

Tuesday – July 23, 2019 - 5:00 p.m.

Regular Meeting

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

Absent: Mayor Esther E. Manheimer

PLEDGE OF ALLEGIANCE

Vice-Mayor Wisler led City Council in the Pledge of Allegiance.

I. PROCLAMATIONS:

A. PROCLAMATION PROCLAIMING ASHEVILLE AS A BREASTFEEDING FAMILY FRIENDLY COMMUNITY

Vice-Vice-Mayor Wisler read the proclamation proclaiming Asheville as a “Breastfeeding Family Friendly Community.” She presented the proclamation to Jan Shepard, Buncombe County Health Director.

II. CONSENT AGENDA:

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON JUNE 25, 2019; AND THE WORKSESSION HELD ON JULY 2, 2019

B. RESOLUTION NO. 19-170 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH WTAPS OF ASHEVILLE FOR THE RICHMOND HILL PARK RESTROOM FACILITY AND PICNIC SHELTER

Action Requested: Adoption of a resolution authorizing the City Manager to enter into a construction contract with WTAPS of Asheville in the amount of \$305,662 and to further authorize change orders up to the contingency amount of \$30,566 (10%) for Richmond Hill Park restroom facility and picnic shelter.

Background:

- Richmond Hill Park is a heavily utilized park for dog walkers, bicyclists and disc golfers.
- The park lacks supporting amenities such as restroom facilities and picnic shelters.
- Quotes were initially requested on January 23, 2019. Two quotes were received and reviewed on February 20, 2019 at 4 p.m. Both quotes exceeded the available budget.
- Project was rebid on May 22, 2019, and three quotes were received and reviewed on June 17, at 3 p.m. The high quote exceeded the available funds and the remaining two quotes were deemed non-responsive due to one being submitted late and one not completing the required Minority Business forms.
- The project was rebid on June 24, 2019. Quotes were received and reviewed on July 2nd at 3 p.m. There were three bidders for the project.
 - Dosan Corp, Charlotte, \$347,000 base quote plus add alternate \$12,300 - \$359,300
 - The Construction and Maintenance Company LLC, Mills River, \$374,526 base quote plus add alternate \$21,935 - \$396,461

- WTAPS, Asheville, \$299,878 base quote plus add alternate \$5,875 - \$305,662
- WTAPS submitted the lowest responsive responsible bid for the project.

Vendor Outreach Efforts:

- Staff performed outreach to minority and women owned business through 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. WTAPS (Asheville, NC) and their 2 subcontractors, CJE Contracting (Arden, NC) and JHS Contracting (Weaverville, NC) are all local minority business enterprises.

Council Goal(s):

- A Clean and Healthy Environment & a Well-Planned and Livable Community.

Committee(s):

- January 14th meeting - Parks Advisory Board Parks & Recreation - project status update

Pro(s):

- Permanent restroom facilities will expand the park user base to include families with small children.
- Improvements will improve the park experience for Asheville residents.
- These amenities respond to citizen input in regards to desired park improvements.
- Supports the Parks, Recreation, Cultural Arts Master Plan (2009).

Con(s):

- None

Fiscal Impact:

- Funding for this contract exists within the approved GO Bond Capital Budget.

Motion:

- Authorize the City Manager to enter into a construction contract with WTAPS of Asheville in the amount of \$305,662 and to further authorize change orders up to the contingency amount of \$30,566 (10%) for Richmond Hill Park restroom facility and picnic shelter.

RESOLUTION BOOK NO. 41 - PAGE 26

C. RESOLUTION NO. 19-171 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH CAROLINA SPECIALTIES CONSTRUCTION LLC, FOR THE ART STATION FACILITY RENOVATION PROJECT

ORDINANCE NO. 4753 - BUDGET AMENDMENT FOR THE ART STATION FACILITY RENOVATION PROJECT

Action Requested: Adoption of a resolution: 1) authorizing the City Manager to execute a contract with Carolina Specialties Construction, LLC in the amount of \$678,299.95 and further authorize the City Manager to execute any change orders that may arise during the project up to the contingency amount of \$101,745 (15%); and 2) adoption of a budget amendment in the amount of \$1,080,045 from Federal Transit Administration grant funds and General Fund Assigned Fund Balance to fully fund the contract and the contingency and all other costs associated with completing the ART Transit Facility Renovation Project.

Background:

- This project was identified in the 2009 Transit Master Plan, which recommended updating the facility every 10 years. The original facility was constructed in 1996, which included only the ticketing and dispatch office, and passenger restrooms. The passenger waiting area was added around 2001.
- The project will renovate the ticketing and waiting areas to improve transit operations, and safety conditions, update finishes and lighting, and improve accessibility on the loading platform and at the intersections at Coxe and Ashland Avenue.
- Renovation will require the temporary closure of the passenger loading area, and the ticketing and dispatch office. Temporary offices and restroom facilities will be provided on an adjacent lot. When the passenger loading area is being renovated, passenger loading will occur on Ashland Avenue.
- Bids were initially advertised on May 16, 2019. Only one bid was received at the bid opening deadline on May 6, 2019. The City could not open due to city policy and general statutes.
- Bids were readvertised on June 11, 2019, and the City received and opened bids on June 26, 2019. Three bids were submitted, their names and bid amounts are listed below:
 - Carolina Cornerstone, Inc., Asheville, NC \$ 710,700.00
 - Carolina Specialties Construction, LLC, Hendersonville, NC \$ 678,299.95
 - H&M Constructors, Inc., Asheville, NC \$ 760,750.00
- The budget amendment for this project will fund both construction, and non-construction items required to outfit the facility. Non-construction items include “furniture, fixtures, and equipment”, such as new static/wayfinding signs, digital signage, passenger seating, public WiFi, etc.

Vendor Outreach Efforts:

- Staff performed outreach to minority and women owned business through solicitation processes which include posting on the State’s Interactive Purchasing System and requiring prime contractors to reach out to Disadvantaged Business Enterprises (DBE) service providers for subcontracted services. Carolina Specialties will include two subcontractors - Carolina Flooring Contractors (Forest City, NC) and EZ Striping (Naples, NC), which are qualified local disadvantaged business enterprises.

Council Goal(s):

- Transportation and accessibility
- Financially Resilient City

Pro(s):

- The renovation project will improve the passenger experience, safety in the waiting area, transit operations spaces, and accessibility for passengers and pedestrians.
- The contract leverages federal grant funds.
- The contract will include participation by Disadvantaged Business Enterprises.

Con(s):

- Renovation will require temporary accommodations for passenger loading and transit operations staff.

Fiscal Impact:

- As noted above, the total amount of the budget amendment is \$1,080,045. \$213,911 will come from a Federal Transit Administration grant, and \$866,134 will come from the \$1.1 million Infrastructure Reserve that was set aside in the General Fund Assigned Fund Balance in fiscal 2016. The amendment will have no impact on the City's unassigned (available) fund balance. The remaining funds in the Infrastructure Reserve (\$233,866) will likely be used later in fiscal 2020 for other facility maintenance projects.

