

Tuesday - November 18, 1986 - 4:00 p.m.

Regular Meeting

Present: Mayor W. Louis Bissette, Presiding; Vice-Mayor Mary Lloyd Frank; Councilmen Wilhelmina Bratton, Walter R. Boland; Kenneth M. Michalove, Norma T. Price, and George M. Tisdale; Corporation Counsel William F. Slawter; City Manager Douglas O. Bean; and City Clerk William F. Wolcott, Jr.

Absent: None

## **INVOCATION**

Councilman Michalove gave the invocation.

## **APPROVAL OF THE MINUTES - NOVEMBER 11, 1986 MEETING**

1. Consideration was given to the approval of the minutes of the November 11, 1986, meeting.

Councilman Bratton requested that the minutes be amended relative to her statement concerning Ordinance No. 1616 adding the following sentence, "She said it was her understanding that qualifying individual minorities would be given \$2,000 from the Minority Loan Pool in an effort to assist them in establishing minority businesses. She said she felt this amount would not be sufficient for anyone to start a business but would only create problems for the individual."

Mayor Bissette announced the approval of the minutes as amended.

## **RESOLUTION NO. 86-207 - RESOLUTION AUTHORIZING SUBMISSION OF AN AMENDED STATEMENT OF COMMUNITY DEVELOPMENT OBJECTIVES AND PROJECTED USE OF FUNDS TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

2. Consideration was given to a resolution authorizing submission of an amended statement of community development objectives and projected use of funds to the U. S. Department of Housing and Urban Development.

Mayor Bissette said the amended statement of objectives proposes to use additional CDBG funds from HUD for the following purposes: 1) Housing Rehabilitation Revolving Loan Fund, \$102,000; and 2) Neighborhood Housing Services Project, \$80,000. CDBG Revenue will be increased by \$182,000.

Marvin Vierra, Community Development Director, said the Housing Rehabilitation Revolving Loan Fund was set up in 1981 and has been very successful. He said twenty-eight loans were approved last year and two applications are now pending. He said if the two applications now pending are approved, the current rehabilitation loan funds would be depleted.

Mayor Bissette said members of Council were previously furnished copies of the resolution and it would not be read in its entirety. He said any individual desiring a copy of the resolution would be furnished a copy.

Upon motion of Councilman Tisdale, seconded by Councilman Michalove, Resolution No. 86-207 was unanimously adopted.

Complete text of Resolution No. 86-207 will be found in Resolution Book No. **16** at page **198**.

## **RESOLUTION NO. 86-208 - RESOLUTION AUTHORIZING THE MAYOR TO SEND A LETTER NOTIFYING THE NORTH CAROLINA DEPARTMENT OF ADMINISTRATION, STATE DIVISION OF PURCHASE AND CONTRACT, OF THE INTENT OF THE CITY OF ASHEVILLE TO PARTICIPATE**

## **IN THE NORTH CAROLINA STATE CONTRACT FOR TIRES AND TUBES**

3. Consideration was given to a resolution authorizing the Mayor to send a letter notifying the North Carolina Department of Administration, State Division of Purchase and Contract, of the intent of the City of Asheville to participate in the North Carolina State contract for tires and tubes.

Mayor Bisette said this resolution is to authorize the Mayor to execute a notice of intent with the North Carolina Department of Administration, State Division of Purchase and Contract for tires and tubes.

Mayor Bisette said members of Council were previously furnished copies of the resolution and it would not be read in its entirety. He said any individual desiring a copy of the resolution would be furnished a copy.

Upon motion of Councilman Boland, seconded by Councilman Price, Resolution No. 86-208 was unanimously adopted.

Complete text of Resolution No. 86-208 will be found in Resolution Book No. **16** at page **199**.

## **RESOLUTION NO. 86-209 - RESOLUTION PROVIDING FOR THE ISSUANCE OF \$4.8 MILLION STREET AND SIDEWALK BONDS SERIES 1986**

4. Consideration was given to a resolution providing for the issuance of \$4.8 million Street and Sidewalk Bonds Series 1986.

Mayor Bisette said this resolution sets forth the details of the bonds as required by N. C. General Statutes 159-65. The sale of these bonds will provide funds for street and sidewalk improvements.

The City Manager said the reason for the \$4.8 million being issued is that the new tax bill has a \$10 million limit on the amount of bonds a municipality can sell in any one year and still be termed a "small issuer". He said the necessity of staying a small issuer is due to the fact that in order for banks to purchase these bonds and still have the advantage of tax free interest, a local government must issue less than \$10 million in any one calendar year. He said by staying under the \$5 million limit the City would be exempt from arbitrage requirements.

