

Tuesday – March 2-3, 2023 - Noon
200 College Street - Asheville

First Day of City Council Annual Retreat - March 2, 2023

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

At Noon, Mayor Manheimer convened and welcomed everyone to the City Council Annual Retreat.

Mayor Manheimer then introduced Nicholas Beamon, One Team Leadership, who would be facilitating the retreat.

Mr. Beamon then went through why this year is critical for the Council and staff; and what we hope to accomplish at this retreat. He reviewed with Council the requests to ensure success (be here now; have a view; straight-talk; and icebergs and tanks); and why to retreat (pause and consolidate; assess the situation; make tactical adjustments; recommit to the Vision; and to advance forward stronger).

Each Council member (along with some City staff) responded to what is their most important outcome that must be achieved during this retreat.

Discussion took place when Mr. Beamon asked (1) what external elements, market forces and momentum does this team have at its back as you move deeper into 2023; (2) what community challenges and emerging threats does this team face as you move deeper into 2023; (3) why does each Council member govern; and (4) what is the reason you continue to do the hard work required to lead this community.

Discussion took place when City Manager Campbell reflected and reviewed our 2036 vision statement (Asheville is a great place to live because we care about people, we invest in our city, and we celebrate our natural and cultural heritage. Our city is for everyone. Our urban environment and locally-based economy support workers, entrepreneurs and business owners, families and tourists, and people of all ages. Cultural diversity and social and economic equity are evident in all that we do. Our neighborhoods are strong, participation in civic life is widespread, and collaborative partnerships are the foundation of our success) and the 8 focus areas.

After discussion on the focus areas, City Manager Campbell said that she recommended minor tweaking on the focus areas (wordsmith the “clean and healthy environment” focus area to possibly the “healthy environment and safe community”) and possibly renaming the “focus areas” to “framework.” She felt the community wants to know what the six priorities are and how they will impact their lives today. She felt that even though we do not have a real strategic plan, some of the most important elements are a vision and what are the core areas. She felt that if staff are going to put energy into something, it should be Council’s priorities and goals annually. She said that staff will bring back any revisions to City Council for their input and approval.

Mr. Beamon reviewed what is an effective collaborative governing team. He then went through an exercise with Council using the following 2021 success compact collaborative agreements below and Council marked whether each felt the 14 agreements have broken down, wobbled, or held strong: (1) Be patient with your teammate as they bring their full self to the team (passion, knowledge, wisdom, intuition, etc.); (2) Bring a mindset of ownership to the process; (3) Speak up early and often if you have a perspective, feedback or need more information; (4) Use a

pros and cons list as a tool to make logical policy decisions; (5) Request to Debra and Staff: Provide a briefing on certain issues to Council to help share more information in advance of a conversation/decision; (6) Assume your teammate has positive intent behind their actions. Reach out to your teammate directly to discuss their intention; (8) Verify that your interpretation of what was said is accurate; (9) Operate with Integrity – Keep your word, and if you can't proactively communicate why; (10) Honor and respect how others receive information and make decisions; (11) No Triangulation Agreement – Speak directly to the person you have a relationship issue with, rather than putting someone else in the middle. (12) Be Patient with Your Teammate – Give people space if they need it, however if you need time take ownership to circle back to remediate; (12) Perspective Seeking – Be a curious sponge about the other person's point of view; (13) Avoid Surprises – Provide feedback or a heads up on comments one-on-one before making comments publicly; and (14) Work to ask questions for clarification on a topic in a way that respects the other person and strengthens team health. He said that they will be reviewing a compilation of the results at the meeting tomorrow.

He explained the (1) team performance results - clarity and alignment, accountability, execution, and extraordinary results ; and (2) team functionality health - self-leadership, connected relationships, active trust, and straight-talk communication.

Discussion occurred when Mr. Beamon asked Council to identify the internal friction points, breakdowns, processes confusion, or unaddressed issues that will slow down this team's progression and represent a threat to community impact.

At 5:05 p.m., Mayor Manheimer recessed the meeting until 9:00 a.m. on March 3, 2023

Tuesday – March 3, 2023- 9:00 a.m.
200 College Street - Asheville

Second Day of City Council Annual Retreat - March 3, 2023

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

At 9:00 a.m., Mayor Manheimer welcomed everyone to the second day of the City Council Annual Retreat.