Motion:

- Adoption of a resolution: 1) authorizing the City Manager to execute a contract with Carolina Specialties Construction, LLC in the amount of \$678,299.95 and further authorize the City Manager to execute any change orders that may arise during the project up to the contingency amount of \$101,745 (15%); and 2) adoption of a budget amendment in the amount of \$1,080,045 from Federal Transit Administration grant funds and General Fund Assigned Fund Balance to fully fund the contract and the contingency and all other costs associated with completing the ART Transit Facility Renovation Project.

**RESOLUTION BOOK NO. 41 - PAGE 27
ORDINANCE BOOK NO. 32 - PAGE 400**

D. RESOLUTION NO. 19-172 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND EXECUTE A MUNICIPAL AGREEMENT WITH BETTERMENTS WITH THE N.C. DEPT. OF TRANSPORTATION FOR THE CITY TO ACCEPT MAINTENANCE RESPONSIBILITY FOR A NEW SIDEWALK THAT WILL BE CONSTRUCTED AS PART OF AN I-26 WIDENING PROJECT

Action Requested: Adoption of a resolution authorizing the City Manager to enter into and execute a municipal agreement with betterments with the N.C. Dept. of Transportation (NCDOT) for the City to accept maintenance responsibility for a new sidewalk that will be constructed as a part of an I-26 widening project and to reimburse the NCDOT 40% of the actual cost which is estimated to be \$12,000.

Background:

- The NCDOT has plans to widen I-26 from NC 280 (Airport Road) to I-40.
- The City has requested that a new sidewalk be constructed along the south side of Long Shoals Road from the I-26 Eastbound on-ramp to the I-26 Westbound off-ramp.
- The NCDOT has agreed to the subject request in accordance with their Pedestrian Policy Guidelines.
- The project is anticipated to go to the construction phase during Fiscal Year 2019-20 and this section of the project should be completed during Fiscal Year 2022-23 or Fiscal Year 2023-24.

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- None

Pro(s):

- A new section of sidewalk will be constructed that will provide an important pedestrian connection along the south side of NC 146 (Long Shoals Road).
- The City only pays 40% of the concrete line item for the new sidewalk.

Con(s):

- The City is responsible for maintaining the new sidewalk when the project is completed.

Fiscal Impact:

- The financial impact is estimated to be \$12,000 and the NCDOT will invoice the City when the project is completed. Although the funds are not needed at this time, they are available in the balance of the sidewalk fee-in-lieu-of project (Project K1001).

Motion:

- Motion to authorize the City Manager to enter into and execute a municipal agreement with betterments with the NCDOT for the City to accept maintenance responsibility for a new sidewalk that will be constructed as part of an I-26 widening project and to reimburse the NCDOT 40% of the actual cost which is estimated to be \$12,000.

RESOLUTION BOOK NO. 41 - PAGE 28

E. RESOLUTION NO. 19-173 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND EXECUTE A TRAFFIC - REVIEW AND INSPECTION AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION FOR THE NCDOT TO PERFORM DESIGN REVIEW AND INSPECTION OF THE ADDITION OF PEDESTRIAN PHASING AT THREE SIGNALIZED INTERSECTIONS ALONG AIRPORT ROAD

Action Requested: Adoption of a resolution authorizing the City Manager to enter into and execute a review and inspection agreement with the N.C. Dept. of Transportation (NCDOT) for the NCDOT to perform design review and inspection of the addition of pedestrian phasing at three signalized intersections along NC 280 (Airport Road) and to submit payment in the amount of \$15,000 upon partial execution of the agreement by the City.

Background:

- The City has plans to construct a new sidewalk along NC 280 (Airport Road) from US 25 (Hendersonville Road) to the western end of Wal-Mart through the bond program.
- This sidewalk will tie into an existing sidewalk recently constructed by the NCDOT.
- The project includes pedestrian phasing and crosswalks at three signalized intersections.
- The City has prepared the appropriate designs to add pedestrian phasing and will be furnishing and installing the equipment and crosswalks.
- The NCDOT will review and approve the designs and inspect the work during the construction phase which is currently scheduled to begin during Summer 2020.

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- None

Pro(s):

- A new section of sidewalk will be constructed that will provide an important pedestrian connection between Hendersonville Road and the airport.
- The pedestrian experience will be enhanced and made safer through signalized intersections with pedestrian phasing and crosswalks.
- The NCDOT will own and control the traffic signal (and associated equipment) and maintenance will be accomplished according to their current policies and procedures.

Con(s):

- None

Fiscal Impact:

- The financial impact is estimated to be \$15,000 and the City must submit payment upon partial execution of the agreement by the City. The funds are included in the bond program.

Motion:

- Motion to authorize the City Manager to enter into and execute a traffic - review and inspection agreement with the NCDOT for the NCDOT to perform design review and inspection of the addition of pedestrian phasing at three signalized intersections along NC 280 (Airport Road) and to submit payment in the amount of \$15,000 upon partial execution of the agreement by the City.

RESOLUTION BOOK NO. 41 - PAGE 29

F. RESOLUTION NO. 19-174 - RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND AN EXISTING CONTRACT AND EXECUTE A ONE-YEAR EXTENSION WITH S&S MANAGEMENT GROUP LLC FOR SECURITY COVERAGE IN THE PARKING GARAGES

Action Requested: Adoption of a resolution authorizing the City Manager to amend an existing contract with S&S Management Group, LLC for an amount not to exceed \$108,000 for Fiscal Year 2018-19 and authorizing the City Manager to execute a one-year extension with S&S Management Group for an amount not to exceed \$160,000 for Fiscal Year 2019-20 for security coverage in the parking garages.

Background:

- Contract # 91900235 was approved for a maximum amount of \$88,000 for a six-month period from January 1, 2019, through June 30, 2019 and the amendment is needed to cover outstanding invoices.
- The purpose of the contract extension, which is currently on hold since the contract ended on June 30, 2019, is to supplement existing in-house security (2 FTEs) in order to provide 24/7 security in the parking garages including the public restrooms at 29 Haywood Street to accommodate late night hours, weekend hours, and city-approved holidays.

Vendor Outreach Efforts:

- A request for proposals (RFP) was issued on September 14, 2018, on the City's website for purchasing opportunities.
- The deadline for proposals was October 12, 2018, and six vendors submitted proposals.
- No MWBE firms submitted proposals.
- A team of five staff members reviewed the proposals and determined that S&S Management Group, LLC submitted the lowest responsible proposal.
- S&S Management Group, LLC is not sub-contracting any of the work.

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- Finance & Human Resources Committee - June 25, 2019 - unanimously approved

Pro(s):

- Improves the parking customer's experience.
- Provides coverage during late night hours, weekend hours, and city-approved holidays.
- Provides coverage when existing in-house security is on vacation or out sick.

Con(s):

- A contract cannot require that a living wage be paid.

Fiscal Impact:

- The financial impact of an additional \$20,000 for Fiscal Year 2018-19 and \$160,000 for Fiscal Year 2019-20 are included in the respective parking services operating budgets.

Motion:

- Motion to authorize the City Manager to amend an existing contract with S&S Management Group, LLC for an amount not to exceed \$108,000 for Fiscal Year 2018-19 and authorizing the City Manager to execute a one-year extension with S&S Management Group for an amount not to exceed \$160,000 for Fiscal Year 2019-20 for security coverage in the parking garages.