Mayor Bisette said members of Council were previously furnished copies of the resolution and it would not be read in its entirety. He said any individual desiring a copy of the resolution would be furnished a copy.

Upon motion of Vice-Mayor Frank, seconded by Councilman Price, Resolution No. 86-209 was unanimously adopted.

Complete text of Resolution No. 86-209 will be found in Resolution Book No. **16** at page **200-222**.

## **BIDS - FIREFIGHTING EQUIPMENT AND ACCESSORIES FOR THE FIRE DEPARTMENT**

5. Consideration was given to a motion relative to bids received to furnish firefighting equipment and accessories for the Fire Department.

Mayor Bisette said sealed bids were invited to furnish firefighting equipment and accessories for the City's Fire Department. Equipment and accessories include 1-1/2" and 2-1/2" fire hose; booster hose; foam eductors; portable monitors; assorted nozzles and connections. Ten (10) bids were received. Fire hose will be purchased from Mark VI, Inc., Asheville, N.C., in the amount of \$13,535.00; booster hose will be purchased from Supply Specialities, Inc., Asheville, N.C., in the amount of \$1,194.00; leader line and siamese fittings from Fire End & Croker Corporation, Elmsford, N.Y., in the amount of \$602.00; valves, nozzles, eductors and monitors from Action Fire & Safety, Inc., Charlotte, N.C., in the amount of \$5,672.58; and suction siamese fittings and turbo-jet nozzles from Harold's Sales & Service, Marietta, Georgia, in the amount of \$2,106.60. Funds totaling \$23,110.18 have been appropriated in the F.Y. 86/87 budget.

Mayor Bisette noted that several of the low bids had not been accepted because the bidder was nonresponsive to the

City's specifications.

Councilman Boland moved to approve the bids for the firefighting equipment and accessories as recommended by the Purchasing Director. This motion was seconded by Councilman Tisdale and carried unanimously.

### **SCHEDULING PUBLIC HEARING - TREE ORDINANCE**

6. Vice-Mayor Frank moved to schedule a public hearing relative to the adoption of a proposed tree ordinance for November 25, 1986. This motion was seconded by Councilman Price and carried unanimously.

### **PROPOSED ORDINANCE RELATIVE TO PROHIBITING TRUCKS IN RESIDENTIAL AREAS SCHEDULED FOR NOVEMBER 25, 1986**

7. Mayor Bisette noted that City Council would take action on a proposed ordinance to prohibit trucks on certain residential streets at its meeting on November 25, 1986.

### **EQUAL EMPLOYMENT OPPORTUNITY TASK FORCE WORK SESSION SCHEDULED**

8. Mayor Bisette noted that members of Council had scheduled an Equal Opportunity Task Force work session relative to a proposed Affirmative Action Plan for the pre-Council work session on November 25, 1986 at 3:00 p.m.

### **STATE OF THE CITY ADDRESS - MAYOR BISSETTE**

9. Mayor Bisette requested that the following State of the City Address given on November 13, 1986 be made a part of the minutes:

#### **STATE OF THE CITY MESSAGE**

**MAYOR LOUIS BISSETTE**

**THURSDAY, NOVEMBER 13, 1986**

Members of the Asheville Rotary Club, Guests and Citizens of Asheville. I appreciate very much the opportunity to be here today to present this formal report on the condition of our City. This is the second annual State of the City Message and I hope it will become a tradition in the future.

I intend, today, to report to you on the condition of the City and discuss with you the problems, progress and prospects of our City, as seen from the Mayor's Office. I will attempt to structure this report as follows:

1. Financial Condition
2. Infrastructure
3. City Government
4. Economic Development
5. Downtown
6. City-County Relations
7. Community Relations
8. Asheville's Future

Before I begin my report, I would like to address what I consider to be one of this Council's most outstanding

achievements. Last year, when Mayor McDevitt delivered his State of the City Address, the City of Asheville was without a city manager. Larry McDevitt reported that the City Council was still working to find the right person to be our City Manager. Ladies and Gentlemen, I am pleased to be able to report to you today, that we found the right person when Doug Bean agreed to accept the position of Asheville City Manager in May of this year. We have had the opportunity to work with Doug for over six months and I can report to you that he is a true professional in every respect. During the last three years, I have had the opportunity to meet a number of city managers from across this State, and Ladies and Gentlemen, if I could have my choice of any city manager in the State of North Carolina, that choice would be Doug Bean.

