are not typically voted on by City Council. The list on the agenda is for information only. She noted that Council Committees make recommendations to the full Council, so they are not the final stop for approvals. The process for making the decisions on who will serve on each of the Council Committees is difficult and entirely up to her discretion. Her top concern is that we are able to function as a City and work effectively with the community to get the work done.

Councilwoman Ullman thanked the Council for integrating the environment to a Council Committee. She heard concerns about accountability and transparency of this Committee; but noted that is paramount to the success of the Committee. The Committee will be accountable to the goals to keep the most vulnerable community members safe.

Councilwoman Roney said that she respected the role of the Mayor in assigning Council appointments. In addition to her moral and social obligations as a taxpayer and resident, her fiscal obligations and duty to ensure the human and civil rights of the people of Asheville as a Council member compel her to continue asking hard questions. Though she may not be seated on the Environment and Safety Committee, she is committed to the work of oversight and ensuring quality, equitable service outcomes.

Vice-Mayor Kilgore moved to adopt the motion appointing Councilwoman Ullman to the Metropolitan Planning Organization, resolution appointing Councilwoman Turner to the Audit Committee, and resolution appointing Councilwoman Ullman to the Citizens-Police Advisory Committee. This motion was seconded by Councilwoman Ullman and carried unanimously.

RESOLUTION NO. 22-268 - RESOLUTION BOOK NO. 43 - PAGE 360
RESOLUTION NO. 22-269 - RESOLUTION BOOK NO. 43 - PAGE 361

III. PRESENTATIONS & REPORTS:

A. MANAGER'S REPORT

ASHEVILLE FIRE DEPARTMENT UPDATES

City Manager Campbell was sad to announce that Fire Department Safety & Training Officer Jeff Lyons passed away. Mr. Lyons served 26 years with the Asheville Fire Department and was also a US Army and Air Force Veteran. She expressed Asheville's deepest sympathies to his family.

City Manager Campbell also noted that the Asheville Fire Department (AFD) was awarded the highest fire suppression rating of a Class 1 by the NC Insurance Commission and State Fire Marshal. Once every five years, every aspect of AFD is inspected. This rating included components of key partners - Buncombe County Emergency Management, Public Safety Communications, and Water Resources Department. Less than 1% of all fire departments nationwide have achieved this rating. This means AFD has proven top performance in: proper staffing levels, sufficient equipment, proper maintenance of equipment, communications capabilities and availability of water source. This improved rating could mean insurance cost savings for our community.

Councilwoman Roney asked that for the past 5-6 years, firefighters have had to fight and advocate for greater wages. Since we have talked about wage increases and a compression study impact, she asked that in a future Manager's Report that we look at that compensation and make sure we are following our obligations.

ANNUAL REPORT OF FISCAL YEAR 2021-22 TOP PRIORITIES AND STATUS UPDATE ON THE FISCAL YEAR 2022-23 WORK PLAN

City Manager Campbell said the key takeaways from this presentation will be (1) The City of Asheville's fiscal year runs from July 1 to June 30 each year; (2) The organization has not prepared comprehensive annual reports in approximately 10 years; (3) With a renewed commitment to annual reports and through investments in data and performance, staff will be able to effectively identify and respond to trends as we operationalize the City Council's vision and priorities; (4) In Fiscal Year 2021-22, operations began to "normalize" as we became more equipped to respond to the ongoing challenges associated with the COVID-19 epidemic, staffing shortages, and increasing demands for City services; (5) The Fiscal Year 2021-22 Annual Report highlights many of the achievements and successes from throughout the year, and the work that was done to fulfill the City Council's vision and priorities; and (6) Staff is refining the process from the prior fiscal year to further align projects, programs and initiatives underway across the organization with City Council priorities.

Assistant City Manager Rachel Woods reviewed the Council Vision, Vision Focu Areas, and Fiscal Year 2021-22 priorities, being reparations, reimagining public safety, utilization of American Rescue Plan Act (ARPA) funding, and employee compensation.

Regarding Reparations, (1) In July 2020, the City of Asheville became one of the first local governments in N. C. to approve a resolution supporting community reparations for Black residents; (2) The resolution called for the City Manager to establish a process to develop recommendations addressing the creation of generational wealth and enhance economic opportunity in the Black community; and (3) Following that direction, the City Manager recommended a three-phased approach including: (a) Information Sharing and Truth Telling (i) Speaker series occurred June 2021, feedback received was used to inform next steps in the Reparations Process; (b) Formation of a Reparations Commission (i) In September 2021, a third-party Project Manager was hired to facilitate the Reparations Commission through the development of their recommendations; and (ii) In March 2022, the City Council and County Commission approved a 25 member commission; and (c) Finalize and Present a Report (i) The Reparations Commission held their first meeting on April 30, 2022 and continues to make progress in the development of their recommendations. Regarding what's next, it will be to finalize and present the report. Because of the ongoing work of the Reparations Commission and its importance in the community, the City Council included Reparations as a continued priority for the current fiscal year. The Reparations Commission is working to develop a report, slated for completion in spring or summer of 2024, for consideration by the City and other participating community groups for incorporation into their respective short-term and long-term priorities and plans - Retreat occurred on September 23; and Next regularly scheduled meeting will be on January 9. Future City of Asheville and Buncombe County budgets will each include at least \$500,000 annually to fund reparations.

Regarding Reimagining Public Safety, Reimagining Public Safety examines how the City of Asheville structures departmental responsibilities and community partnerships in a way that promotes racial equity and economic inclusion. Examples of Fiscal Year 2021-2022 Reimagining Public Safety initiatives include: (1) Animal Control and Noise Ordinance Enforcement was transferred from Asheville Police Department (APD) to Development Services (a) DSD closed 71% of the total noise complaints, while APD closed 29% of the total noise complaints; (b) There was a 24% decrease in non-emergency line noise complaints between Fiscal Year 2020-21 and Fiscal Year 2021-22; (2) City/County 911 Consolidation (a) Elimination of call transferring; (b) Eliminated call transferring and provided more consistent service delivery; (c) Greater opportunities for interagency response and backup and data sharing; and (d) Greater opportunities for alternate response methods through consolidated training and procedures; (3) Increased Training Opportunities for APD (a) Additional training opportunities funded using salary savings from vacancies; and (b) Examples of trainings taken by APD Officers include civility training, crisis intervention training, and advancing racial equity; and (4) Creation of the Office of Data & Performance (a) Established to enhance the use of data for equitable outcomes, accountability, and communication; and (b) Over the past year, ODAP has been involved in external and internal activities to advance its mission, Council priorities and goals of reimagining public safety. Regarding what's next, (1) Reimagining Public Safety is a long-term commitment to redefine how and who responds to public safety issues while also identifying root causes behind concerns; (2) Because of the importance of the work associated with Reimagining Public Safety, the City Council included it as a continued priority for the current fiscal year; and (3) Examples of Reimagining Public Safety efforts in Fiscal Year 2022-23 include: (a) APD support for intervention and community outreach. This will be accomplished by working with Buncombe County's Community Safety Initiative and other nonprofit groups in Asheville; (b) Implementation of retention and recruitment strategies to make APD more competitive for maintaining existing staff and recruiting new officers; and (c) The Asheville Fire Department is collaborating with Buncombe County on a Community Response Team that will address overlapping community needs related to the unsheltered, behavioral health and substance abuse.