Mr. Beamon reviewed yesterday's compilation of the review of the 2021 success compact that City Council filled out at the meeting yesterday. Using the success compact numbers from yesterday, numbers 5, 3 and 7 were held strong; numbers 8, 4, 11, 14, 1, 2, 9 and 6 were wobbled; and numbers 12, 13 and 10 were broken down.

At Mr. Beamon's request, each Council member spoke about what is a bit clearer to them after the first day of the retreat.

Mr. Beamon had each Council member do an exercise and mark each question between 1 and 10, along with the compilation results on (1) self-leadership is practicing self-awareness, self-management, personal growth, and versatility in teamwork behaviors (5.55); (2) connected relationships is demonstrating care, commitment and support for each teammate's success (5.09); (3) active trust is taking intentional actions to build character and competency trust with each teammate (5.36); (4) straight-talk communication is listening, direct respectful speaking, tough debating and a willingness to challenge the status quo (6.64); (5) clarity and alignment is effectively making high-quality decisions and being rigorous about agreements and team direction

(5.36); (6) accountability is holding ourselves and our teammates accountable for performance and behavior (5.45); (7) execution is pursuing the team mission and delivering team results as one team (6.00); and (8) extraordinary results is delivering performance results and sustaining a healthy, high-functioning team culture (5.82).

City Manager Campbell reviewed the priorities and accomplishments from the past year. She then reviewed the key takeaways from this retreat: (1) Council priorities have been developed and evolved over the past several years based on the City Council's Vision and Focus Areas; (2) Staff has aligned council vision, focus areas and priorities into organizational and departmental work plans; (3) Staff is focused on continuous improvement by refining processes to further align projects, initiatives, and the budget process with City Council and community priorities; and (4) Progress on efforts aligned with City Council and community priorities will be reported throughout the year via status updates to City Council Committees, City Manager's Reports, quarterly progress reporting, and the publication of an annual report.

Assistant to the City Manager Jaime Matthews reviewed the top 13 strategies which were developed for Fiscal Year (FY) 2020-21 (reparations; reimaging public safety; employee compensation; and American Rescue Plan Act "ARPA" funding), including the focus area, goal, strategy, and status. She explained the structure of the implementation of the Vision and Strategic Priorities. She then highlighted some of City Council priorities of FY 2021-22 and FY 2022-23 (reparations; reimaging public safety; homelessness strategies; equitable and affordable housing and stability; neighborhood resilience; and improve and expand core services), along with the implementation of strategic priorities.

Assistant City Manager Rachel Wood then highlighted the progress report on the alignment of some of the FY 2021-22 and FY 2022-23 Council priority projects (consisting of the project/strategy and status; Council priority; and status of each project) on (1) an equitable and diverse community - revised Strategic Partnership Grant Program; finalize Reparations Commission recommendations; and create Pack square Plaza Vision; (2) transportation and accessibility - adopt the Gap Plan; development of City-County Transit Master Plan; and complete parking garage structure/maintenance needs assessment; (3) thriving local economy - complete updated Disparity Study; and Outdoor Dining Program updates; (4) connected and engaged community - ARPA Project: inclusive and accessible government; establish neighborhood issue tracker aka the silo buster; and Asheville App relaunch; and (5) quality affordable housing - complete Homeless Consultant Study; establish supportive housing at Ramada; and pursue plan to update affordable housing strategies, including Land Use Incentive Grant and Housing Trust Fund;

Assistant City Manager Ben Woody continued highlighting the progress report as follows: (1) well planned and livable community - ARPA Project: improve access to downtown restrooms; upgrades to Memorial Stadium and Mountainside Park; community Cleanliness Program; and update Emergency Operations/Continuity of Operations Plan; (2) clean and healthy environment - integration of climate justice initiative into City operations; Municipal Climate Action Plan; and single-use plastic reduction initiative; and (3) financially resilient City - comprehensive facilities assessment; comprehensive employee retention strategy; and Advanced Metering Replacement. Mr. Woody then reviewed the work plan and budget development cycle - Council vision and priorities then budget process then work planning and then measuring progress and outcomes.

Discussion, with staff responses, surrounded the 51 current work plan projects. If it is a Council approved direction to staff, City Manager Campbell said that staff would come back to Council for direction to take an item off the list.