1. Financial Condition. The financial condition of the City of Asheville is excellent. Our expenditures are within our resources. Our debt is very low, and our unfunded liabilities are being liquidated. In the past six years, the City has made substantial cuts in personnel and other areas in order to balance our operational budget. There is little fat left in that budget. City Council, this year, for the first time in 5 years, voted to increase the property tax rate by two cents per hundred in order to maximize existing service levels. If you take Asheville's property tax revenue for the 1981 thru 1985 period and adjust that for inflation, you will find a slight downward trend. This analysis suggests that the average Asheville taxpayer paid slightly less in terms of purchasing power on his or her 1985 property taxes than he or she paid in 1982. The City's net bonded per capita debt has declined consistently since 1976. Presently, our per capita debt is approximately \$70.00. Charlotte's 1985 per capita debt is \$722, High Point - \$494, Winston-Salem - \$442, Durham - \$417. Our current bonded debt is \$10.4 million, including the Water Fund. Our current debt capacity as limited by North Carolina law is \$130 million or 27 times our current net debt. Even with

the issuance of the entire \$20 million in General Obligation Bonds which were authorized by the people of this City in September, our debt capacity will be almost twelve times our current net debt at the end of 1991.

The City of Asheville's unfunded liabilities, which consist primarily of the Asheville Policeman's Pension Disability Fund, are being liquidated rapidly at an annual cost to the City of approximately \$600,000.00. This Police Pension Plan was established in 1939, but was never properly funded until 1976, when the City Council undertook to fund this pension plan on an actuarially sound basis. I am happy to report to you today that the Police Pension Task Force, which was appointed by the City Council in the spring of this year, has recommended a long term solution to this serious problem. This Task Force, consisting of the Mayor, the Vice Mayor and Councilman Norma Price, as well as active members and retirees under the Plan is recommending a proposal which would:

1. Guarantee that no plan member or retiree would receive any

less

in benefits than they are now entitled to receive under the

present plan;

2. Entitle members and retirees to become participants in the

North

Carolina Local Government Employees' Retirement System, which would permit them to receive cost of living increases in their pensions, which is not available under the present

plan;

3. Reduce the City's annual contribution level by almost

\$300,000.00. This proposal has been unanimously recommended to the Asheville City Council and to the participants in the Asheville Police Pension Plan. Those participants will vote on the proposal in December. This is not a matter that has received great publicity in recent years, but is one which has continued to cloud our City's financial picture and which has also failed to provide adequate benefits to participants in the plan. I hope and believe that this problem

can be solved once and for all by the adoption of

the Task Force's recommendations.

## 2. Infrastructure

(a) Water. Although our current water sources and delivery systems are inadequate to meet Buncombe County's future requirements, the AshevilleBuncombe Water Authority is making significant progress and has already initiated substantial improvements to the Bee Tree/North Fork Reservoir System. In the drought conditions that existed in our area during the summer of 1986, the City of Asheville was never in serious trouble. In fact, for a time, we were selling water to our sister communities in Woodfin and Weaverville. Our situation will be further strengthened when the Bee Tree Reservoir is added to the system later this month.

(b) Sanitary Sewer System. Our sanitary sewer system continues to suffer from serious deterioration. As you are aware, our system is old, it leaks into our lakes and streams and it permits tremendous amounts of ground water to infiltrate the system and overcome the sewage treatment facilities on the French Broad River. When this happens, the treatment plant must be bypassed and the effluent dumped directly into the river. An expansion of the

treatment plant is already under way under the direction of the Metropolitan Sewage District. This will solve a part of the problem. The problem that

remains is the rehabilitation and extension of the existing collector lines and interceptors. In December of last year, a letter of intent was signed by the City, the County and MSD to provide a framework for addressing this rehabilitation problem. This letter of intent provides for consolidation of all of the existing connector lines and interceptors in Buncombe County under the authority of the Metropolitan Sewage District. It is proposed that a ten year rehabilitation program be initiated by MSD to bring our sewage collection system up to an acceptable level. Since that letter of intent was signed by the City, the County and MSD, it is my understanding that most, if not all of the other municipalities and independent sewage collection districts, have agreed to this proposal in principal. A Draft Agreement has been prepared and is being reviewed by MSD's Bond Counsel and the various governmental units. I remain very hopeful that this agreement can be completed in the near future in order that this extremely important rehabilitation program can begin.

In the meantime, the City of Asheville has continued to rehabilitate its collector system according to a master plan. In the past year, significant rehabilitation projects have been completed, including Haw Creek, Four Mile Creek in South Asheville, South Charlotte Street and Beverly Road. The City of Asheville intends to continue to address the problems within its city limits, but I believe that the County-wide problem must eventually be addressed by a united effort.