Regarding Utilizing ARPA Funds, (1) The American Rescue Plan Act (ARPA) is a Federal funding program that allocated \$65.1 billion to help communities recover from COVID-19; (2) The City of Asheville received \$26 million in ARPA funding; (3) During Fiscal Year 2021-22, the City

Council made important decisions on how best to invest ARPA funding back into the community - Projects were selected for funding based on criteria and categories; and (4) 18 projects have been funded to-date, for a total of \$24.9 Million. What's next is (1) As the majority of the City's \$26 million in ARPA funding has been allocated, City staff has begun the implementation phase (a) This includes working in collaboration with funding recipients to finalize contracts and reporting structures with a continued focus on successful outcomes; and (b) City staff will partner with funding recipients to assist in navigating the federal rules, regulations and obligations that come along with ARPA funding; and (2) Information about ARPA funding will be shared with the community during the implementation phase through an online dashboard, presentations to City Council, and posts on the City Source Blog.

Regarding employee compensation, (1) The Fiscal Year 2021-22 annual operating budget fully funded the implementation of the Archer Compensation Study recommendations for employees on the public safety pay plans and increased compensation for all other employees; (2) The cost of implementing these recommendations was approximately \$7.9 million Citywide, with around 87% or \$6.9 million of this increase going to employees earning less than \$60,000 annually; (3) The increased compensation resulted in impacts to key classifications of employees; (4) The Fiscal Year 2021-22 operating budget also included eight weeks of paid parental leave and six weeks to care for a qualified family member with a serious health condition; and (5) The City also added two additional paid holidays in Fiscal Year 2021-22, Juneteenth and Veteran's Day. What's next is (1) The Fiscal Year 2022-23 budget expanded employee compensation with the following increases (a) Ensured all full-time employees earn at least \$35,360 annually, with an additional adjustment in January 2023 to \$36,816 annually. Since 2020, the City's minimum starting salary has increased by 18%; and (b) Provided staff with a 5% cost of living increase if hired on or before December 31, 2021, or a 2.5% increase if hired after that date; (2) Human Resources staff have reviewed classification and compensation to address compression issues and ensure the City maintains a competitive total compensation package. Compression adjustments went into effect on November 26, 2022; and (3) Ongoing for Fiscal Year 2022-23: (a) \$75,000 investment in Asheville Fire Department for new Emergency Medical Technician (EMT) pay supplement for staff who have this certification; and (b) Funds new Advanced Emergency Medical Technician (AEMT) pay supplement for staff who earn this certification.

Ms. Woods then reviewed the Fiscal Year 2021-22 core service statistics for police calls for service, transit ridership, and parks and recreation unique program participants. She also reviewed some FY 2021-22 notable accomplishments (1) Over 1.5 million people participated in programs or attended events at City facilities; (2) The Mountain Community Capital Fund, a loan guarantee fund for small businesses has provided \$1.5 million in loans since the fund originated in 2019; (3) 26,384 linear feet of end of life water pipes were replaced; (4) Significant progress was made on several bond projects including expansion of the Dr. Wesley Grant, Sr. Southside Community Center, design for New Haw Creek Road sidewalks and other transportation projects, and affordable housing at 319 Biltmore Ave; (5) The City of Asheville generated 214.32 Megawatt hours (MWh) of renewable energy, reducing 152 metric tons of carbon dioxide equivalent; (6) Neighborhood Matching Grants Program was launched by the Communication and Public Engagement Department (a) Build neighborhood capacity and increase civic participation, Empower neighborhoods to self-determine improvement projects, Create and strengthen partnerships between the city government and community groups; (b) 13 Neighborhoods Awarded Grants, totaling \$60,950; and (c) \$32,234 of that total was dispersed through the end of the FY 2021-22 fiscal year; and (6) Using the Affordable Housing Bonds, the Housing Trust Fund, American Rescue Plan funds and the Land Use Incentive Grant program the City funded 257 affordable units in FY 2021-22.

Regarding where we are headed (1) Council Committee structure revised to better align with current City Council priorities - In early calendar year 2023, work plans will be reviewed with each Council Committee to confirm key areas of focus including projects and policy work are

aligned with Council's priority direction; (2) City Council Strategic Priorities to be reviewed during March 2-3 City Council Retreat; (3) Enhanced alignment between Organizational Work Plan development and budget development process for Fiscal Year 2023-2024 (a) Office of Data & Performance is moving to the Budget Division of the Finance & Management Services Department to more closely integrate performance management and Council priority alignment with budget development; (b) Organizational Work Plan is informed by Council Committee Work Plans along with specific operational projects and administrative policies identified by City leadership; and (c) Departmental Work Plans developed to track all major initiatives within departments to ensure alignment with Council priority direction and to serve as a management tool for balancing workload; (4) Improved performance measures and reporting structure and tools with a goal to have an interactive dashboard with regular performance reports and a data driven annual (year-end) performance report distributed - Project Management Framework implemented across the organization to ensure consistent application of project management best practices and communication standards are applied.

Ms. Woods then reviewed the work plan and budget development cycle.

There was a brief discussion, initiated by Councilwoman Roney, about not duplicating services with Buncombe County's Community Paramedic Program, but perhaps having our own program, i.e., a downtown community paramedic program. Mayor Manheimer said that after doing a ride-along and talking with the staff of the County's Community Paramedic Program, they would like to talk about how the City can help complement their program but their main problem is staffing.

IV. PUBLIC HEARINGS:

A. PUBLIC HEARING TO CLOSE A PORTION OF AN UNOPENED RIGHT-OF-WAY ON CLAYTON AVENUE ADJACENT TO 77 HANSEL AVENUE

RESOLUTION NO. 22-270 - RESOLUTION TO PERMANENTLY CLOSE AN UNOPENED RIGHT-OF-WAY ON CLAYTON AVENUE ADJACENT TO 77 HANSEL AVENUE

Assistant Transportation Director Jessica Morriss said that this is the consideration of a resolution to permanently close an unopened right-of-way on Clayton Avenue adjacent to 77 Hansel Avenue. This public hearing was advertised on November 18 and 25 and December 2 and 9, 2022.