RESOLUTION BOOK NO. 41 - PAGE 30

G. RESOLUTION NO. 19-175 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT STREETS AND RIGHTS-OF-WAY THAT HAVE BEEN DEDICATED TO THE CITY, AND RECOMMENDING FOR ACCEPTANCE BY THE DIRECTORS OF THE CITY'S TRANSPORTATION AND PUBLIC WORKS DEPARTMENTS, BY EXECUTING A MEMORANDUM OF ACCEPTANCE FOR EACH STREET SO ACCEPTED

Action Requested: Adoption of a resolution authorizing the City Manager to accept streets and rights of way that have been dedicated to the City, and recommended for acceptance by the Directors of the City's Transportation and Public Works departments, by executing a formal Memorandum of Acceptance for each street so accepted.

Background:

- Developers and other land owners regularly dedicate streets to the City, which the City then has the option of accepting.
- There is no formal street-acceptance process specified under state statutes, which can create ambiguity as to whether a dedicated street has been formally accepted by the City.
- The Transportation and Public Works departments are the primary departments that analyze whether a dedicated street meets City standards and should be accepted.
- The Transportation and Public Works departments recommend that the City adopts a practice of executing a Memorandum of Acceptance for each dedicated street that is accepted by the City in the future, so as to better clarify which streets are owned and maintained by the City, as opposed to private entities.

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- Multimodal Transportation Committee - June 26, 2019 - unanimously approved

Pro(s):

- Allows the City to more accurately document the streets it maintains and owns.
- Allows the City to define the terms of its acceptance of streets through the use of a formal Memorandum of Acceptance.

Con(s):

- None

Fiscal Impact:

- This action has no fiscal impact since it is a procedural change that will not impact the number of streets accepted and maintained by the City. It simply formalizes and streamlines the acceptance process.

Motion:

- Motion to authorize the City Manager to accept streets and rights of way that have been dedicated to the City and recommended for acceptance by the Directors of the City's Transportation and Public Works departments, by executing a formal Memorandum of Acceptance for each street so accepted.

RESOLUTION BOOK NO. 41 - PAGE 31

H. RESOLUTION NO. 19-176 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH OWEN JOSEPH LLC FOR THE CITY HALL GARAGE STRUCTURE IMPROVEMENT PROJECT

Action Requested: Adoption of a resolution authorizing the City Manager to enter into a contract with Owen Joseph, LLC in the amount of \$159,693.00, for the City Hall Garage Structure Improvement Project; and further authorizing the City Manager to execute any change orders that may arise during the project up to the contingency amount of \$15,969.00 (10%).

Background:

- Investigation of moisture in the City Hall parking garage ceiling in May 2019 showed deterioration of the steel structure above the ceiling.
- Shoring was installed to temporarily supplement the structure.
- Improvements include installation of permanent supplemental steel structure, a new fire rated ceiling and sealant of the joints between the marble slabs of the floor of the City Hall Entry Loggia above.
- Request for Bids was initially advertised on June 10, 2019. Only one bid was received at the bid opening on June 27, 2019. Request for Bids was re-advertised on July 1, 2019. The following Bids were received on July 16, 2019:

○ Owen Joseph, LLC	Asheville, NC	\$ 159,693.00
○ Lesco Restorations, Inc	Spartanburg, SC	\$ 218,816.91

- Owen Joseph, LLC was the lowest responsive, responsible bidder.

Vendor Outreach Efforts:

- Staff performed outreach to minority and women owned business through 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. No MWBE firms submitted bids with this prime contractor.

Council Goal(s):

- A Clean and Healthy Environment & A Financially Resilient City

Committee(s):

- None.

Pro(s):

- Garage Structure Improvements will be completed in Fall 2019
- Rented shoring will be removed
- Parking will be available in the garage for identified staff and City Council members

Con(s):

- None

Fiscal Impact:

- Funding for this contract is already included in the adopted Capital Improvement Program (CIP).

Motion:

- Motion to adopt a resolution authorizing the City Manager to enter into a contract with Owen Joseph, LLC in the amount of \$159,693.00, for the City Hall Garage Structure Improvement Project; and further authorizing the City Manager to execute any change orders that may arise during the project up to the contingency amount of \$15,969.00 (10%).

RESOLUTION BOOK NO. 41 - PAGE 32

I. RESOLUTION NO. 19-177 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A UTILITY CONSTRUCTION AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION FOR WATERLINE RELOCATION COST REIMBURSEMENTS ASSOCIATED WITH IMPROVEMENTS TO FANNING BRIDGE ROAD AT THE I-26 CROSSING

Action Requested: Adoption of a resolution authorizing the City Manager to execute a Utility Construction Agreement with the N.C. Dept. of Transportation (NCDOT) for the estimated amount of \$279,508.10 plus a 10% contingency for a total budget of \$307,458.91 for the I-4400C Project.

Background:

- I-4400C is one project phase of the NCDOT I-26 widening effort. A portion of the I-4400C project involves the reconstruction of the Fanning Bridge Road crossing over I-26.
- The City of Asheville owns and maintains municipal water lines within the right-of-way of the project area.
- As a condition of the installation, operation and maintenance of the waterlines within the NCDOT right-of-way, the City of Asheville Water Resources Department is responsible

for 100% of the cost associated with adjustment or relocation of said waterlines should the need arise.

- The City of Asheville Water Resources Department wishes to enter into this Utility Construction Agreement with NCDOT, which allows the waterline utility work to be performed as part of the NCDOT's construction contract.
- NCDOT has estimated that the cost of the relocation and adjustment of municipally owned water lines for this project will be \$279,508.10.

Vendor Outreach Efforts:

- Not Applicable

Council Goal(s):

- A Financially Resilient City

Committee(s):

- None

Pro(s):

- Execution of the agreement allows the City of Asheville Water Resources Department to meet its obligations to NCDOT for the adjustment or relocation of municipal water lines within the NCDOT right-of-way.
- Execution of the agreement allows the required adjustment or relocation of municipal water lines to be performed under the NCDOT construction contract, which will provide construction efficiencies producing cost savings and allow construction schedules to be met.
- This project is aligned with the City and the Water Resources Department goal of continued investment and improvement of the City's water system through Capital Improvement Projects, in order to provide safe and reliable service.

Con(s):

- None

Fiscal Impact:

- The funding needed for this agreement is currently allocated within the NCDOT Project in the Water Resources Capital Improvement Projects Fund.

Motion:

- Move to adopt a resolution authorizing the resolution authorizing the City Manager to execute a Utility Construction Agreement with the NCDOT for the estimated amount of \$279,508.10 plus a 10% contingency for a total budget of \$307,458.91 for the I-4400C Project.

RESOLUTION BOOK NO. 41 - PAGE 33

- J. **RESOLUTION NO. 19-178 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROVE A RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE HIWIRE 6TH ANNIVERSARY PARTY**

RESOLUTION NO. 19-179 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROVE A RESOLUTION MAKING PROVISIONS FOR THE POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR UNFORTIFIED WINE AT THE FARM TO VILLAGE DINNER

**RESOLUTION NO. 19-180 - RESOLUTION AUTHORIZING THE CITY
MANAGER TO APPROVE A RESOLUTION MAKING PROVISIONS FOR THE
POSSESSION AND CONSUMPTION OF MALT BEVERAGES AND/OR
UNFORTIFIED WINE AT THE BLUE RIDGE PRIDE FESTIVAL**

Action Requested: Adoption of resolutions to permit the possession and consumption of malt beverages and/or unfortified wine at the HiWire 6th Anniversary Party, Farm to Village Dinner, and Blue Ridge Pride Festival.