(c) Storm Sewers. Our storm sewer system continues to cause serious problems throughout our City. As you are aware, many of our storm sewers were installed in the 1920's. They were installed by private developers and are located in many instances, on private property. We have, during the past year, entered into a storm water modeling study with the U.S. Department of Interior at a total cost of approximately \$300,000.00. When this study is completed, the City can begin to address this problem over a multi-year period to bring our storm sewer system up to an acceptable level.

(d) Streets and Sidewalks. The people of this City in September voted by an overwhelming majority to authorize the issuance of \$17 million in street and sidewalk bonds. These bonds will permit us to rehabilitate approximately 175 miles of our street system and approximately 69 miles of our sidewalk system to the City of Asheville. We intend to issue approximately \$6 million of these bonds in December of this year. Construction will begin in the spring of 1987. It is the City Council's responsibility, now that the people have authorized these funds, to be certain that the projects are properly engineered and constructed in a cost effective manner. We must have proper engineering up front which addresses drainage problems and we must see to it that the projects are coordinated with State and Federal road and bridge projects, water and sewer projects and private utility projects. This City Council intends to insure that the people of this City receive the very highest value for the funds generated by these bonds. We currently project that all of the street and sidewalk projects can be completed within four years.

The City of Asheville is currently scheduled for almost \$25 million in new state road projects over the next few years.

These include:

- (1) The widening of U. S. 25 (Hendersonville Road) from Interstate 40 to the Blue Ridge Parkway;
- (2) The widening of Broadway from I-240 to U. S. 19 & 23;
- (3) The widening and improvement of the Leicester Highway;
- (4) The Sweeten Creek and I-40 interchange.
- (5) N.C. 191 and I-40 interchange (Farmers Market);
- (6) Substantial improvements to the interchange located at I-240 and Merrimon Avenue;
- (7) The widening and improvements to McDowell Street from Southside to the McDowell Street Bridge;
- (8) The widening and improvement of North Louisiana Avenue;
- (9) I-240 improvements from U.S. 19 & 23 to Charlotte Street.

We are also scheduled for almost \$15 million in bridge replacement projects between now and 1989. These include:

- (1) Smoky Park Bridge;
- (2) The McDowell Street Bridge;
- (3) The Smith Bridge over the French Broad River;
- (4) The Chestnut Street Bridge.

Other significant improvements scheduled to begin in the next few years include improvements to U.S. 74 and U.S. 70 intersection at the Asheville Mall and the installation of new computerized traffic signal equipment in the Downtown Business District.

In summary, the drivers of this City are going to have to display a great deal of patience during the next few years. However, when these improvements are completed, our street and sidewalk system should be in excellent condition as the City enters the decade of the '90's. It will be the responsibility of future Councils to see to it that this refurbished system is properly maintained in the years to come.

(e) Municipal Buildings. Although a city's main purpose for existence is to render governmental services to its people, much of a city's wealth is invested in its physical assets, such as streets, utility systems, buildings and equipment. Continuing maintenance and replenishment of the City's investment in its capital assets is a requirement for good stewardship of the public trust. Maintenance of these assets is also essential for daily operational efficiency and effectiveness. Some of our major city facilities are in need of major repairs and renovations. The City Hall, although

attractive from the exterior, is highly inefficient, particularly from an energy point of view. We are also under an order from the State of North Carolina to install an additional stairwell in the building to meet the State's highrise fire codes. The Municipal Building, which houses our Fire and Police Departments, is simply not adequate to meet the needs of our modern fire and law enforcement agencies. Our present Street and Sanitation Barn on South Charlotte Street is inadequate for equipment storage and administration. These buildings have been neglected for many years and are in desperate need of renovation or replacement.

Alternatives are currently being prepared for major repairs and/or renovations to the City Hall and the Municipal Building. In addition, we are exploring the concept of a joint City-County law enforcement and fire administration facility. The City is also proceeding with the renovation of the Hunt-Hill Central Warehouse facility, which will permit us to centralize our purchasing and warehousing functions and save the City thousands of dollars on an annual basis. The City of Asheville currently has fourteen separate warehousing facilities, which represents an extremely inefficient system. Our estimates indicate that the new centralized purchasing and warehousing facility will save the City approximately \$50,000.00 per year. We hope to be in this facility by the spring of 1987.

I believe that the City of Asheville has made significant progress in the past several years to address its infrastructure problems. Although we are certainly not out of the woods, I believe that we have identified our problems and are making realistic long-range plans to deal with those problems.