Background:

- City Council passed a resolution November 15, 2022 to set a public hearing for the proposed closure on December 13, 2022.
- North Carolina General Statute § 160A-299 grants cities the authority to permanently close streets and alleys.
- The statute requires City Council to consider whether the closure of the right of way has a negative impact to the public interest and whether the closure would impede access to parcels, utilities, and other public infrastructure.
- Buncombe County Rescue Squad is the applicant.
- The applicant wishes to permanently close a portion of an unopened right-of-way on Clayton Avenue adjacent to 77 Hansel Avenue to rectify an error on the original plat (PB 2, PG. 78) that locates Clayton Avenue south of its true location.
- There are no utility conflicts, nor any transportation connectivity opportunities associated with this unopened right of way.

- Signs were placed at two locations along the right-of-way announcing the public hearing and potential closure.

Council Goal(s):

- A Well-Planned and Livable Community

Committee(s):

- Technical Review Committee - October 3, 2022 - Recommended approval
- Multimodal Transportation Commission - October 26, 2022 - Recommended approval

Pro(s):

- There are no utility conflicts, nor any transportation connectivity opportunities associated with this unopened right-of-way.
- The subject action corrects a platting error.

Con(s):

- None.

Fiscal Impact:

- This action requires no City resources and has no fiscal impact.

Ms. Morriss said that the Buncombe County Rescue Squad has petitioned for this closure and they own the property at 77 Hansel Avenue. This closure request is to rectify an error on the original plat that locates Clayton Avenue south of its true location. The length of the proposed closure is approximately 270 feet and the width is 40 feet. There are no utility conflicts or future transportation issues of this right-of-way. She said the Technical Review Committee and the Multimodal Transportation Commission reviewed this request and both approved the closure.

Mayor Manheimer opened the public hearing at 6:53 p.m., and when no one spoke, she closed the public hearing at 6:53 p.m.

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

Councilwoman Roney moved to adopt a resolution to permanently close a portion of an unopened right-of-way on Clayton Avenue adjacent to 77 Hansel Avenue. This motion was seconded by Councilwoman Turner and carried unanimously.

RESOLUTION BOOK NO. 43 – PAGE 362

B. PUBLIC HEARING ON ISSUANCE OF NOT TO EXCEED \$26,000,000 GENERAL OBLIGATION REFUNDING BONDS

ADOPTION OF THE BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$26,000,000 GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF ASHEVILLE, NORTH CAROLINA

RESOLUTION NO. 22-271 - RESOLUTION ADOPTING A BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$26,000,000 GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF ASHEVILLE, N.C.

Finance Director Tony McDowell said that this is the consideration of holding a public hearing to receive public comment on the issuance of 2023 General Obligation Refunding Bonds;

adoption of the Bond Order that authorizes the issuance of 2023 General Obligation (GO) Refunding Bonds in an amount not to exceed \$26,000,000 ; and adoption of Bond Resolution providing for the issuance of 2023 General Obligation (GO) Refunding Bonds.

The bond order titled, “**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$26,000,000 GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF ASHEVILLE, NORTH CAROLINA**” was introduced at the regular meeting of the City Council on November 15, 2022, and was published on December 2, 2022, with notice that the City Council would hold a public hearing thereon on December 13, 2022, at 5:00 p.m. or as soon thereafter as practicable.

Background:

- On November 8, 2016, Asheville voters approved a \$74 million General Obligation (GO) Bond Referendum - \$32 million for Transportation improvements, \$25 million for Affordable Housing initiatives and \$17 million for Parks and Recreation improvements.
- In June 2020, the City issued a three-year short-term general obligation bond in an amount not to exceed \$25,000,000.
- Short term bonds provide cash to reimburse the City for capital expenses prior to the issuance of long term fixed rate financing.
- Since the short term bond was issued in June 2020, the City has drawn down approximately \$14.9 million and will draw the remaining available amount over the next two months.
- In order to refund the \$25,000,000 principal on the short term bond, the City intends to issue long-term, fixed-rate GO Bonds in early 2023.
- Staff is seeking Council approval of the Bond Order that authorizes the issuance of 2023 General Obligation (GO) Refunding Bonds in an amount not to exceed \$26,000,000, this amount includes an estimate of potential Original Issue Discount and issuance cost, and the approval of the Bond Resolution providing for the issuance of the 2023 General Obligation (GO) Refunding Bonds.

Council Goal(s):

- A Financially Resilient City

Pro(s):

- Converts GO funding from short-term variable-rate debt to long-term, fixed-rate bonds.
- Spreads capital costs over a longer term to better match assets' lives.

Con(s):

- None

Fiscal Impact:

- In June 2017, City Council approved a 3.5 cent increase to the property tax rate to fund future debt service associated with voter passage of the GO Bond referendum.
- The debt service payments for this bond refunding are already included in the multi-year Capital Improvement Program (CIP)/Debt Financial Model.

At 6:55 p.m., Mayor Manheimer announced that the City Council would hear anyone who wished to be heard on the questions of validity of the bond order and the advisability of issuing the General Obligation Refunding Bonds, and when no one spoke, she closed the public hearing at 6:55 p.m.

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

Councilwoman Turner moved that the following bond order be adopted without change or amendment as previously introduced at the meeting of the City Council held on November 15, 2022, and for City Council to direct the City Clerk to publish a notice of adoption of the bond order as prescribed by The Local Government Bond Act. This motion was seconded by Councilwoman Mosley and carried unanimously.

**Bond Order Authorizing the Issuance of Not to Exceed \$26,000,000
General Obligation Refunding Bonds of the City of Asheville, North Carolina**

WHEREAS, the City of Asheville, North Carolina (the “*City*”) has previously issued its General Obligation Bond, Series 2020 (the “*2020 Bond*”);

WHEREAS, the City Council of the City (the “*City Council*”) deems it advisable to refund all of the outstanding principal amount of the 2020 Bond;

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the bonds hereinafter described as required by the Local Government Bond Act.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of Asheville, North Carolina, as follows:

Section 1. The City Council deems it advisable to refund the 2020 Bond.

Section 2. To raise the money required to pay the costs of refunding the 2020 Bond as set forth above, General Obligation Refunding Bonds of the City (the “*Refunding Bonds*”) are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such Refunding Bonds authorized by this bond order shall be and not exceed \$26,000,000.

Section 3. Taxes will be levied in an amount sufficient to pay the principal and interest of the Refunding Bonds.

Section 4. A sworn statement of the City’s debt has been filed with the City Clerk and is open to public inspection.