Background:

- The following organizations have requested that City Council permit them to serve beer and/or unfortified wine at their events and allow for consumption at the events:
 - WNC Soccer Foundation for the HiWire 6th Anniversary Party, to occur at Huntsman Place on July 27, 2019, from 3:00 p.m. - 11:59 p.m.
 - Manna Food Bank for the Farm to Village Dinner to occur at Boston Way on September 5, 2019, from 6:00 p.m. - 9:00 p.m.
 - Blue Ridge Pride Center for the Blue Ridge Pride Festival, to occur at Pack Square Park on September 28, 2019, from 11:00 a.m. - 7:00 p.m.
- Alcohol boundaries are defined for each request as per the accompanying event site maps.

Council Goal(s):

- These actions have no direct connection with the City Council 2036 Vision.

Committee(s):

- None

Pro(s):

- Allows fundraising opportunities for the sponsoring nonprofit organizations

Con(s):

- None

Fiscal Impact:

- None

Motion:

- Motion to permit the possession and consumption of malt beverages and/or unfortified wine at the HiWire 6th Anniversary Party, Farm to Village Dinner, and Blue Ridge Pride Festival.

RESOLUTION NO. 19-178 - RESOLUTION BOOK NO. 41 - PAGE 34

RESOLUTION NO. 19-179 - RESOLUTION BOOK NO. 41 - PAGE 37

RESOLUTION NO. 19-180 - RESOLUTION BOOK NO. 41 - PAGE 40

**K. RESOLUTION NO. 19-181 - RESOLUTION AUTHORIZING THE CITY
MANAGER TO EXECUTE A CHANGE ORDER WITH HAZEN AND SAWYER
TO INCREASE THE WATER SYSTEM MASTER PLAN UPDATE**

Action Requested: Adoption of a resolution authorizing the City Manager to execute a change order with Hazen and Sawyer in the amount of \$99,900 to increase the Water System Master Plan Update Professional Services Contract from a total of \$570,360 to \$670,260.

Background:

- On February 14, 2017, a resolution was adopted to authorize the City Manager to execute a professional services contract with Hazen and Sawyer for an update to the Water System Master Plan.
- The original total contract was for an amount not to exceed \$570,360. The project work included: a hydraulic model update, field tests, model calibration, evaluation of the existing system, population and demand projections, evaluation of the future system, master plan report and training, project administration, and other optional services as needed.
- Throughout the course of the project it was determined that some areas of the system were operating in a critical state that would require additional detailed analysis to determine solutions.
- In April and May of 2019 a chain of events occurred including major line breaks and inoperable valves resulting in several days of issues with discolored water in the system.
- Water Resources staff determined that the expertise needed to find solutions to these issues was closely related to the modeling and analysis work being performed under the ongoing System Master Plan Update. The consultant, Hazen and Sawyer has expertise in these areas.
- In an effort to quickly and efficiently address these recent issues, staff requested that the consultant provide an amended scope of work with additional tasks.

Vendor Outreach Efforts:

- Not applicable, change to an existing contract

Council Goal(s):

- A Financially Resilient City

Committee(s):

- None.

Pro(s):

- This project is aligned with the City and the Water Resources Department goal of continued investment and improvement of the City's water system through Capital Improvement Projects.

Con(s):

- None

Fiscal Impact:

- The funding needed for the professional services agreement is currently allocated within the Water Resources Capital Improvements Project Fund in the Water Model & Master Plan Update Project.

Motion:

- Move to adopt a resolution authorizing the City Manager to execute a change order with Hazen and Sawyer in the amount of \$99,900 to increase the Water System Master Plan Update Professional Services Contract from a total in the amount of \$570,360 to \$670,260.

RESOLUTION BOOK NO. 41 - PAGE 43

L. RESOLUTION NO. 19-182- RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH APPALACHIAN PAVING

**AND CONCRETE INC. FOR THE WOOD AVENUE NEIGHBORHOOD
SIDEWALK PROJECT**

Action Requested: Adoption of a resolution authorizing the City Manager to enter into a contract with Appalachian Paving and Concrete, Inc. in the amount of \$498,740 for the Wood Ave. Neighborhood Sidewalk project and further authorizing the City Manager to execute any change orders that may arise during the project up to the contingency amount of \$74,811 (15%).

Background:

- Bids were advertised on May 23, 2019, but the City did not receive the required number of bids for a formal bid opening. The project was re-advertised on June 24, 2019.
- Bids were opened on July 8, 2019. Two (2) firms submitted bids, and the firms' names and bid amounts are included below:
 - Appalachian Paving & Concrete, Inc., Asheville, NC \$498,704.00
 - Patton Construction Group Inc., Asheville, NC \$710,420.00
- Appalachian Paving & Concrete, Inc. was the lowest responsive, responsible bidder.

Vendor Outreach Efforts:

- For the construction phase of the project, staff performed outreach to minority and women-owned businesses through solicitation processes which include posting on the State's Interactive Purchasing System and requiring prime contractors to reach out to MWBE service providers for subcontracted services. Appalachian Paving & Concrete, Inc. of Asheville will be utilizing the services of BAG Hauling of Asheville, a MWBE service provider, for the project.

Council Goal(s):

- Transportation and accessibility

Committee(s):

- None

Pro(s):

- Improved connectivity and accessibility for the neighborhoods southeast of the Asheville Mall area.

Con(s):

- None

Fiscal Impact:

- Funding is coming from the Neighborhood Sidewalk Program. The total maximum cost of this contract, including contingency, is \$573,515.

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute on behalf of the City of Asheville a contract with Appalachian Paving & Concrete Inc. in the amount of \$498,704.00 plus a contingency of \$74,811 (15%), for a total of \$573,515.

RESOLUTION BOOK NO. 41 - PAGE 44

- M. RESOLUTION NO. 19-183 - RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A RENEGOTIATED LEASE AGREEMENT WITH THE ASHEVILLE-BUNCOMBE YOUTH SOCCER ASSOCIATION FOR THE LEASE OF FOUR SOCCER FIELDS, THE CONCESSIONS AND MEETING ROOM AT THE JOHN B. LEWIS SOCCER COMPLEX**

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

Background:

- On March 26, 2019 the City Council authorized the City Manager to enter into a lease with ABYSA for the use of the soccer fields located at 439 Azalea Road known as the John B. Lewis Soccer Complex.
- The lease was executed allowing for the fields to be repaired due to flooding events. The cost of the original contract was \$1,075,000. Per the lease, the City agreed to pay \$875,000 and ABYSA agreed to pay \$200,000.
- Prior to the work being completed, another significant rain event occurred damaging the fields on April 19, 2019.
- Of the \$1,075,000 contract amount, only \$925,000 was paid to the contractor leaving a remaining balance of \$150,000. This balance was a result of the changed conditions in cleaning the fields due to the new flood damage on April 19, 2019.
- The following significant elements have changed from the March 26, 2019 lease agreement:
 - The fields will be accepted by ABYSA “as is”. The March 26, 2019 agreement stated that the fields would be completely restored prior to ABYSA accepting the fields;
 - ABYSA will be responsible for paying \$50,000 of the original clean up as opposed to \$200,000 because the City did not expend the full amount of the funds in the original clean up;
 - The City will contribute \$50,000, as stated in the original lease, in FY 2020 for the clean up of fields 1 and 4; and,
 - The agreement will be for ten years instead of twelve years.