3. City Government. The City Government's first and foremost obligation is the protection of the lives and property of its citizens.

Serious crimes have increased in our City during the first half of 1986 by 12.3% over the same period in 1985. Although the number of murders, rapes, and robberies have remained essentially level, we have experienced increases in aggravated assault, burglary and larceny. Although this is an unacceptable increase, I would point out that the core cities of Charlotte, Fayetteville, Greensboro, Raleigh, Wilmington and Winston-Salem averaged a 14% increase over the same period. The City Council and your Police Department are concerned about this increase and we must redouble our efforts in crime prevention during the coming months. Your Police Department with 134 officers, provides protection for the lives and property of 60,000 Ashevilleians 24 hours a day, 365 days a year. This is not an easy task. The police officer in many instances must be all things to all people. I believe, however, that we have a police force in the City of Asheville of which you can be very proud.

Our Fire Department continues to distinguish itself in both the areas of firefighting and fire prevention.

The men and women of our Fire Department are dedicated public servants who also protect the lives and property of our 60,000 citizens 24 hours a day, 365 days a year.

A new Fire Chief has joined our department this month. Chief John Rukavina has a distinguished educational background and record as a firefighter. He comes to us from St. Joseph's, Missouri, where he served as Fire Chief and most recently as Acting City Manager.

Our other City employees, including those in our Public Works Department, our Sanitation Department, our Water and Sewer Department, our Parks and Recreation Department, our Planning Department, and our Inspections Department who keep this City running on a day-to-day basis deserve our appreciation and our respect. There are many very difficult jobs in City Government. Every day our Sanitation workers are in the streets collecting and disposing of thousands of tons of refuse. This job must be done every day in all kinds of weather. Our Water and Sewer workers are out every day repairing broken lines in all kinds of weather, many times working all night to be certain that water and sewer service to our citizens is not disrupted. During

one of the coldest periods last winter, we had a major water main break and Water Department personnel worked continuously in subfreezing weather for 36 hours until service was restored. All of our City Employees have my respect, and I believe they should have yours as well.

The Parks and Recreation Department last year provided a wide range of programs for practically all of our citizens. Young, middle-aged, and elderly - I believe most of you would be amazed at the number of programs which are

offered through our City Parks and Recreation Department. In addition to the Parks and Recreation staff who organize and supervise these programs, over 2,500 volunteers participated in our City Parks and Recreation programs in 1985.

In my opinion, the general morale of our employees is excellent, and I am satisfied that we have a group of competent and dedicated people working for the City of Asheville. We continue to make every effort to improve our training, and we are in the process of implementing a merit pay system for the first time in the City of Asheville.

4. Economic Development. Our tourism industry in the City of Asheville is thriving. The room tax and the creation of the Tourism Development Authority have provided a tremendous boost for tourism in our area. The number of motel rooms available in Asheville has increased significantly in recent years and the announcement of the expansion of the Grove Park Inn should make Asheville a tempting location for an ever increasing number of conventions. Our festivals, such as Bele Chere, Light Up Your Holidays, Riverfest and the Biltmore Village Festival are growing by leaps and bounds. They are extremely important in attracting tourists to our area, and the City is proud to participate with the private sectors in these programs.

The outlook for manufacturing in the City of Asheville is not as bright. We have lost over 2,000 manufacturing jobs during the past two years. We have had very few announcements recently of major plant relocations to our area. I am concerned about this problem, but I am encouraged by the upcoming Economic Summit which is being sponsored by the Asheville Area Chamber of Commerce and the University of North Carolina at Asheville. The effort will bring together our community's most talented and creative minds in the fields of business, education and government. These individuals will attempt to map a new direction for our economic development efforts. There is tremendous competition these days for economic development. Greenville, Spartanburg, Charlotte, and the Tri-Cities area are all competing directly with us in the economic development area. Our competitors are spending tremendous sums of money and are in many instances out-stripping our efforts. We must identify our strengths and develop a long-range plan for attracting new industry to our area. We have a great many assets which we can bring to bear in our economic development efforts, including the more effective utilization of a growing and vibrant UNC-A. Tourism is important, but we must balance tourism with diversified manufacturing and service sector growth.

In regard to growth, I believe we are making progress in encouraging quality development in the City of Asheville. The Alternatives For Asheville process is moving towards completion. If there is one lesson to be learned from Alternatives For Asheville, it is that the people of this City want growth and development, but they want quality growth and development. The City Council has already taken action on many fronts, including the recent passage of a ridge protection ordinance, a buffering ordinance, a hillside ordinance

and a strengthened erosion control ordinance. In addition, the Council will soon consider a tree ordinance and a truck ordinance which would prevent the unwarranted use of neighborhood streets for commercial purposes. I believe these ordinances are reasonable. They have been developed during a long public hearing process which has included input from individuals as well as representatives of business and development interests. These ordinances are not overly restrictive, but they do prevent unreasonable and uncontrolled development, particularly on our mountain ridges.