Budget Manager Taylor Floyd provided the overview of this presentation - the process and priorities; the revenue forecast; the operating expenses overview (employee compensation;

other operating costs; Capital Improvement Program overview and budget schedule and next steps. He then reviewed the key takeaways from his presentation (1) Council priorities, community feedback, and guiding principles are used to inform budget development; (2) overall positive economic outlook is reflected in projected General Fund revenue growth; (3) market pressures in economy are impacting the cost to deliver existing services and maintain and recruit staff; and (4) the City has significant long-term capital needs that cannot be addressed within existing resources.

Discussion occurred by Council when Finance Director Tony McDowell reviewed the funding/budget challenges and opportunities. He reviewed FY 2022 General Fund results of the revenues and expenditures; General Fund available Fund Balance (21.7%); the FY 24 property and sales tax forecast (1) expect property tax to continue regular growth (2.1% increase); and (3) expect sales tax to moderate (5%); fees and Enterprise Fund revenues (1) FY 23 parking garages and meter revenue performing as expected and significantly better than prior fiscal year; and (2) recommendations for FY 24 fee changes will be presented to the Police, Finance and HR Committee on March 14; revenue summary (1) responsible financial management and strong sales tax growth have put the City in a positive financial position; (2) expect typical growth in revenues next year - estimated \$2.2 Million of additional revenue in the General Fund; and (3) economic uncertainty always a factor; and expenses (FY 23 adopted, all funds). Regarding employee compensation (1) as a service-based organization, staffing (and associated costs) are the most critical resources needed to deliver services and achieve goals; and (2) a competitive compensation package is critical to recruit and retain employees. He then showed Council a chart in the General Fund salary budget history from FY 18 through FY 23. He then reviewed the current compensation cost drivers (1) maintaining competitive wages and salaries (FY 23 living wage and compensation adjustments; (2) end of SAFER firefighter staffing grant; (3) increasing cost of employee health care; and (4) increasing employer contribution to state retirement system.

Throughout Mr. Floyd's presentation, Council discussed some of the challenges regarding compensation. The living wage rate for Buncombe County in 2023 is \$20.10/hour. Additional items are differential salary increases; certification incentive pay; increased night shift and on-call pay; wellness incentive; signing bonuses; and career ladder for trades. To summarize (1) compression adjustments went into effect in FY 23, pay increases to only those impacted by a new living wage would create new compression challenges; (2) staff will continue to implement recommendations from the Compensation Study; (3) strategic recruitment strategies also prioritize retention; and (4) recommend compensation changes will maintain our ability to attract and retain a talented workforce.

Discussion occurred when Mr. Floyd reviewed current operating cost drivers (1) increased cost of fleet parts and repairs; (2) additional contribution to capital; (3) increased landfill tipping fees (to dispose of solid waste); (3) County-provided services (including tax collection, 911); and recycling collection and disposal contract. Some other operating cost drivers include: (1) Transit service (a) cost of existing service increases annually; (b) transit management contract expires in 2025; (c) previously planned service enhancements (extended evening hours and increased S3, S6 route frequency) were not implemented; and (d) City-County master plan needed to determine service delivery and long-term funding strategy; (2) operating requests (a) solid Waste Master Plan (Municipal Climate Action Plan recommendation; (b) ADA Coordination (Greenway, ADA, Pedestrian Plan recommendation; and (c) core service needs are grant coordination, capital asset management and facilities & parks maintenance. The operating summary is (1) the price of goods, materials and services continue to increase; and (2) prioritize new investments (a) existing work plan projects linked to Council priorities; and (b) one-time investments that address organization-wide needs.

Discussion occurred when Mr. Floyd reviewed the Capital Improvement Program. He showed the currently planned projects (FY 24-27). He reviewed some major projects - Municipal Building; I-26 Aesthetics Committee recommendations; and McCormick Field. In summary for the capital, (1) goal is to have a capital plan that considers long term needs; (2) current capacity to fund projects outside of existing plan is limited; and (3) pending deadline for decision on investment in McCormick Field is imminent this month. He then provided the Comprehensive Facility Study update. Regarding transit service (1) bus procurement has become more difficult and costly (a) limits ability to maintain service with an aging fleet; and (b) limits opportunities to expand service; and 2) transit maintenance facility is inadequate to meet current service needs. Another example of a capital need is street maintenance, (1) 2016 General Obligation Bond improved the pavement condition of City street network - 2023 - 60 (poor); (2) \$7-8 Million needed annually to maintain current rating - current allocation is \$3.2-3.6 Million; and (3) Ideal pavement condition would be 80. Capital challenges and opportunities are (1) additional resources are needed to maintain existing facilities and infrastructure; (2) planning work is underway to prioritize investments; and (3) working towards developing a 2024 bond referendum.