Council Goal(s):

- A Financially Resilient City
- A Connected and Engaged Community

Pro(s):

- The terms allow ABYSA to utilize the fields sooner.
- The City’s repair costs for future potential flooding is capped annually.
- The terms of the lease agreement creates a capital contribution supported by ABYSA and the City for the long-term replacement of the fields.

Con(s):

- None

Fiscal Impact:

- The City of Asheville will pay a maximum of \$50,000 a year for the repair of fields due to flood events or acts of God. Additionally, the City will place \$15,000 per year into a capital project to be utilized for the replacement of the soccer fields for a total of \$150,000 over a ten year period. The total operating budget impact is \$65,000 per year for the ten-year duration of the lease.

Motion:

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

N. RESOLUTION NO. 19-184 - RESOLUTION AMENDING RESOLUTION NO. 19-142 TO REPLACE THE PROGRAM NAME OF “CWA EARLY LEARNING PROGRAM” WITH “BLACK CULTURE ENRICHMENT AND COLLEGE TOUR” FOR THE 2019-20 STRATEGIC PARTNERSHIP FUND GRANT

Action Requested: Adoption of amended resolution to replace program name of “CWA Early Learning Program” with “Black Culture Enrichment and College Tour”

Background:

- On June 11, 2019, City Council approved Strategic Partnership Funding for the 2019-2020 fiscal year, based on funding recommendations made by the Housing & Community Development Committee on March 29, 2019 .
- An administrative error was made in Resolution 19-142, listing the incorrect program name for The Christine Avery Learning Center’s Strategic Partnership Fund program. The correct program name is “Black Culture Enrichment and College Tour”. No programmatic or funding changes are being requested.
- This correction is necessary to move forward with contracting the grant and making the funds available to the agency.

Council Goal(s):

- Thriving Local Economy

Committee(s):

- None

Pro(s):

- This will correct an administrative error made in the original resolution.
- This correction will allow the City to move forward with a contract for the Strategic Partnership Fund grant allocated to the CWA learning center.

Con(s):

- None

Fiscal Impact:

- No fiscal impact is associated with this administrative correction.

Motion:

- Motion to correct an administrative error on Resolution No. 19-142 which replaces the program name of “CWA Early Learning Program “ with “Black Culture Enrichment and College Tour” for The Christine W. Avery Learning Center’s Strategic Partnership award.

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O. RESOLUTION NO. 19-185 - RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE NON-HEALTH-BENEFIT-RELATED INSURANCE POLICIES AND TO ISSUE PROPERTY CLAIM-RELATED PAYMENTS

Action Requested: Adoption of a resolution authorizing the City Manager to purchase non-health-benefit-related insurance policies; and to issue property claim-related payments.

Background:

- Annually, the City of Asheville (City) renews policies to provide coverage against risk exposures, including but not limited to: excess workers’ compensation and liability

(general liability, public officials, employee practices, and law enforcement), dam liability, property (structures/vehicles/equipment), crime, cyber, flood, and builder's risk, when necessary.

- All policies are quoted via the City's Insurance Broker of Record (Broker) to ensure appropriate coverages are obtained from the commercial insurance market.
- Annually, Asheville City Council approves policy premium costs budgeted within the City's Workers' Compensation and Property & Liability Funds.
- Staff is seeking authorization for the City Manager to (1) purchase policies (up to \$500,000 per policy); and (2) pay City property claim-related expenses.

Council Goal(s):

- A Financially Resilient City

Committee(s):

- June 25, 2019, Finance and Human Resources Committee recommended for Council approval.

Pro(s):

- Ensures no policy lapse that may financially expose City employees and assets.
- Timely insurance policy renewals and good standing with City insurance carriers.
- Ensures timely property claim-related payments to expedite City asset repair/replacement.

Con(s):

- None.

Fiscal Impact:

- No additional funds being requested. In Fiscal Year 2020, projected City insurance policy premiums totalling approximately \$1,250,000 are included in the annual budget approved by City Council. Property claim payments utilize funds received from City insurance carriers to repair/replace damaged City assets, less related deductibles.

Motion:

- Recommend Asheville City Council move to adopt a resolution authorizing the City Manager to (1) issue payments for non-health-benefit-related insurance premiums up to \$500,000 per policy and; (2) make City property insurance claim-related payments.

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Vice-Mayor Wisler asked for public comments on any item on the Consent Agenda, but received none.

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

III. PRESENTATIONS & REPORTS:

IV. PUBLIC HEARINGS:

- A. PUBLIC HEARING TO CONSIDER CONDITIONAL ZONING OF PROPERTY LOCATED ON 2360 SWEETEN CREEK ROAD FROM RM-16 RESIDENTIAL**

MULTI-FAMILY HIGH DENSITY DISTRICT TO RESIDENTIAL EXPANSION/CONDITIONAL ZONE FOR THE CONSTRUCTION OF THREE MULTI-FAMILY STRUCTURES TOTALING 81 RESIDENTIAL UNITS

ORDINANCE NO. 4754 - ORDINANCE TO CONDITIONALLY ZONE PROPERTY LOCATED ON 2360 SWEETEN CREEK ROAD FROM RM-16 RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT TO RESIDENTIAL EXPANSION/CONDITIONAL ZONE FOR THE CONSTRUCTION OF THREE MULTI-FAMILY STRUCTURES TOTALING 81 RESIDENTIAL UNITS

Principal Planner Shannon Tuch said that this is the consideration of an ordinance to conditionally zone property located on 2360 Sweeten Creek Road from RM-16 Residential Multi-Family High Density District to Residential Expansion/Conditional Zoning for the construction of three multi-family structures totalling 81 residential units. This public hearing was advertised on July 12 and 19, 2019.

Action Requested: Adoption of a conditional zoning petition for property located at 2360 Sweeten Creek Road (Givens Estate Friendship Park) currently zoned Residential Multi-Family High Density District (RM16) seeking to be rezoned to Residential Expansion District Conditional Zone (RES EXP CZ).

Project Location and Contacts:

- The project site consists of 4.3 acres located at 2360 Sweeten Creek Road (PIN 9655-47-7393) owned by the Givens Estate, LLC.
- Petitioner: G. Thomas Jones, III on behalf of John C. Cowan, Jr, Executive Director of the Givens Estates

Background:

- The Givens Estates is a 215-acre property of 411 independent living units located near their Gerber Park project of 262 affordable apartment units (Tax credit apartments serve people at 60% of the area median income and below. Of those, 78 apartments are HUD subsidized and serve those with extremely low incomes. The rent in HUD apartments is adjusted to be less than 30% of area median income) that together help people of different means to age in place.
- The project proposes to demolish 86 outdated housing units in 11 structures to replace them with 80 units in two buildings.
- Proposed structures measure between two and four stories in height, and approximately 20,000 square feet each.
- The proposed density of 19 units per acre is below the maximum permitted 20 units per acre.
- 98 parking spaces will be provided for cars, including four that are handicapped accessible.