Section 5. This bond order shall take effect on its adoption.

Councilwoman Turner moved to adopt the Resolution of the City Council of the City of Asheville, North Carolina providing for the issuance of the City of Asheville, North Carolina General Obligation Refunding Bonds, Series 2023. This motion was seconded by Vice-Mayor Kilgore and carried unanimously.

RESOLUTION BOOK NO. 43 - PAGE 363

C. PUBLIC HEARING TO CONSIDER AMENDING THE CONDITIONAL ZONING ORDINANCE (ORDINANCE NO. 4625) FOR PROPERTY LOCATED AT 175 LYMAN STREET FROM MIXED-USE EXPANSION/CONDITIONAL ZONE TO COMMERCIAL EXPANSION/CONDITIONAL ZONE

ORDINANCE NO. 4990 - ORDINANCE TO AMEND THE CONDITIONAL ZONING ORDINANCE (ORDINANCE NO. 4625) FOR PROPERTY LOCATED

AT 175 LYMAN STREET FROM MIXED-USE EXPANSION/CONDITIONAL ZONE TO COMMERCIAL EXPANSION/CONDITIONAL ZONE

Principal Planner Will Palmquist said that this is the consideration of an ordinance to amend the conditional zoning ordinance (Ordinance No. 4625) for property located at 175 Lyman Street from Mixed-Use Expansion/Conditional Zone to Commercial Expansion/Conditional Zone. This public hearing was advertised on December 2 and 9, 2022.

Project Location and Contacts:

- The project site totals 2.8 acres located at 175 Lyman St (PIN 9638-96-8455).
- Owner: 2 Riverside LLC

Summary of Petition:

Project Site

- The project site consists of a 2.8-acre parcel located at 175 Lyman St.
- The site is currently zoned Mixed Use Expansion - Conditional Zone through a prior conditional zoning approved in 2017 (Ord. No. 4625), which approved four six-story buildings with a total of 133 residential units and 247 parking spaces.
- The applicant is requesting an amendment to the conditional zoning to the Commercial Expansion - Conditional Zone (COM EXP - CZ) district.
- Per UDO Sec. 7-8-41(d), the underlying form code for the RAD - River district shall apply regarding siting and building design.
- Both segments of Lyman Street, to the west and north of the project site, are considered primary streets per the River Arts Form District.
- The site is designated "Traditional Corridor" on the city's Future Land Use (FLU) Map.
 - A change in the FLU designation will not be required.
- The project site is currently vacant as the remaining historic building on site, the Carolina Coal and Ice Building, was recently demolished.
- The project site is located within a Zone AE Floodplain with a 1% annual chance of a flood event.
- The project site is located in an Opportunity Zone which aims to attract investment capital into low-income areas and offer qualified investors certain tax benefits when they invest unrealized capital gains into these areas.

Overall Project Proposal

- The project consists of a new six-story mixed-use building with a total of 263 residential units and approximately 4,500 square feet of retail and artist studio space.
- 13 units (five percent) will be affordable at 80% Area Median Income (AMI) for a minimum of 10 years.
- The first two stories of the proposed building will consist of structured parking with ground-floor retail and lobby spaces on the north elevation, with four stories of multifamily residential above.
- Due to the project being located in a floodplain, all occupied interior spaces at the first floor will be constructed to floodproofing standards, including using cast-in-place concrete perimeter walls and installation of channels for gasketed floodgates to be installed at all window and door openings. These floodgate panels will be stored onsite in a storage room designed for this purpose.
- Other ancillary spaces such as loading and move-in areas and stairs will be constructed to a wet floodproofing standard, intended to allow water in but be minimally impacted once floodwaters recede.
- The parking garage will have sufficient openings to allow the flow of water through the first floor level and out the back side of the building.

Site Layout and Design

- The maximum height of buildings in the RAD-RIV district is four stories and 55 feet, or five stories and 70 feet if 20% of the units are designated affordable.
- Building height in the RAD-RIV district is measured from the average grade to the mean height level between the eaves and ridge of a gable, hip, mansard, or gambrel roof or to the highest point of roof surface of a flat roof, not including a maximum six-foot high parapet wall encroachment.
 - The height of the proposed building is six stories and approximately 75 feet.
 - The project is seeking a technical modification for building stories and height.
- The RAD-RIV district requires a 15 foot primary street setback on both sides of Lyman Street, which are both considered primary streets. There are no required rear yard or side yard setbacks.
 - The project is proposing a primary street setback of four feet along Lyman Street (north) and 15 feet along Lyman Street (west), and no side or rear yard setbacks.
 - The project is seeking a technical modification for the primary street setback along Lyman Street (north)
- Maximum impervious surface in the RAD-RIV district is 80%.
 - The proposed project would result in a total impervious area of 85%.
 - The project is seeking a technical modification for impervious surface.
- The RAD-RIV district requires 50% of the primary ground floor, 25% of the side ground floor, and 20% of the upper stories to be composed of windows, doors, or other openings. The building's design complies with this requirement.
- The RAD-RIV district allows for a maximum of 50 feet in pedestrian entrance spacing along the primary streets.
 - The proposed building design has pedestrian entrance spacing in excess of 50 feet on both of its primary street-facing elevations.
 - The project is seeking a technical modification for pedestrian entrance spacing.
- The RAD-RIV district has a maximum street-facing facade length of 200 feet.
 - The proposed building design has facade lengths in excess of 200 feet along both of its primary street-facing elevations. The project is seeking a technical modification for street-facing facade length.
- The RAD-RIV district has a maximum building lot coverage of 80%. The project design has a building lot coverage of 75% and complies with this requirement

Landscaping and Open Space

- Landscape requirements apply, including street trees and parking garage screening.
 - The project proposes a total of 16 street trees, which are proposed to be Fruitless Sweetgum, as well as a total of 27 trees and 54 shrubs for parking garage screening requirements.
- Building Impact landscape requirements do not apply in the River Arts Form District.
- There are no open space requirements in the River Arts Form District.
- The subject property is classified as "Urban" under the tree canopy preservation standards with a classification of "Class B" resulting in a 15% tree canopy requirement.
- The site has a total existing canopy of 1.8%.
- The tree canopy preservation requirement will be met through a combination of new tree plantings and fee-in-lieu.

Access, Sidewalks and Parking

- Vehicular access to the parking garage will be provided at the north and west sides of the parking garage.
- Loading access is proposed on the west side of the parking garage on Lyman Street (west).
- A total of 367 parking spaces are proposed within the parking garage. 282 parking spaces will be for the residential units, and 85 spaces will be for the retail uses and for the general public.