On the other hand, we are taking action to make quality development in the City of Asheville easier by limiting the red tape required of developers. This month, we will institute a one-stop permit system for developers. This system has been developed under the direction of our City Manager, but with substantial input from representatives of the Board of Realtors and the Home Builders Association. This system will hopefully prevent the unnecessary delays and confusion which developers have too often experienced in the City in the past.

5. Downtown. Why should you and your City government be interested in the Asheville Central Business District? I believe we should be interested because Asheville's downtown is the heart of our community. Asheville's downtown should be important to you if you live in Biltmore Forest, Woodfin, Candler or Fairview. When you visit another community, how do you develop your impression of that community? You get your impression probably from the downtown area. If the downtown is thriving and economically viable, chances are your impression of that community is going to be positive. If the downtown is dead, with vacant store fronts and poorly maintained structures, I believe your impression of the entire community will be negative.

If you have been in downtown Asheville lately, you have probably noticed some significant changes. Phase I of the

Wall Street Development is nearing completion. The Haywood Park Hotel has been completed, and the Haywood Promenade is nearing completion. The apartment units of 66 Haywood should be ready for occupancy soon, and I understand that most of them have been rented. The Preconstruction Conference for the Pack Plaza Project was held last week and construction should begin within a matter of days. Wick & Greene held their grand opening yesterday and the Greene's are already beginning Phase II of their Project. The old Lincoln Mercury building on Market Street is currently being renovated by the Van Winkle law firm. A renovated S & W building will reopen as a cafeteria and delicatessen in December of this year. The new Post Office building is under construction and should be completed by early spring. The general accounting office is planning an \$8 million renovation to the Grove Arcade building. Construction should begin in late 1987 and plans call for a restoration of the original exterior of the building. The old Asheville Hotel and the old Penney's Building on Haywood Street have been purchased by developers, and plans are under way for the eventual renovation of those structures. In the downtown fringe areas, new office condominiums are being constructed along the expressway and on Orange Street. Robert Mayhew has renovated the old Allen Center into an office park. Hunter Banks Company has just completed the renovation of the building at the head of Montford. The Chamber of Commerce is planning a significant expansion of their facilities, and the YMCA addition is currently under construction.

The City has strongly supported the revitalization of downtown and is working with developers, merchants and property owners to develop adequate parking and other public improvements to assure the success of the downtown

revitalization effort. New parking garages are a part of the Pack Plaza Project, the Wall Street Project, and Haywood Promenade, and the City is committed to a new parking structure on Rankin Street. These garages have been designed with an eye towards aesthetics and usability. They are much smaller in size than our existing municipal parking garage and should afford parkers easier and more acceptable ingress and egress. In conjunction with these efforts, the City is currently seeking input from parking consultants and downtown merchants to provide a workable parking strategy for downtown Asheville. Our current parking system is inadequate in many respects, and I believe that we can do a much better job of providing parking in our downtown business district. Asheville is the only major city in the State of North Carolina which consistently loses money annually on its parking operations. This must and will change as the revitalization process continues.

In addition, Lexington Park continues to improve and the proposed Pack Place Education, Arts & Science Center should be a tremendous asset to our downtown revitalization efforts. The people of the City have expressed their support of this project by voting \$3 million in General Obligation Bonds for this project. These bonds, however, will not be issued until funding for the entire project is achieved from the private sector and other governmental agencies. Estimates of the cost of the total project are in excess of \$7 million.

The effort to revitalize our downtown is succeeding because of the broad based support which it has received from the City government, the County government, our business leaders and the people of this City. Input into downtown revitalization is being broadened by the creation of a restructured downtown commission and a broad based downtown association. I believe that with the continued involvement and cooperation of all sectors, a revitalized downtown Asheville will be a reality in the very near future.

6. City-County Relations. Your City and County governments are continuing to meet and discuss problems of mutual concern. This City Council and the County Commissioners formed an inter-governmental committee which is meeting on a monthly basis to discuss matters of mutual interest and concern. We have cooperated effectively in downtown revitalization projects; the joint mapping program; the proposed agreement for the rehabilitation of our sanitary sewer systems; disposition of tax lots; airport development; and economic development.