Comprehensive Plan Consistency:

- The project is most-closely aligned with the following goals from the Living Asheville Comprehensive Plan: Goal #1: Encourage Responsible Growth, as it will replace outdated housing units with newer buildings that will provide better, safer and more energy efficient housing for seniors; and, Goal #13: Increase and Diversify the Housing Supply in that new buildings will allow seniors to age in place.
- The Future Land Use category, Residential Neighborhood, also aligns with the proposed development.

Compatibility Analysis:

- The proposed use is compatible with the neighborhood and the type of development typical within the Givens Estates. The project will lead to a reduction in the number of living units (from 86 to 80) so it will reduce the overall impact on the community.

Council Goal:

- Encourage Responsible Growth

Committee(s):

- Planning & Zoning Commission - May 1, 2019 - Unanimous approval

Ms. Tuch said that an additional condition has been added, which reads “A 5-9’ wide sidewalk/greenway and associated retaining wall and storm drainage will be provided, as shown on the landscape map as incorporated herein by reference, resulting in a net reduction of impervious surface located within the required 30’ wide protected aquatic buffer.” The applicant has agreed to this condition.

Mr. John Cowan, Executive Director of Givens Estates, said they are replacing 86 existing residences in 11 buildings and there are no residents in those 11 structures, so no one will be displaced.

Mr. Tom Jones, civil engineer, spoke about the site development and their neighborhood meeting. He said Givens Estate does good things for seniors and builds quality projects.

Vice-Mayor Wisler opened the public hearing at 5:17 p.m.

When Mr. Timothy Sadler asked if public art is part of this new development, Vice-Mayor Wisler replied no.

Vice-Mayor Wisler closed the public hearing at 5:18 p.m.

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

Councilman Kapoor moved to approve of the conditional zoning request for the Givens Estates Friendship Park located at 2360 Sweeten Creek Road from Residential Multi-Family High Density District (RM16) to Residential Expansion District Conditional Zone (RES EXP CZ) for the demolition of 11 buildings (86 housing units) to be replaced with the construction of two buildings comprising 80 housing units (with the inclusion of the additional condition referred to above) and find that the request is reasonable, is in the public interest and is consistent with the city’s comprehensive plan in that (1) the Future Land Use category allows for multifamily structures and is consistent with the proposed Residential Expansion zoning district; and (2) the project will improve the quality and safety of housing units within a senior living community. This motion was seconded by Councilwoman Mayfield and carried unanimously.

ORDINANCE BOOK NO. 32 - PAGE 401

B. PUBLIC HEARING TO CONSIDER THE CONDITIONAL ZONING OF 1 SOUTH TUNNEL ROAD FROM REGIONAL BUSINESS DISTRICT TO MIXED USE EXPANSION/CONDITIONAL ZONE TO ALLOW A MIXED-USE DEVELOPMENT THAT INCLUDES RESIDENTIAL, RETAIL, SERVICE AND ENTERTAINMENT USES

At the request of the applicant's attorney, Councilman Young moved to continue this public hearing until August 27, 2019. This motion was seconded by Councilman Haynes and carried unanimously.

V. UNFINISHED BUSINESS:

VI. NEW BUSINESS:

A. RESOLUTION NO. 19-186 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A HOUSING TRUST FUND LOAN AGREEMENT WITH HOMEWARD BOUND TO ACQUIRE AND REHABILITATE 296 SHORT MICHIGAN AVENUE

Community Development Program Director Paul D'Angelo said that this is the consideration of a resolution to approve a request by Homeward Bound for a Housing Trust Fund loan to acquire and rehabilitate a multifamily property located at 296 Short Michigan Avenue.

Background::

- The multifamily property located at 296 Short Michigan Avenue is on a 0.97 acre site with 5 buildings containing 11 (8 one bedroom and 3 two bedroom) separate apartment units.
- The current owner partners with Homeward Bound and the Asheville Housing Authority to accept Permanent Supportive Housing (PSH) and Housing Choice vouchers.
- At the present time, 6 of the 11 units are occupied by voucher holders. The remaining 5 units are unoccupied and require rehabilitation to be brought up to HUD habitability standards.
- The owner has informed Homeward Bound of his intention to sell, putting the property's long-term affordability in jeopardy. In order to prevent this, Homeward Bound has negotiated a contract to purchase the property for the sum of \$545,000.
- Homeward Bound has intentions to increase their capacity as a developer and operator of supportive housing in the Asheville area. This project is a reflection of that strategy, and will allow them to offer more direct and efficient service to their clients.

Proposal:

- The Agreement for Purchase and Sale is valid until October 31, 2019. Homeward Bound requires that financing be in place before executing that purchase.
- They have presented a \$910,000 project budget to Community Development staff, which includes a \$530,000 loan request from the City's Housing Trust Fund (HTF). The HTF funds would be first into the project, and primarily used for the acquisition of the property. The remainder of the project budget will be drawn from a pending commercial loan and federal HOME funding.
 - The project received a HOME commitment of \$89,153 from the Asheville Regional Housing Consortium this spring. Homeward Bound intends to pursue additional funding in the fall which could be used to supplement the project and perhaps construct more units on site.
 - The applicant is in advanced negotiations with several commercial banks to acquire approximately \$280,000 in additional funding.
 - The City's funding is contingent on Homeward Bound securing these additional funds needed for the project.
 - The remainder of the project budget not applied to acquisition will be used to rehabilitate all 5 structures to a condition that meets HUD habitability standards.
- Homeward Bound has committed to a 99-year term of affordability for the project enforced by a deed restriction. Units will be made available to clients who generally have significant case management needs and require voucher support.

- Due to the extremely low income levels served by these units, the project will not possess adequate cash flow needed to make recurring loan payments. Homeward Bound has requested that the \$530,000 HTF loan be deferred for a 30-year term with 0% interest.
- The applicant's commitment to accept vouchers and serve a population at or below 30% of Area Median Income (AMI) would qualify the loan for Special Terms under HTF policy. Special Terms conditions would make both the deferment of the loan principal and the 0% interest rate allowable.
- The property contains 2 additional building sites, and is adjacent to 2 properties that could be acquired for expansion in the future.
- The proposal does not fully comply with HTF Policy, particularly the condition that the purchase and rehabilitation of existing multifamily housing units are only eligible if the units do not meet the City's minimum housing code. Due to the potential for displacement of existing residents and the vulnerability of the population served, Community Development staff support this exception to the policy.

Council Goal(s):

- Quality Affordable Housing
- An Equitable and Diverse Community

Committee(s):

- Housing & Committee Development - June 18, 2019

Pro(s):

- The project impacts a population that has traditionally been very hard to serve through the Community Development division's affordable housing tools. Completion of this project would ensure that 11 units serving deep levels of affordability are available in perpetuity.
- Homeward Bound can monitor clients closely and better manage housing conditions when serving as property owners. Ideally this would allow them to internalize some costs, and utilize their overall funding in a manner that allows for a greater impact on the area's supportive housing population.
- The project develops capacity at Homeward Bound by providing construction and development experience, and familiarizes them with new funding sources.