- Based on the number of bedrooms and dwelling units, as well as the square footage of retail use, the minimum/maximum number of required parking spaces is 206/549.
- Bicycle parking is required in the River Arts Form District and is equal to 133 total bicycle spaces based on the project's dwelling units and square footage of retail use.
- 106 spaces are required for short-term parking (accessible and visible) and 27 spaces are required for long-term parking (enclosed and secured).
- The project is providing 134 total bicycle spaces, with 28 for short-term parking and 106 for long-term parking.
- The RAD-RIV district requires eight foot-wide sidewalks with six foot-wide planting strips along the primary streets of both sides of Lyman St.
 - The project proposes keeping the existing five foot-wide sidewalks, which were recently constructed as part of the RAD Transportation Improvement Project.
 - The project is seeking a technical modification for sidewalks.
- The project proposes a plaza feature at the northwest corner of the site at the corner of Lyman Street, as well as an enhanced pedestrian area on the north side of the building where the retail and artist studio spaces are planned, separated from the sidewalk by a knee wall. The plaza space has several design options, all of which incorporate elements such as a seating area, rain garden, and bioswale along the sidewalk.

Technical Modifications

- The project is seeking technical modifications to development standards through the conditional zoning process including:
 - Building height of six stories and 75 feet total instead of the maximum height allowed of four stories and 55 feet (or five stories and 70 feet if 20% of the units are designated affordable).
 - Primary street setback along Lyman Street (north) of four feet instead of the required 15 foot primary street setback.
 - Impervious surface totalling 85% instead of the maximum 80% standard.
 - No new sidewalks as required to be eight feet-wide with six foot-wide planting strips. The existing sidewalks on both sides of Lyman Street were recently constructed as part of the River Arts District Transportation Improvement Project (RADTIP).
 - Pedestrian entrance spacing in excess of the maximum 50 feet on both primary street-facing facades along Lyman Streets.
 - Street-facing facades length in excess of the maximum 200 feet standard for both street-facing facades on Lyman Streets.

Consistency with the Comprehensive Plan and Other Plans:

Living Asheville Comprehensive Plan (2018)

- The proposed development supports a number of goals in the Living Asheville Comprehensive Plan, including:
 - **Encourage Responsible Growth** - by providing infill development in targeted growth areas.
 - **Increase and Diversify the Housing Supply** - by increasing the supply of housing, including affordable housing in proximity to schools, transit and parks.
 - **Elevate the Arts and Cultural Sectors to Strengthen and Preserve Heritage and History** - by supporting opportunities for the creative sector to affordably live, work, and share their work.
 - **Encourage Naturalized Stormwater Management Techniques** - by implementing low-impact development and green infrastructure strategies.
- The proposed development is compatible with the Future Land Use designation of the project site of "Traditional Corridor" which is described, in part, as "Traditional corridors can be enhanced with full multimodal access, a broad range of community service uses, parking located to the side or rear of buildings, higher residential densities that are

supported by transit and wider sidewalks to enhance access to/from neighborhoods” (p. 343).

The Wilma Dykeman Riverway Master Plan (2004)

- The proposed development supports the character of the River Arts District described in the Wilma Dykeman Riverway Master Plan, specifically:
 - “The River Arts District offers an opportunity to create new open spaces as well as mixed-use, mixed-income housing that preserves the industrial heritage of the mills that distinguish the riverfront and offers unique alternatives to other districts within the city” (p. 4).
 - “This district will continue to grow as a concentration of new and reused buildings of mixed-use offering live/work arrangements for artisans and those interested in living along the River” (p.16)

Compatibility Analysis:

- The proposed project is compatible with the surrounding land uses, including:
 - The artist studio and retail spaces located along River Arts PI to the west of the site.
 - The light industrial uses and old warehouse/manufacturing buildings located along Lyman St to the south of the site.
 - The French Broad River and Wilma Dykeman Greenway located to the west of the site.
 - The character and mix of uses currently located throughout and envisioned for the River Arts District.

Council Goal(s):

- This project is most closely aligned with the council goal of *A Well-Planned and Livable Community*.

Committee(s):

- Technical Review Committee (TRC) - September 19, 2022 - approved with conditions.
- Asheville Area Riverfront Redevelopment Commission (AARRC) - October 13, 2022 - The Commission was overall supportive of the project and discussed a number of items with the applicant, including 1) The suggestion for more EV charging stations in the parking garage; 2) The engagement with the surrounding community and dialogue with Black Wall Street about potential tenants for the retail and artist spaces; 3) The innovative stormwater mitigation techniques proposed, and; 4) The potential for a new or enhanced bus stop in the area depending on future transit routes.
- Design Review Committee (DRC) - October 20, 2022 - approved unanimously (Vote: 8-0) with the following conditions: 1) That the project incorporate the material, color, fenestration, and general detailing as shown in the Concept Renderings on sheet A5.A30 of the DRC submittal regarding the three red vertical elements, the incorporation of brick detailing and arches, the more closely spaced storefront mullions, and other details as presented on that design; 2) That the project incorporate, as much as is feasible, green roofs and other stormwater control measures within the building design; and, 3) That the applicant return to the DRC to provide an informal courtesy review following these recommended changes and review by the Planning & Zoning.
 - These conditions of the project’s approval by the DRC are addressed with the revised project submission for the Planning & Zoning Commission hearing.
- Planning & Zoning Commission (PZC) - November 2, 2022 - approved (Vote: 4-1) with the following condition: 1) That a minimum of one of the commercial spaces will be made available at below market rate in perpetuity. There was also a conversation around the number of affordable dwelling units and the length of time they would remain affordable, which led to the one dissenting vote.

Staff Recommendation:

- Staff recommends approval of this rezoning amendment request based on the reasons stated above.