We are currently discussing the possibilities of a joint purchasing and warehousing system; and a joint law enforcement facility. I am hopeful that in the months to come, we will also be able to cooperate in a joint program for the development of the French Broad River.

One area of concern between us currently is the water agreement. There have been some comments regarding possible changes to this agreement. Your City Government is, of course, willing to discuss areas of concern to the County, but we feel that any changes should be approached very cautiously. I believe the water agreement on the whole has worked

effectively for the people of both the City and the County. It is my opinion that the water agreement was developed over a period of years through a long negotiation process, and changes in one area may require additional adjustments in other areas to balance the agreement. In recent weeks, both the City Council and the County Commissioners have worked diligently to familiarize themselves, not only with the details of the water agreement itself, but also with the long negotiating

process which made it a reality. The water agreement has served as the basis for cooperation between the City and County in many areas, and I feel that we must be very cautious in advocating substantial modifications.

7. Community Relations. I believe that there is an excellent spirit of cooperation and goodwill among the various segments of our Asheville community. We have developed a great deal of pride in our City, and I believe that the rise of neighborhood involvement through neighborhood associations is contributing greatly to that spirit. The Coalition of Asheville Neighborhoods represents neighborhood associations in Montford, Kenilworth, Beverly Hills, Grove Park, and Haw Creek. In recent months, I have seen these associations effectively assist the City by constructively addressing potential problems that affect their neighborhoods. The expansion of the Grove Park Inn, both during construction and afterward, will have a significant effect on the Grove Park-Sunset area. The Grove Park-Sunset Association addressed these potential problems in a constructive manner, and through cooperation with the City and the Grove Park Inn, reasonable guidelines were developed to assist both the neighborhood and the Grove Park Inn. A committee consisting of members of the City staff, the Grove Park-Sunset Association and the Grove Park Inn has been formed to address problems which most certainly will arise during construction. In addition, the Montford Association has been extremely active for over a year in assisting the City with the Montford Redevelopment Plan. This plan is almost complete and the City Council has allocated over \$700,000 in community development funds for the redevelopment of this very important and historic Asheville neighborhood.

In the past few months, a serious concern has been voiced by members of our black community over the hiring and promotion practices of the City of Asheville. This discussion has focused most recently on our Police Department. It is a fact that the number and rank of our black officers do not adequately reflect our population makeup. For example, there has never been a black police officer in the City of Asheville above the rank of sergeant. This is unacceptable to the black community, and it is unacceptable to me. It is not, however, a simple problem. Qualified black police officers, as well as teachers, firefighters and other professionals are in tremendous demand. I do not believe that the current situation in our Police Department and other City departments has come about because of any systematic form of racial discrimination. It has come about, however, because in many instances we have not made a sufficient effort to recruit qualified blacks into our system. This City Council intends to increase that effort. We are currently reviewing a new affirmative action plan prepared by the City Manager, which when adopted, must be more than just another document to place in our files. It must be a working document which will bring about fair results. In addition, we can and must develop effective recruiting plans to attract qualified blacks into our City government. Here again, this plan must achieve results and not just serve as another well-written document for our files.

Thirdly, we are currently reviewing, with the assistance of the North Carolina Institute of Government, our civil service system. We are one of the few remaining North Carolina cities which operate under a civil service system. This system must be reviewed to see if the civil service law itself has contributed to our problem. If it has, then we shall seek to have the legislature modify our civil service system.

We are not talking about quotas, we are talking about fairness. Young blacks, just like young whites, need role models and qualified blacks in city

government to provide those role models. We can and must achieve results because it is the right thing to do and because it is a problem that will not go away.

The Asheville-Buncombe Community Relations Council has been extremely effective in many areas over the past year. The Asheville Fair Housing Committee has been established and the Community Relations Council was extremely helpful in quieting community concerns when the Ku Klux Klan chose to march in Asheville last summer. This was a potentially explosive situation which was calmly addressed by all segments of our population. The Klan came, marched and left without incident and without publicity, which was exactly what they did not want to happen.

The City Council, also with the assistance of the Mayor's Committee for the Employment of the Handicapped, approved a new handicapped off-street parking ordinance which is serving as a model for the rest of the State.

8. The Future. I believe that the potential of this community is unlimited. In some ways, the recent naming of a Los Angeles class nuclear submarine for the City of Asheville is symbolic of this City's national stature and potential. The other sister submarines are named after such cities as Los Angeles, Chicago, Providence and San Juan. Our inclusion reflects not only the distinguished naval history of former USS Ashevilles, but also the respect which this city is afforded throughout our nation.