Mr. Beamon confirmed these are still priorities (1) improve and expand core services; (2) homelessness strategies; (3) equitable and affordable housing stability; (4) neighborhood resilience; (5) reimaging public safety; and (6) reparations. When he asked if there were any changes to the current six priorities, Councilwoman Ullman suggested, and it was the consensus of Council to add "climate" to the priority of "neighborhood resilience,"

Mr. Beamon then asked Council to each form a small group and take each priority and create a specific 12-month goal statement that represents clear forward progress on that priority. Each priority should be specific, measurable, actionable and realistic, all within a 12-month timeframe.

Each group then outlined their goals for each of the six priorities below.

Improve and Expand Core Services

(Vice-Mayor Kilgore; Councilwoman Ullman; City Attorney Branham and Assistant City Manager Rachel Wood)

- Review and assess infrastructure needs to priorities and develop a bond package
- Implement Independent Review Committee (focused on water) recommendations
- Clean and safe environment for residents
- Advance community engagement and information sharing
- Invest in hiring and retention efforts so Asheville is an employer of choice

(Mayor Manheimer, Councilwoman Mosley, Councilwoman Roney and Assistant City Manager Ben Woody)

- Develop a plan to recruit and retain employees by (anticipating suggestion from staff ___% to ensure quality, equitable service outcomes, specifically for APD and Public Works

(Councilwoman Smith, Councilwoman Turner and City Manager Campbell)

- Implement findings of the Independent Review Committee to improve water infrastructure and emergency planning
- Ensure a clean, safe environment for residents

- Fill and or contract out staffing positions to provide basic functions like cleanliness, public safety, and every day services
- Improve public facing amenities like parking signage, garage maintenance, lighting, trash receptacles, potholes, parks, etc
- Make advancements in community engagement and information sharing, i.e. improving and growing Asheville App
- Review and or assess our infrastructure needs to prioritize and develop a financial plan for investments

Reimaging Public Safety

(Vice-Mayor Kilgore; Councilwoman Ullman; City Attorney Branham and Assistant City Manager Rachel Wood)

- Increase programming and partnerships to interrupt patterns of violence particularly with youth and young adults
- Reduce crime by pursuing short term innovative solutions while APD returns to full staffing levels (i.e. an ambassador program the Chamber suggested and the non sworn officer traffic stop method)

(Mayor Manheimer, Councilwoman Mosley, Councilwoman Roney and Assistant City Manager Ben Woody)

- Pilot a community responder program, collaborating with the County to address crises related to mental health, homelessness, and substance use.
- Pursue funding to partner for violence interrupter programs focused on youth and intimate partner violence.

(Councilwoman Smith, Councilwoman Turner and City Manager Campbell)

- Fill and or contract out staffing positions to reduce vacancy
- Study and possibly implement community responder programs to better triage quality of life issues, mental health disorders, substance abuse, and intimate partner violence
- Violence Interrupters: continue investments, research, and training to curb violence
- Review Unified Development Ordinance for safety and crime prevention through environmental design
- Diversify and target responses to/for unique neighborhood needs around safety
- Strengthen and develop our partnerships with youth development organizations
- Improve safety and community building in high crime neighborhoods
- Reduce crime using innovative short term solutions while APD staffs back up

Homelessness Strategies

(Vice-Mayor Kilgore; Councilwoman Ullman; City Attorney Branham and Assistant City Manager Rachel Wood)

- Support the Continuum of Care recommendations with particular focus on high

- access shelter with wrap around service
- Collaborate to leverage community partners' expertise to make homelessness rate, brief and nonrecurring

(Mayor Manheimer, Councilwoman Mosley, Councilwoman Roney and Assistant City Manager Ben Woody)

- Support implementation of the National Alliance to End Homelessness recommendations, prioritizing the reconfiguration of the Continuum of Care board.