Mr. Palmquist reviewed the aerial imagery and the future land use map. He then reviewed a chart of the existing and proposed zoning. Regarding the site plan, he said it contains a new six-story building (2 levels of parking with 4 levels of multifamily); 263 residential dwelling units; 13 units (5%) affordable at 80% AMI for 10 years; 4,500 s.f. of retail / artist studio space (one unit below market rate below perpetuity); 367 garage parking spaces (85 of which are for public use); access from Lyman Street (north and west); no new sidewalks proposed (existing new sidewalks on Lyman Street); plaza in northwest corner; landscaping standards: street trees and parking garage screening; and Tree Canopy Preservation standards met on-site and fee-in-lieu. He then reviewed the landscape plan; along with views looking east from the French Broad River and looking west down Lyman Street. He then reviewed the following conditions (1) 5% of the units (13 units) will be designated affordable to those at or below 80% Area Median Income (AMI) for a minimum of 10 years; (2) A minimum of one of the commercial spaces will be made available at below market rate in perpetuity; and (3) 85 parking spaces available for public use. Technical modifications include (1) Building height of six stories and 75 feet total instead of the maximum height allowed of four stories and 55 feet; (2) Primary street setback along Lyman Street (north) of four feet instead of the required 15 foot primary street setback; (3) Impervious surface totalling 85% instead of the maximum 80% standard; (4) No new sidewalks as required to be eight feet-wide with six foot-wide planting strips; (5) Pedestrian entrance spacing in excess of the maximum 50 feet on both primary street-facing facades along Lyman Streets; and (6) Street-facing facades length in excess of the maximum 200 feet standard for both street-facing facades on Lyman Streets. The following was the review process: Technical Review Committee (TRC) - September 19, 2022 - Approved with conditions; Asheville Area Riverfront Redevelopment Commission (AARRC) - October 13, 2022 - Overall supportive with comments given; Design Review Committee (DRC) - October 20, 2022 - Approved with conditions; and Planning & Zoning Commission (PZC) - November 2, 2022 - Approved with condition that a minimum of one of the commercial spaces will be made available at below market rate in perpetuity. He then explained how the project was consistent with the Living Asheville Comprehensive Plan. He said that staff concurs with the Planning & Zoning Commission and recommends approval of the proposed conditional zoning.

Mr. Palmquist responded to Councilwoman Turner about how the changes to the mapping of the floodplain affected the design.

Councilwoman Roney appreciated the on-site stormwater, working with neighbors to address public benefits like public parking and local business invitation for commercial space. She was glad to see a housing use instead of a lodging use if that is indeed the case. As this site is 3-tenths of a mile from transit and the RADTIP corridor, she was curious if more affordability might have been met with allowed height density that wasn't taken advantage of.

The applicant responded to Councilwoman Roney regarding solar and electric charging to help reach our carbon reduction goals stating that there were no solar panels but they will have electric charging stations.

City Attorney Branham explained to Councilwoman Roney how the City's tree fee-in-lieu policy works, and how there are currently restrictions in the ordinance that would prevent any new residential property development being used for whole-home short-term rental.

There was a brief discussion about developing a public benefits table for multi-family housing, and what kind of outreach the applicant is making due to concerns about artists being displaced in the RAD.

Mayor Manheimer opened the public hearing at 7:41 p.m.

Two individuals spoke in support of this project and their willingness to work with Black Wall Street on one of the commercial spaces being made available at below market rate in perpetuity.

Mayor Manheimer closed the public hearing at 7:46 p.m.

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

Councilwoman Turner moved to approve the conditional zoning amendment request for the property located at 175 Lyman St from Mixed-Use Expansion - Conditional Zone (MXD EXP - CZ) to Commercial Expansion - Conditional Zone (COM EXP - CZ) and find that the request is reasonable, is in the public interest, is consistent with the city's comprehensive plan and meets the development needs of the community in that the request: 1) provides infill development in targeted growth areas; 2) increases the supply of housing, including affordable housing in proximity to schools, transit and parks; 3) supports opportunities for the creative sector to affordably live, work, and share their work; and, 4) implements low-impact development and green infrastructure strategies. This motion was seconded by Councilwoman Mosley and carried unanimously.

ORDINANCE BOOK NO. 34 – PAGE 311

V. UNFINISHED BUSINESS:

VI. NEW BUSINESS:

A. RESOLUTION NO. 22-272 - RESOLUTION REVISING THE HOUSING TRUST FUND POLICY

Affordable Housing Officer Sasha Vrtunski said that this is the consideration of a resolution authorizing revisions to the Housing Trust Fund Policy prior to initiating the Fiscal Year 2022-2023 funding cycle.

Background:

- On June 13, 2000, the City Council created the Housing Trust Fund (HTF) with the adoption of a HTF Policy and the approval of a \$400,000 allocation to the fund for Fiscal Year 2001.
- For the last several fiscal years, Council has allocated \$500,000 from the City's General Fund to the HTF.
- The 2016 Affordable Housing Bond allocated \$5 million in General Obligation Bonds to the fund in 2017.
- From 2001 to 2019, the HTF lent out approximately \$15 million and produced over 1,300 units of affordable housing.
- On October 25, 2022, City Council voted to allocate one-time bond funding in the amount of \$6 million to the HTF, bringing the available total in the HTF to \$7.65 million.
- The City is seeking to align its funding application and award timeline with Buncombe County's to assist in decision making and provide more predictability to the development

community. To sync up with the County, a request for funding applications is expected to be published in mid-December 2022 with awards announced in late April 2023.

- Staff is pursuing changes to the policy in advance of the upcoming funding cycle to make this alignment possible and to have a successful application process.

Proposed Policy Revisions

- Modify the \$1 million cap on requests and use 10% of total estimated project costs as a cap instead.
 - Seven out of eleven total applications approved over the last four years have been over the current \$1 million cap.
 - This proposed revision allows the HTF to be more responsive to fluctuating costs in the housing and construction marketplace, while maintaining a consistent and proportionate investment from the City for overall project costs.
 - A 10% per unit subsidy cap is consistent with Buncombe County's policy for non-tax credit projects.
- Remove the existing subsidy cap of \$20,000 per unit and instead the per affordable unit subsidy (loan amount divided by the number of affordable units) will be used in assessing applications.
 - Per unit subsidies have varied in recent applications, based on the depth of affordability and funding tools that are leveraged.
- Classify rehabilitation of single family homes and duplexes as an allowable use for funds.
- Add income averaging as an option under the affordability definition and Special Terms sections
 - This is aligned with North Carolina Housing Finance Agency (NCHFA) criteria for rental projects.
 - Income averaging can help increase the mix of income diversity within a project.
- Adjustment to the scoring rubric to better align with current policies and community priorities.
 - These adjustments include deleting per unit subsidy and unit bedroom size as scoring criteria (this information will still be included in a summary of project information in order to compare projects during the funding cycle) and adding bonus points for the set-aside of units for those with Housing Choice Vouchers.
- Adjustment to applicant pro forma requirements (including vacancy rates, debt coverage ratio, reserves, project income and expenses increases) to be more aligned with NCHFA requirements.

Policy Revision Process

- AHAC preliminary policy revision discussion -November 3.
- HCD preliminary policy revision discussion -November 15.
- AHAC policy review and recommendation to HCD -December 1.
- HCD policy review and recommendation to Council -December 6.
- City Council policy review and vote to consider approval -December 13.

Committee(s):

Affordable Housing Advisory Committee (AHAC) Discussion

AHAC met on **November 3, 2022** and reviewed the proposed policy revisions.