I have had the pleasure during the past twelve months to work with a very fine and dedicated group of public servants. The Asheville City Council has continued to address the problems of our community on a completely non-partisan basis. My fellow councilmen are hardworking and dedicated stewards of the public trust.

In the upcoming months, the City Council will face continuing budget problems brought about by continued reductions in federal and state assistance. We can and will, however, face those problems and I believe in the long run, have a stronger and more independent City.

There will continue to be friction between the growth and no-growth interests in our community. I predict that this Council will have to face the issues of annexation, zoning, historic districts and Sign Ordinance revision during the next twelve months. These are not easy questions. In many instances, they can divide our community, if we let them. We must not, however, let ourselves become divided on single issues. We must remember that the strength of our democratic system lies not only in the protection of the rights of the majority, but also in the protection of the rights of individuals against the majority. We must keep in mind that our goal is in Asheville which offers economic opportunities to all, but retains the quality of life and uniqueness that has made our City what it is today. I do not believe that we have differences in our ultimate goals. Our differences arise over how to achieve those goals. I am confident that the people of this city will choose the path of cooperation and not confrontation in making our community an even better place to live.

#### **GRAY HUTCHISON, INC. - AUTHORIZATION TO IMPLEMENT EMPLOYEE'S FLEXIBLE BENEFITS PLAN**

10. At the request of the City Manager, Councilman Price moved to authorize the City Manager to execute a contract with Gray Hutchison, Inc. to serve as advisors for the implementation of the Employee's Flexible Benefits Plan. The contract amount to be \$10,000. This motion was seconded by Councilman Michalove and carried unanimously.

#### **REPORT RELATIVE TO INTERGOVERNMENTAL SERVICES COMMITTEE**

11. Vice-Mayor Frank noted that the Intergovernmental Services Committee met on November 18, 1986, at 12:30 p.m. with full attendance. She said the members discussed the proposed 911 emergency number and was informed that the State Utilities Commission is currently mailing letters and inquiries to concerned entities for their input for continuing costs. She said the State Utilities Commission should reach a decision relative to these costs in about 30 days.

She said they discussed the consolidation of the central purchasing warehouse facility and a resolution from the County should be forthcoming in the near future. She said they also discussed the joint problem of space for the West Asheville Community Center Library. She said the County Commissioners requested more information relative to this subject. She said the members again indicated a need for a separate work session relative to the Water Agreement. She said the next meeting of the Intergovernmental Services Committee would be on December 2, 1986, at 12:30 p.m. in the Council Conference Room.

Councilman Tisdale said the Intergovernmental Services Committee also discussed proposed amendments relative to the Massage Ordinance. He requested that the City Attorney and County Attorney work together on any changes proposed for the ordinance.

#### **REQUEST OF LEAGUE OF WOMEN VOTERS - ENDORSEMENT OF LEAGUE WOMEN VOTERS FOR**

## **FUNDS FROM THE EXXON SURPLUS FUNDS FROM THE NORTH CAROLINA DEPARTMENT OF COMMERCE**

12. Vice-Mayor Frank said the League of Women Voters in Asheville and Buncombe County have requested that the Asheville City Council endorse a proposal by the League of Women Voters to receive funds for a coordinated

recycling program in the amount of \$40,000 and an energy and resource conservation education program in the amount of \$35,000 from the North Carolina Department of Commerce. She said the funds would be allocated from the \$47 million to be received by the North Carolina Department of Commerce from the Exxon Corporation.

Vice-Mayor Frank moved to authorize the Mayor to send a letter of endorsement to the North Carolina Department of Commerce relative to the League of Women Voters' request. This motion was seconded by Councilman Price and carried unanimously.

## **CLAIMS - NELLIE STITT (WATER)**

13. The City Manager presented a claim received from Nellie Stitt.

Mayor Bissette referred the claim to the Corporation Counsel for investigation and recommendation.

## **LAWSUIT - A MINI STORAGE COMPANY VS. JOHNNY EGBERT JOHNSON, JR., RAY COOPER AND THE CITY OF ASHEVILLE (PROPERTY DAMAGED - AUTOMOBILE ACCIDENT)**

14. The City Manager said the City was served on November 14, 1986 with a lawsuit in which the City of Asheville is the defendant involving a mini-storage company versus Johnny Egbert Johnson, Jr., Ray Cooper and the City of Asheville involving property damage by an automobile accident.

Mayor Bissette referred the lawsuit to the Corporation Counsel for investigation and recommendation.

## **ADJOURNMENT**

Upon motion of Councilman Price, seconded by Councilman Michalove, the meeting adjourned at 4:40 p.m.

Mayor City Clerk

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