Con(s):

- The deep level of affordability provided by Homeward Bound would diminish the project's cash flow, and therefore their ability to make loan payments should the Special Terms conditions not be approved.

Fiscal Impact:

- An amount of \$530,000 will be drawn from the City's Housing Trust Fund. The cost per unit for the project is \$48,182 based on our funding.
- The loan's proposed terms of a deferred principal and 0% interest will prevent the receipt of any program income.
- The City's funding is contingent on Homeward Bound securing these additional funds needed for the project.

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

Mr. D'Angelo responded to Councilwoman Mayfield question when she asked if more HOME funding becomes available for this project, would it reduce the City's obligation.

Ms. Meredith Switzer, Executive Director of Homeward Bound, and a board member on Homeward Bound, thanked Council for their support.

Councilwoman Mayfield was pleased to announce that this is an excellent example of an organization purchasing existing housing to keep it permanently affordable.

Councilman Young also spoke in support of this project and hoped Homeward Bound will continue to do projects on this caliber.

When Vice-Mayor Wisler asked for public comment, no one spoke.

Councilwoman Mayfield moved to approve the request by Homeward Bound to borrow funds from the Housing Trust Fund in the amount of \$530,000. This motion was seconded by Councilman Young and carried unanimously.

RESOLUTION BOOK NO. 41 - PAGE 48

B. RESOLUTION NO. 19-187 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A HOUSING TRUST FUND LOAN MODIFICATION WITH SWANNANOA BEND LLC, FOR THE SIMPSON STREET PROPERTY

Community Development Program Director Paul D'Angelo said that this is the consideration of a resolution to approve a Housing Trust Fund loan modification for an increased award of funds to Swannanoa Bend, LLC for the Simpson Street project.

Background:

- Kirk Booth (d/b/a, Beaucatcher Commons, LLC, now Swannanoa Bend, LLC) received a \$650,000 Housing Trust Fund (HTF) loan awarded through two requests for the purpose of constructing and operating 70 affordable housing apartments dedicated to households at or below 60% of Area Median Income (AMI).
- The project was initially awarded \$300,000 in February 2016 for a 60-unit, fully affordable development located at 43 Simpson Street between Tunnel Road and Biltmore Village near the Swannanoa River.
- A request was brought forward in January 2017 expanding the number of affordable units to 70 as well as increasing the HTF request by \$350,000.
- The project also possesses a commitment of \$262,000 from Buncombe County and a loan from HomeTrust Bank in the amount of \$3,502,979.
- Per a promissory note executed with the City of Asheville on October 6, 2017, Mr. Booth was to complete the construction of 70 affordable apartments and rent them to households at or below 60% AMI for a period of 20 years. A principal balance of \$650,000 was to be paid over a term of 20 years and accrue interest at a rate of 2% annually. Contingent on starting work was a Conditional Use Permit from the Asheville City Council, which was achieved on September 27, 2016.
- The project also received an award through the City's Land Use Incentive Policy with an estimated total value of \$248,710 paid out in annual increments over a period of 11 years and an approximated \$70,000 fee rebate.
- The developer began construction in 2017, but in order to comply with code, needed to install a more extensive dry sprinkler system. The system was installed, as well as much of the site development required to finish work, per the site plans submitted with the Conditional Use Permit approval. Pilings and infrastructure have been installed for all of the seven (7) intended buildings. Four (4) buildings have received a Certificate of Occupancy and are currently leased to qualified low-income tenants.
- The additional work related to the sprinkler system and rising construction costs throughout the duration of the project thus far have caused the developer to exhaust his

committed funds. Staff reviewed all costs associated with the project to this point, as well as conferred with the City's Development Services department about the overruns.

- Staff has concluded that a large portion of the increase is related to the installation of the dry sprinkler (approximately \$140,000) along with retrofit, with the remainder resulting from the rising costs in construction materials nation-wide and local construction labor during the past 24 months. These cost increases have resulted in the need and request for an additional \$650,000 in Housing Trust Fund monies.
- Staff worked with the developer to explore opportunities to complete the project without the investment of additional HTF funding, including seeking commitments from other sources, but were unsuccessful.

Revised Proposal:

- The developer has ordered the 5th building from the Clayton Homes factory, and is anticipating completion and installation in the near future. To finish the remaining site work (namely an on-site stormwater retention area) and accomplish the installation of the remaining buildings, the developer requests an additional \$650,000 from the City's Housing Trust Fund.
- The developer intends to honor the terms of the previous commitment, specifically to rent to households at or below 60% AMI and accept voucher payments.

Council Goal(s):

- Quality Affordable Housing
- An Equitable and Diverse Community

Committee(s):

- Housing and Community Development - January 19, 2016
- Asheville City Council HTF Approval - February 23, 2016
- Asheville City Council Conditional Use Permit - September 26, 2017
- Housing and Community Development - January 17, 2017
- Asheville City Council HTF Approval - February 14, 2017
- Housing and Community Development- June 18, 2017

Pro(s):

- Awarding the increased funding will allow the developer to complete the project and bring an additional 30 affordable housing units (70 total) to market.

Con(s):

- The increased investment will use resources that could be invested in other affordable housing projects.

Fiscal Impact:

- An additional amount of \$650,000 will be allocated from the City's Housing Trust Fund. This will add to the existing principal balance for a total investment of \$1,300,000 to be paid back over a period of 20 years at 2% interest. The cost per unit from the HTF will rise to \$18,571 (\$23,124 if the value of the LUIG and fee rebate are included).

Mr. Kirk Booth said he was pleased with this project and hoped Council would assist him with a more money.

Councilman Young commended Mr. Booth on this project which will be for households at 60% below the AMI and accepting Housing Choice vouchers.

Councilwoman Mayfield noted that Mr. Kirk is a private developer and hoped other private developers will come forward as Mr. Kirk has to provide affordable housing.

When Mr. Timothy Sadler asked if public art will be required for this new development, Councilwoman Mayfield explained that when the City builds new projects, they set aside 1% for public art.

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

Councilman Young moved to approve the request by Swannanoa Bend, LLC to borrow an additional \$650,000 from the Housing Trust Fund, for a total loan amount of \$1,300,000, due to cost increases for the Simpson Street project. This motion was seconded by Councilwoman Smith and carried unanimously.

RESOLUTION BOOK NO. 41 - PAGE 49

C. RESOLUTION NO. 19-188 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A HOUSING TRUST FUND LOAN MODIFICATION WITH WORKFORCE HOMESTEAD INC. FOR THE AMARANTH APARTMENTS PROJECT

Community Development Program Director Paul D'Angelo said that this is the consideration of a resolution to approve a Housing Trust Fund loan modification with Workforce Homestead Inc. for an increase in funds for the Amaranth Apartments Project.