- AHAC was amenable to the majority of the proposed changes, with discussion and questions on the following items:
 - Staff proposed revisions to reflect the understanding that Housing Trust Funds cannot be expended on affordable housing over 80% Area Median Income. AHAC requested clarification from the City Attorney on the legal limits of City funding and Area Median Incomes.

- Concerns about the limited flexibility associated with the annual review cycle.
- Concerns about the policy favoring larger projects through the scoring rubric.
- AHAC requested that staff bring back some examples of recent projects and how they would score using the rubric.
- AHAC discussed their role in providing project funding recommendations to HCD. AHAC members expressed differing opinions about what their role should be. AHAC's current by-laws state:

“The Affordable Housing Advisory Committee will... (3) advise City leadership and staff regarding affordable housing priorities for the investment of City-controlled funds.”

- AHAC further reviewed proposed policy revisions and made a recommendation for HCD's consideration at their December 1 annual retreat.
- After the AHAC discussion, staff met with the City Attorney's Office and clarified the existing policy language around income eligibility for homeownership projects. The “area median income” (100% AMI) is allowable for homeownership as there are similar HUD programs for homeownership that use this standard. The limit of 80% AMI for rental projects is limited by state statutes.

AHAC met on **December 1, 2022** to further discuss and vote on the proposed policy revisions.

- AHAC had an in-depth discussion about the proposed changes and the scoring rubric. There were several themes of the discussion:
 - The scoring rubric is complicated and would benefit from a much more comprehensive analysis and community input is needed to make these comprehensive changes.
 - The scoring rubric has room for improvement, but it is understood that it is one factor in decision making and is not the deciding factor on funding decisions.
 - The level of subsidy needed is substantial, especially for projects that are serving lower AMIs and that have permanent (or longer) affordability periods.
- AHAC voted on the following motion and it was passed 9-1.

Motion:

“AHAC recommends to HCD the approval of the text changes to the Housing Trust Fund Policy as proposed and supports adopting the highest subsidy cap feasible, to increase the subsidy cap to the highest possible amount (beyond 10% as currently written). The Committee also recommends adopting the scoring rubric changes with the following provisions:

1. Remove the per unit subsidy, but still include it as a point of information.
2. Change the proposed Bonus points for Housing Choice Vouchers to “set aside units” instead of accepting vouchers.
3. We as a committee commit to a more comprehensive review of the scoring rubric with particular attention to the depth of affordability, unit size and seek community input around equitable development/community benefits.
4. Remove the number of bedrooms from the scoring matrix, but have the bedroom mix and subsidy by bedroom mix as a part of the application analysis for this round of funding.”

Housing and Community Development (HCD) Committee Discussion

HCD provided feedback on the proposed policy revisions on November 15. Several questions and issues were discussed:

- Discussion of vouchers - acceptance versus set-asides.
- Committee members were interested in a second round of funding for newer/small developers
- Discussion of AHAC's role in the application process
- Discussion of different standards for areas that were previously redlined to reach lower AMLs, desire to benefit families affected by Urban Renewal.
- Brief discussion of bedroom mix requirements.

The Housing and Community Development Committee met on December 6, 2022 and reviewed the update and feedback from AHAC. The Committee reviewed the policy amendments and voted 3-0 in support of the proposed changes.

Council Goal(s):

- Quality Affordable Housing
- An Equitable and Diverse Community

Pros:

- The updated funding criteria in the policy is more dynamic and will allow staff and City Council to be more responsive to current project costs.
- Updated pro forma requirements will be more aligned with the NC Housing Finance Agency making the application process smoother for applicants.
- Changes to the underwriting criteria will assist staff in making recommendations to Council about funding decisions.
- Changes to the scoring criteria will allow staff and Council to still review the same information, but not penalize developers for the recent increases in construction and financing costs. Further work on the scoring criteria will be done in 2023.
- An updated policy will enable staff to operationalize a funding cycle in line with Buncombe County's funding cycle.

Cons:

- None noted

Fiscal Impact:

- Recommended policy changes should encourage greater utilization of the Housing Trust Fund.

Staff Recommendation : Staff recommends the following revisions to the Housing Trust Fund Policy:

- Modify the \$1 million cap on requests and use 10% of total estimated project costs as a cap instead.
- Remove the existing subsidy cap of \$20,000 per unit and instead use the per affordable unit subsidy to assess applications.
- Classify rehabilitation of single family homes and duplexes as an allowable use for funds.
- Add income averaging as an option under the affordability definition and Special Terms sections.
- Adjust the applicant pro forma requirements (including vacancy rates, debt coverage ratio, reserves, project income and expenses increases) to be more aligned with NCHFA requirements.
- Adjust the scoring rubric to better align with current policies and community priorities and reflect AHAC's recommendations to include:
 - Modify bonus points for Housing Choice Vouchers to "set aside units" instead of

- accepting vouchers.
- Remove the number of bedrooms from the rubric, but have the bedroom mix considered as part of the application analysis.
- Remove the per unit subsidy, but will still consider the information as a part of the overall analysis.

Future Housing Trust Fund Policy Considerations

- AHAC expressed a commitment to assist staff in a more in-depth analysis of the scoring rubric in 2023.
- The Committee previously expressed interest in using funds for a site readiness program, down payment assistance, funding land acquisition in previously redlined areas, voucher set asides and reaching lower AMIs in previously red-lined areas.
- These suggested policy revisions will be further researched by staff and developed within the context of data (e.g. updated housing needs assessment), stakeholder engagement and public input.
- Staff will bring recommendations for these policy considerations in spring and summer of 2023.