(Councilwoman Smith, Councilwoman Turner and City Manager Campbell)

- Finalize opening of two permanent supportive housing communities
- Continue funding supportive services via HOME, CDBG, & HOME ARP
- Improve communication and partnership between existing organizations that are working on this issue, including joint strategies for data collection
- Do more Point in Time counts and collect more data
- Align funding with requirements for reporting that move us forward together
- Increase strategies to prevent residents from entering or facing homelessness
- Increase supportive services
- Partner with larger cities that have more resources and programs

Reparations

(Vice-Mayor Kilgore; Councilwoman Ullman; City Attorney Branham and Assistant City Manager Rachel Wood)

- Review and respond to the findings of the Audit Committee to end further harm to the African American communities in Asheville
- Formulate a plan to effectively respond to the recommendations made by the Committee's findings

(Mayor Manheimer, Councilwoman Mosley, Councilwoman Roney and Assistant City Manager Ben Woody)

- Implement short-term goals of the Community Reparations Commission
- Implement recommendations from Stop The Harm audit.
- Increase funding, modify by adding compounding percentage.

(Councilwoman Smith, Councilwoman Turner and City Manager Campbell)

- Define the scope of the Audit and help implement it, as recommended by Community Reparations Commission
- Look for more revenue streams, i.e community benefits table or dedicated funding
- Continue to lean on and look to Reparations Commissions for their recommendations and guidance
- Formulate a plan to effectively respond to the Reparations Commission

Equitable and Affordable Housing Stability

(Vice-Mayor Kilgore; Councilwoman Ullman; City Attorney Branham and Assistant City Manager Rachel Wood)

- Increase housing supply for our lowest income residents by incentivizing affordable housing and reducing land use and zoning barriers to creating affordable housing
- Promote walkable, mixed-use and mixed-income neighborhoods, including those near transit

(Mayor Manheimer, Councilwoman Mosley, Councilwoman Roney and Assistant City Manager Ben Woody)

- Continue property tax mitigation
- Pause the Land Use Incentive Grant (LUIG) program, move to use-by-right with a community benefits table and overlay map.

(Councilwoman Smith, Councilwoman Turner and City Manager Campbell)

- Review all affordability tools and programs for effectiveness and update where needed to increase impact
 - Move large housing applicants to a benefits table (like hotels) to expedite quality, affordable housing
 - Increase by right number of units from 49 to 99
- Prepare for a 2024 Housing Bond to increase supply of affordable housing
- Increase repair programs and rental assistance to keep people in their homes
- Complete Missing Middle study and implement upzoning where needed
- Continue property tax mitigation program

Neighborhood and Climate Resilience

(Vice-Mayor Kilgore; Councilwoman Ullman; City Attorney Branham and Assistant City Manager Rachel Wood)

- Create the environmental component of the ESC work plan by reviewing the municipal climate action plan, the community 100% RE policy, food security plan, the community 50% waste reduction policies, etc to prioritize resources and efforts
- Support the emergency operations plan and continuity of operations plan

(Mayor Manheimer, Councilwoman Mosley, Councilwoman Roney and Assistant City Manager Ben Woody)

- Reduce food insecurity/desserts by (anticipating suggestion from staff) ____% using Climate Justice, Food Action, and neighborhood plans.
- Urban Forestry Master Plan
- Develop communication strategy for policy discussions.

(Councilwoman Smith, Councilwoman Turner and City Manager Campbell)

- Adopt and implement municipal climate action plan

- Update Emergency Operations/ Continuity of Operations Plan
- Implement plastic reduction plan
- Strengthen neighborhood coalitions and resource centers
- Grow solar - municipal or community
- Fund Urban Forest Plan
- Begin looking into long term solid waste management
- Update Electric Vehicle charging availability throughout the city
- Utilize Facilities Assessment to identify location of resilience hubs
- Enact the use of available tree funds and plant in low income areas that would benefit from shade/lowered utility use

In response to Council regarding what it would take to get our staffing levels up in the APD to serve the community, in summary Police Chief Zack said that staffing is affected by both attrition and the competitive job market. However, compensation is a huge factor in recruitment and retention. Other avenues to support the staffing shorting include consideration of community responder programs; third party partners; some type of reimbursement from municipalities who poach our officers; restrictions in APD employment contracts to disincentivize departure after training, etc.. Chief Zack also discussed the need for improved partner relationships; possible review of old ordinances; violence interrupter programs; general support for the profession; and in-house training which would allow the APD in a constant mode of training and recruiting.

Mr. Beamon said that he will send all goals for each priority to City staff for them to wordsmith.

Questions raised throughout the discussions by Council that staff were not able to immediately answer will be provided to Council.

At 4:08 p.m., Mayor Manheimer adjourned the meeting.

CITY CLERK

MAYOR