Background:

- Workforce Homestead, Inc., an affordable housing developer located in Chapel Hill, NC, applied for and received a low-income housing tax credit award from the North Carolina Housing Finance Agency (NCHFA) for the purpose of developing a 70-unit affordable housing property at 1 Brookside Circle in Candler, NC (located directly adjacent to the Smokey Park Highway and within the city limits of Asheville).
- The project as proposed will contain fourteen (14) 1br, thirty-five (35) 2br, and twenty-one (21) 3br apartments all set aside for households making at or below 60% of Area Median Income (AMI). This includes eighteen (18) apartments specifically set aside for households at or below 30% AMI.
- The tax credits will provide \$7,645,942 to the project, applied as equity, and have no repayment conditions as long as affordability terms are met. Additional commitments were made from Churchill Stateside Group (CSG) for \$2,030,000 and the North Carolina Housing Finance Agency (NCHFA) for \$250,000, both in the form of loans.
- The Asheville Regional Housing Consortium has extended a \$341,100 HOME loan.
- To fulfill the remaining gap of the initial estimated \$10,917,024 total development cost, the City of Asheville committed \$600,000 from its Housing Trust Fund on April 10, 2018 per Resolution No. 18-88, to be paid back at 2% annual interest adjusted amortization to meet a 1.15 debt-coverage ratio with principal deferred over a period of 20 years. A closing in late summer 2019 was anticipated, with construction to begin shortly thereafter.
- The developer received final bids from his contractor in June 2019 and found that costs had increased substantially from the initial estimate in 2017. The total increase is valued at \$1,375,090, of which \$843,435 is related to unique site issues and the engineering required to mitigate them.
- The developer will continue to work with his contractor to explore value engineering, and feels that they can reduce approximately \$450,000 from the current costs. Additionally, the developer will defer a portion of his developer fee and seek increased loan funding from other project partners.
- The City's funding is contingent on Workforce Homestead, Inc. securing these additional funds needed for the project.

- Despite those measures, a gap of approximately \$600,000 remains if the project is to be completed. Community Development staff worked with the developer to explore other sources of funding from local and regional entities, but found none that were available in the time frame necessary to complete the project.

Proposal:

- To have adequate funds available to complete the project, Workforce Homestead, Inc. requests an additional \$600,000 from the City's Housing Trust Fund. The funds would be added to the existing loan amount and paid back according to the same terms.
- The developer also has plans to submit a Land Use Incentive Grant (LUIG) application when the policy is updated and passed by City Council.

Council Goal(s):

- Quality Affordable Housing
- An Equitable and Diverse Community

Committee(s):

- Housing and Community Development - March 23, 2018
- Asheville City Council HTF Approval - April 10, 2018
- Asheville City Council HOME Approval - January 8, 2019
- Housing and Community Development - July 16, 2019

Pro(s):

- Awarding the increased funding will allow the developer to complete the project and bring an additional 70 affordable housing units to Asheville.

Con(s):

- None

Fiscal Impact:

- An additional amount of \$600,000 will be drawn from the City's Housing Trust Fund. This will add to the current principal balance for a total investment of \$1,200,000 to be paid back at 2.0% interest amortization for a term of twenty (20) years with principal deferred to the date of maturity.
- The City's funding is contingent on Workforce Homestead, Inc. securing these additional funds needed for the project.

Mr. D'Angelo responded to Councilwoman Mayfield when she asked how much money the City will have left in the Housing Trust Fund after these projects, including the \$5 Million bond money. She pointed out that we need more money dedicated to this Fund, and suggested we look at including affordable housing as part of a General Obligation bond process.

Councilman Young was also pleased that there will be 18 apartments set aside for individuals and families at or below 20% AMI.

When Vice-Mayor Wisler asked for public comment, no one spoke.

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

Councilwoman Smith moved to approve the request by Workforce Homestead, Inc. to borrow an additional \$600,000 from the Housing Trust Fund, for a total loan amount of \$1,200,000. This motion was seconded by Councilman Young and carried unanimously.

RESOLUTION BOOK NO. 41 - PAGE 50

D. BOARDS & COMMISSIONS

Regarding the Multimodal Transportation Commission, the following individuals applied for the vacancy: Ritchie Rozzelle, Pat Katz, Dennis Wencel, Michael Stratton, Kenneth Armstrong, Sandy Aldridge, Lisabeth Medlock, Shannon Watkins and Amy Jones. At the request of the Multimodal Transportation Commission, it was the consensus of Council to postpone making appointments until their August 27, 2019, meeting.

RESOLUTION NO. 19-189 - RESOLUTION APPOINTING A MEMBER AND CHAIR TO THE ALCOHOLIC BEVERAGE CONTROL BOARD

Councilman Haynes, member of the Boards & Commissions Committee, said that this is the consideration of appointing a member to the Alcoholic Beverage Control (ABC) Board.

Due to the passing of Lewis Isaac, Chair and member of the ABC Board, there currently exists an unexpired term until November 1, 2020.

The following individuals applied for the vacancy: Robin Cape, Timothy W. Collins, Arthur Michael Edwards and Ander Schreiner.

It was the consensus of the Boards & Commissions Committee to appoint Robin Cape as member of the ABC Board and Jan Davis as Chairman.

Councilman Haynes moved to (1) appoint Robin Cape to serve the unexpired term of Mr. Lewis, term to expire November 13, 2020, or until her successor has been appointed; and (2) appoint Jan Davis as Chair of the ABC Board to serve at the pleasure of City Council. This motion was seconded by Councilman Young and carried unanimously.

RESOLUTION BOOK NO. 41 - PAGE 51

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Mr. Drew Crawford spoke to Council about the need for tiny houses on wheels, campground zoning changes; and text amendments.

Mr. Steven Foster, representing the Coalition of Independent Business Owners, was concerned about the City's handling of core infrastructure components - transit, water, streets and safety. He urged Council to focus resources on core infrastructure needs.

Ms. Nina Tovish, Ms. Gaby Romero and Ms. Melissa Bliss urged Council to move forward with opposing districts.

Ms. Velvet Hawthorne spoke about storm runoff drain behind Whole Foods on Merrimon Avenue.

Mr. Timothy Sadler urged Council to move forward with allowing tiny homes; and advocated for more public art.

Mr. Jonathan Wainscott spoke in support of redistricting.

Councilwoman Mayfield said that City Council will be holding a worksession on September 6, 2019, regarding affordable housing and she has asked staff to help Council

understand the regulatory framework around tiny houses. In addition, she has proposed a hotel moratorium until City Council has the opportunity for a conversation around hotels. That conversation will begin at the City Council Planning & Economic Development meeting at the end of August, 2019.

Closed Session

At 6:21 p.m., Councilwoman Smith moved to go into closed session for the following reasons: (1) to prevent disclosure of information that is privileged and confidential, pursuant to the laws of North Carolina, or not considered a public record within the meaning of Chapter 132 of the General Statutes. The law that makes the information privileged and confidential is N.C.G.S. 143-318.10(e). The statutory authorization is contained in N.C.G.S. 143-318.11(a)(1); and (2) To consult with an attorney employed by the City about matters with respect to which the attorney-client privilege between the City and its attorney must be preserved, including, but not limited to, an administrative procedure and a potential lawsuit regarding City Council election districts. The statutory authorization is contained in N.C. Gen. Stat. § 143-318.11(a)(3). This motion was seconded by Councilman Haynes and carried unanimously.

At 9:08 p.m., Councilman Kapoor moved to come out of closed session. This motion was seconded by Councilwoman Mayfield and carried unanimously.

VIII. ADJOURNMENT:

Vice-Mayor Wisler adjourned the meeting at 9:08 p.m.

CITY CLERK

MAYOR