Ms. Vrtunski noted the key takeaways from this presentation being: (1) The Housing Trust Fund (HTF) was established in 2000 - As a result of annual allocations and transfers from the Affordable Housing Bond, the current available fund balance is \$7.65 million; (2) Staff is proposing Housing Trust Fund Policy revisions to: respond to fluctuating market conditions; align with North Carolina Housing Finance Agency requirements; and adjust scoring criteria to correspond with community priorities; (3) Staff is aligning the City's Housing Trust Fund application process with Buncombe County's in Fiscal Year 2022-2023 to assist in decision making and provide more predictability to the development community; (4) Staff is recommending City Council approval of proposed Housing Trust Fund Policy revisions; and (5) Recommendations for future Housing Trust Fund Policy considerations will be brought forward for review in spring and summer 2023. She then gave some background information on the Housing Trust Fund (1) Housing Trust Fund (HTF) was established by City Council in June 2000 as a tool to increase the availability of affordable housing in the community; (2) The HTF previously had an annual application review cycle, but has since evolved to accept applications on a rolling basis; (3) Through the budget process, \$500,000 has been approved annually to support the fund (a) \$5 million in Affordable Housing G.O. Bond funds were used from 2017 to 2021; (b) City Council approved the transfer of \$6 million in additional Affordable Housing Bond funds to the HTF in October 2022; and (c) The current available balance of the HTF is \$7.65 million; and (4) Between 2001 and 2019, the HTF loaned approximately \$15 million and produced 1,300 affordable units - This equates to a City subsidy of approximately \$11,500 per affordable unit produced. Current HTF eligible uses include (1) construction of new housing for sale or rental, including land acquisition and hard costs; (2) conversion or adaptive reuse of existing non-residential structures for housing; (3) purchase and rehabilitation of existing substandard multifamily housing units; (4) purchase and rehabilitation or conversion of market rate multifamily developments to affordable housing; (5) manufactured housing and modular construction; and (6) down payment assistance loans, as long as funds are not forgiven. HTF restrictions are (1) Housing Trust Funds are not available for individuals seeking to build or renovate their own home; (2) a minimum of 20% of the total project units must be affordable for the proposed development; (3) affordable units that have been pledged to the City in exchange for a density bonus, conditional zoning or other special consideration will be ineligible; (4) rehabilitation of single family homes and duplexes; (5) projects must be located within the Asheville City limits to be eligible for assistance; and (6) pre-development expenses are not an eligible use. Policy revisions are being brought for now (1) current funding caps are not aligned with fluctuating market conditions; (2) additional underwriting criteria is needed to evaluate the proposed project's viability; (3) align policy requirements to be consistent with NC Housing Finance Agency requirements and standards; and (4) align City

applications with the County cycle, with a call for applications in December 2022. She then reviewed the proposed schedule for HTF applications.

Ms. Vrtunski reviewed the following policy changes: (1) remove the \$1 million cap on requests, and use 10% of total estimated project costs as a cap instead (a) 10% is based on recent applications - seven out of eleven total applications approved over the last four years have been over the current \$1 million cap; (b) Buncombe County uses this standard for non-4% tax credit projects; and (c) this change allows the HTF to be more responsive to fluctuating housing and construction market conditions; (2) remove the existing per unit subsidy cap (\$20,000 per unit) and instead consider the per unit subsidy amount in the scoring rubric to understand the request and compare applications - per unit subsidies have varied in recent applications, based on the depth of affordability and funding tools that are leveraged; (3) Income Requirements: Added income averaging as an option under the affordability definition and Special Terms sections (a) This is aligned with NCHFA criteria for rental projects; and (b) Income averaging can help with income diversity within a project; (4) Scoring Criteria: Adjustments to align with current policies and community needs; and (5) Underwriting: Additional underwriting criteria (vacancy rates, debt coverage ratio, reserves, project income, and expense increases) to evaluate the project's viability and align with NCHFA requirements. She then reviewed the different committees who reviewed the policy revisions. On December 1, the Affordable Housing Advisory Committee had an in-depth discussion about the proposed policy changes and the scoring rubric. Discussion themes included: (a) The scoring rubric has room for improvement, but it is understood that it is one factor in decision making and is not the deciding factor on funding decisions; (b) The scoring rubric would benefit from a much more comprehensive analysis to help make it reflect current needs, and community input is needed to make these comprehensive changes; and (c) The level of subsidy needed to support affordable housing is substantial, especially for projects that are serving lower AMIs and that have longer or permanent affordability periods. The AHAC's approved recommendation was that they approve of the text changes to the Housing Trust Fund policy as proposed and supports adopting the highest subsidy cap feasible, to increase the subsidy cap to the highest possible amount (beyond 10% as currently written). The Committee also recommends adopting the scoring rubric changes with the following provisions: (1) Remove the per unit subsidy, but still include it as a point of information; (2) Change Bonus points for Housing Choice Vouchers to "set aside units" instead of accepting vouchers; (3) Commit as a committee to comprehensive review of the scoring rubric to discuss more robust changes; and (4) Remove the number of bedrooms from the scoring matrix, but have the bedroom mix and subsidy by bedroom mix as a part of the application analysis. She then reviewed the scoring criteria and the proposed changes. Staff recommends the following revisions to the Housing Trust Fund Policy: (1) Modify the \$1 million cap on requests and instead use 10% of total estimated project costs as a cap; (2) Remove the existing subsidy cap of \$20,000 per unit and instead use the per affordable unit subsidy to assess applications; (3) Classify rehabilitation of single family homes and duplexes as an allowable use for funds; (4) Add income averaging as an option under the affordability definition and Special Terms sections; (5) Adjust the applicant pro forma requirements (including vacancy rates, debt coverage ratio, reserves, project income and expenses increases) to be more aligned with NCHFA requirements; and (6) Adjust the scoring rubric to better align with current policies and community priorities and reflect AHAC's recommendations to include: (a) Modify bonus points for Housing Choice Vouchers to "set aside units" instead of accepting vouchers; (b) Remove the number of bedrooms from the rubric, but have the bedroom mix considered as part of the application analysis; and (c) Remove the per unit subsidy, but will still consider the information as a part of the overall analysis.

Ms. Vrtunski said that the following are future affordable housing policy considerations (1) The Committee has expressed interest additional HTF Policy considerations including the potential dedication of funds for: Site readiness program; Down payment assistance; Land acquisition in previously redlined areas; Goals for reaching lower AMIs in previously redlined

areas; and Voucher set-asides (requirements); (2) Future policy revisions will be developed using data (e.g. updated housing needs assessment), stakeholder engagement and public input; and (3) Staff will bring recommendations back to this committee in spring and summer 2023.

There was discussion about making sure people are not excluded from housing depending on how they pay the rent in a City funded housing project.

Jonathan Wainscott felt the City needs to gain control over the hotel tax as the Tourism Development Authority is collecting \$46 Million a year in hotel taxes to create the demand on housing which causes the lack of affordable housing.

Councilwoman Turner requested an update on the Tourism Development Authority's guidelines related to expenditures for affordable housing.

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

Councilwoman Mosley moved to adopt a resolution authorizing recommended revisions to the Housing Trust Fund Policy prior to initiating the Fiscal Year 2022-2023 funding cycle. This motion was seconded by Councilwoman Turner and carried unanimously.

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VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Several individuals spoke to Council about various issues, some being, but are not limited to: concern over the selection process for the management group for the City's 2023 Juneteenth celebration; concerns over micro-housing on Hilliard Avenue; and support for live music at Hazel Robinson Amphitheatre.

GENERAL ELECTION RESULTS - CITY OF ASHEVILLE - NOVEMBER 8, 2022

Attached hereto as Exhibit "A" is the abstract containing the number of legal votes in the General Election, City of Asheville, held on November 8, 2022.

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 8:44 p.m.

CITY CLERK

MAYOR